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Deepening the Eurozone with democratic legitimacy in mind

Vitor Teixeira · Tuesday, June 26th, 2018

Today, we publish an open letter to the Heads of State and Government participating in the Euro Summit this week.

Years after the financial crisis, the June 2018 European Council and Euro Summit are again set to focus on the way forward for Economic and Monetary Union (EMU), including on major institutional reforms. Whether it is the Five Presidents' Report, the European Commission's reflection paper and associated proposals, the vision presented by President Macron, the Council's Leaders' Agenda, or the long-awaited Franco-German proposals on EMU reform, two things are clear beyond any doubt:

- Member States do not have a common understanding of what is needed to render EMU financially and politically sustainable;
- There is a major lack of trust, both in the "North" and in the "South", which is in itself becoming an impediment to further reform.

We understand that fiscal matters strike at the heart of national sovereignty, and will be jealously guarded. But Eurozone governance cannot have it both ways. Decisions of this magnitude cannot be "coordinated" at the European level while declining to integrate democratic control to a proportionate extent.

For the June European Council and the further process on deepening EMU, we call on leaders to:

- Focus Eurozone reform efforts on restoring trust from European citizens;
- Ensure accountability at the level at which decisions are effectively taken, including by institutionalising the Eurogroup and strengthening the role of the European Parliament, notably in the appointment process of the European Central Bank's leadership
- To take advantage of existing EU-level structures when introducing new instruments such as an SRF-backstop, a euro area budget, or a rainy-day fund, enabling accountability to both the European Parliament and the Council; as well as institutional watchdogs like the European Ombudsman and Court of Auditors;
- Better anchor the political accountability of the European Central Bank in order to protect its independence and its legitimacy, in view of ever expanding tasks.

[For the full letter, click here.](#)

For the manifesto on transparent, accountable, and democratic Eurozone governance, [click here](#).

This entry was posted on Tuesday, June 26th, 2018 at 4:00 pm