Euro Summit

Brussels, 14 December 2018
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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Euro Summit meeting (14 December 2018) – Statement

Delegations will find attached the statement agreed by the Euro Summit at the above meeting.

Statement – 14 December 2018

Following the mandate given in June 2018 to the Eurogroup, the Euro Summit endorses all the elements of the Eurogroup report to Leaders on EMU deepening, which was prepared in an inclusive format. This comprehensive package paves the way for a significant strengthening of the EMU. In particular, the Euro Summit agreed today on the following.

1. We endorse the terms of reference of the common backstop to the Single Resolution Fund (SRF), which set out how the backstop will be operationalised, and anticipated provided sufficient progress has been made in risk reduction, to be assessed in 2020.

2. We also endorse the term sheet on the European Stability Mechanism (ESM) reform. On that basis, we ask the Eurogroup to prepare the necessary amendments to the ESM Treaty (including the common backstop to the SRF) by June 2019.

3. We look forward to the final adoption of the Banking Package and the non-performing loans (NPL) Prudential Backstop preserving the balance of the Council compromises. We call to advance work on the Banking Union and for ambitious progress by Spring 2019 on the Capital Markets Union, as outlined in the Eurogroup report to Leaders.

4. In the context of the Multiannual Financial Framework (MFF), we mandate the Eurogroup to work on the design, modalities of implementation and timing of a budgetary instrument for convergence and competitiveness for the euro area, and ERM II Member States on a voluntary basis. It will be part of the EU budget, coherent with other EU policies, and subject to criteria and strategic guidance from the euro area Member States. We will determine its size in the context of the MFF. The features of the budgetary instrument will be agreed in June 2019. The instrument will be adopted in accordance with the legislative procedure, as foreseen by the Treaties, on the basis of the relevant Commission proposal to be amended if necessary.

5. The Euro Summit takes note of the communication of the Commission on a stronger international role of the euro and encourages work to be taken forward to this end.