

**EGOV**

ECONOMIC GOVERNANCE AND EMU SCRUTINY UNIT



ECONOMIC GOVERNANCE

The role (and accountability) of the President of the Eurogroup

This briefing paper provides an overview of the role and mandate of the Eurogroup, including the role and accountability of its President. It covers: 1) The role of the Permanent President of the Eurogroup; 2) The President of Eurogroup and the European Parliament; 3) The role and mandate of the Eurogroup; and 4) Eurogroup transparency. The paper is regularly updated.

I. The role of the Permanent President of the Eurogroup

Tasks of the President of the Eurogroup

The tasks of the President of the Eurogroup (PEG) are:

- To chair and steer EG meetings and sets the agenda on a monthly basis;
- To draw up the Euro group's work programme;
- To present the outcomes of EG discussions to the public and the ministers of non-euro area EU countries during ECOFIN meetings;
- To represent the EG in international fora as e.g. the meeting of G7 Finance Ministers; and
- To take part in regular Economic Dialogues with the European Parliament.

Since Croatia joined the single currency area on 1 January 2023, the PEG is now responsible for steering the work of the 20 Finance Ministers forming the Eurogroup.



Box 1: Eurogroup's work programme for the second semester of 2024

The Eurogroup's [work programme](#) until March 2025 is broadly the same in the first half of 2024. It will continue to focus on the three pillars that have guided its work since the second half of 2022:

Economic and fiscal policy coordination: The discussion will continue on the effective implementation of the new economic governance framework to ensure consistent fiscal policies across the euro area, promoting sustainable public finances, inclusive growth, and resilience. The December meeting will be devoted to aligning fiscal strategies across Member States through euro area recommendations and 2025 draft budgets, supporting a coherent policy mix for stability and growth. Another focus will be on NextGenerationEU and RePowerEU, key instruments for supporting short-term growth and boosting long-term productivity.

Deepening the EMU: The Eurogroup aims to finalise progress on its competitiveness agenda by late 2024. Key topics include energy costs, trade fragmentation, the knowledge gap, and industrial policy, with a focus on both short- and long-term strategies to boost competitiveness. The Eurogroup will further discuss the Capital Markets Union (CMU) based on its March 2024 [comprehensive statement](#), outlining thirteen priority measures across three areas — Architecture, Business, and Citizens. Following the endorsement from EU Leaders, a [high-level CMU roadmap](#) was adopted in May 2024. In November, the Eurogroup is scheduled to review national measures to deepen capital markets, identifying best practices and areas for EU-wide action. The Eurogroup remains committed to strengthening the Banking Union, with a focus on ratifying the amended ESM Treaty. Progress in this area is crucial for enhancing the resilience of the Economic and Monetary Union, improving the EU banking sector's efficiency, and supporting the financing of European businesses and SMEs.

The euro as a digital and international currency: Following the ECB's decision in October 2023 to advance the digital euro project, the Eurogroup pledges to continue to actively contribute to this initiative alongside EU co-legislators and the Eurosystem. It will continue to monitor the plans and actions of non-euro area Member States regarding euro adoption, providing support and guidance as needed. It will also maintain its leadership in coordinating the euro area's position in international forums, particularly within G7.

Box 2: 2024 Council recommendation for the Euro Area (EAR)

Each year the EG, the Council and the European Council discuss and adopt euro area relevant policy recommendations (EAR) that Euro Area Member States are required to take action upon individually and collectively within the Eurogroup over the next 12 months. In addition, the Recovery and Resilience Facility Regulation requires Member States to take into account the EAR in designing their Recovery and Resilience Plans.

The 2024 EAR focuses on the following policy areas: (1) fiscal policies and inflation, (2) structural policies (green and digital transitions, enhancing competitiveness, productivity and resilience, implementation of NRRPs, REPowerEU and cohesion funds), (3) labour markets (wage increases, active labour market policies, adequate working conditions, strengthening of social protection, promotion of social dialogue and investments in skills), (4) internal market (removal of investment barriers, better access to finance, level playing field in the Single Market, progress on CMU, boost to competitiveness), and (5) financial markets (ensuring macro-financial stability, tightening of financial conditions, monitoring risk in banks and non-banks, completion of the Banking Union).

The Eurogroup President in office

The EG is led by a President selected in a personal capacity by its peers, by simple majority for a two-and-a-half year term. As set out in its [Working Methods](#), the PEG must hold the position of national minister of finance. However, the [re-election](#) of Paschal Donohoe as PEG in December 2022 marks a departure from the Working Methods in light of his new position as Minister for Public Expenditure, National Development Plan Delivery, and Reform following a cabinet reshuffle in the Irish government. This implies that two Irish ministers, Donohoe himself and finance minister Michael McGrath, currently participate in the EG meetings.

[Paschal Donohoe](#), currently Minister for Public Expenditure, National Development Plan Delivery, and Reform and previously Minister of Finance of Ireland, was elected the fourth permanent PEG on 9 July 2020 following a secret simple majority vote¹ (in two rounds) from the then [19 euro area countries](#). In his [motivation letter](#), he emphasised he would be “*building bridges*” and committed to a transparent and inclusive EG, as well as the importance of effectively communicating to citizens and the European Parliament. Mr Donohoe was re-elected by consensus for second [two-and-a-half year term](#) on 5 December 2022, starting from 13 January 2023. For his second term, his priority focuses “*to strengthen coordination in assessing and analysing the impact of higher energy prices and inflation on the euro area economy*”.

The EG is supported by an advisory body, the **Eurogroup Working Group** (EWG), which is composed of the representatives of the euro area Member States in the [Economic and Financial Committee](#) (EFC), the European Commission and the European Central Bank. [Tuomas Saarenheimo](#) was elected as chair of the EWG by his peers on 6 February 2020 (and confirmed by the EG on 17 February 2020). He took office as of 1 April 2020 for a renewable two-year term. Saarenheimo was subsequently reconfirmed as EWG President on [25 February 2022](#) and [on 23 February 2024](#) for a third two-year mandate.

Previous Presidents

In December 2017, [Mário Centeno](#), at that time Minister of Finance of Portugal, was appointed as PEG. On 11 June 2020, Minister [Centeno](#) informed his colleagues that he would not to run for a second term.

In January 2013, [Jeroen Dijsselbloem](#), at that time Minister of Finance of the Netherlands, was appointed as PEG; in July 2015, he was reappointed for another term, until 13 January 2018.

The Presidency of the Eurogroup had been taken on a 6 months rotating basis until January 2005. [Jean-Claude Juncker](#) was elected the first permanent PEG in January 2005 by the Finance Ministers.

II. The President of Eurogroup and the European Parliament

In accordance with EU legislation, the competent Committee of the EP may invite the PEG for an [Economic Dialogue](#) (ED) during certain stages of the implementation of the European Semester for economic policy coordination and in the context of macro-economic adjustment programmes, including any post-programme surveillance.

The reformed EU economic governance framework continues this tradition and further clarifies the relationship between the PEG and the European Parliament. In this regard, the reformed [preventive arm regulation](#) (Article 27(5)) introduces a new obligation for the PEG to “*report each year to the European Parliament on developments in the area of multilateral surveillance pertaining to the euro area*”.

The reform also maintains the Economic Dialogue organised by the competent committee of the EP as a key accountability component as part of the institutional design of the EMU governance framework. The ED follows the principle that in the EU proper legitimacy and accountability of the decisions taken by the executives is ensured at the national level by national parliaments and at the EU level by the European Parliament².

¹ The other two candidates were Spain’s Finance Minister Nadia Calviño (see [motivation letter, dated 25 June](#)) and Luxembourg’s Finance Minister Pierre Gramegna (see [motivation letter, dated 25 June](#)).

² See for instance, the principle set out in the [conclusion](#) on “completing EMU” of the December 2022 European Council meeting, that “*throughout the process, the general objective remains to ensure democratic legitimacy and accountability at the level at which decisions are taken and implemented*”.

In recent years, the practice has been that the PEG takes part in an Economic Dialogue on a regular basis twice a year (in spring and in autumn) and, if needed, on an *ad hoc* basis. During the 8th parliamentary term, nine EDs with the PEG were held in the ECON Committee. This practice was already agreed during the 7th parliamentary term through an exchange of letters between the competent Committee and the PEG (for an overview of the EDs with the PEG during the 8th parliamentary term, please see separate [EGOV briefing](#)).

Nevertheless, Economic Dialogues with the President of the Eurogroup have become less frequent during the last (9th parliamentary) term. Only [six EDs](#) with the PEG took place during the 9th parliamentary term (in November 2019, April 2020, January 2021, June 2021, February 2022 and June 2023). This also means that Donohoe has only appeared in ECON once after his re-election as PEG. Nevertheless, Members of ECON have previously [highlighted](#) the importance of the scrutiny role of the European Parliament, when underlying the accountability of the PEG to the European Parliament. For an overview of EDs with the PEG and other EU institutions during the 9th parliamentary terms please see separate EGOV [briefing](#).

On [9 September 2018](#), and on initiative of the PEG, the then Chair of the ECON Committee, Roberto Gualtieri, participated in a first exchange of views at a meeting of the Eurogroup. This practice has continued since then and the Chair of the ECON Committee participates now twice a year in the EG meetings held in context of the informal Economic and Financial Affairs Council (ECOFIN) meetings.

III. The role and mandate of the Eurogroup

Informal body with de facto powers

The European Council of 13 December 1997 endorsed the creation of the Eurogroup as an **informal body**³ that brings together the finance ministers of countries whose currency is the euro. The first EG meeting was convened on 4 June 1998. The [European Council conclusions of 13 December 1997](#)⁴ set out in broad terms the mandate for the EG, which have been followed up in the Protocol 14 to the Lisbon Treaty.

On 1 December 2009, the [Protocol 14 to the Lisbon Treaty](#) entered into force, entrusting **Ministers of the euro area Member States to discuss matters related to the single currency and to elect the president by a simple majority of votes, for two and a half years** ("permanent Presidency")⁵.

The Lisbon Treaty also amended the voting rules in the Council, so that when ECOFIN votes on matters affecting the euro area only, only EG members are allowed to vote. For an overview of some arguments in favour and against a full-time permanent EG president, see [Annex 2](#) of this paper.

³ The informal nature of the EG is maintained in various decisions by the EU Courts, namely in the [Mallis](#) case (20 September 2016) and an Opinion (28 May 2020) of Advocate General Pitruzzella to the European Court of Justice in case [Chrysostomides](#). In that Opinion, the Advocate General concludes that the appealed decisions of the General Court (which considered admissible charges against the Eurogroup on the basis of it being an EU Institution) are unfounded and reinforced³ the thesis that the EG "must be considered the embodiment of a particular form of intergovernmentalism that is present within the constitutional architecture of EMU." and not an EU institution. The [final decision](#) by the Court (Grand Chamber) confirms the Advocate General's opinion.

⁴ Leaders foresaw that "The Ministers of the States participating in the euro area may meet informally among themselves to discuss issues connected with their shared specific responsibilities for the single currency. The Commission, and the European Central Bank when appropriate, will be invited to take part in the meetings." But Leaders also noted that that "the ECOFIN Council is the centre for the coordination of the Member States' economic policies and is empowered to act in the relevant areas (...) [and] is the only body empowered to formulate and adopt the broad economic policy guidelines which constitute the main instrument of economic coordination. (...)".

⁵ Article 1 of Protocol 14 reads: *The Ministers of the Member States whose currency is the euro shall meet informally. Such meetings shall take place, when necessary, to discuss questions related to the specific responsibilities they share with regard to the single currency. The Commission shall take part in the meetings. The European Central Bank shall be invited to take part in such meetings, which shall be prepared by the representatives of the Ministers with responsibility for finance of the Member States whose currency is the euro and of the Commission.*

The EG has also been made responsible for **preparing the Euro Summit** meetings and for their follow-up. The [Treaty on Stability, Coordination and Governance in the EMU](#) of 2012 established that the Euro Summit would meet at least twice a year, to provide strategic orientation on the economic and fiscal policies.

The [October 2011 Euro Summit statement](#) recalls that *“The Eurogroup will, together with the Commission and the ECB, remain at the core of the daily management of the euro area. It will play a central role in the implementation by the euro area Member States of the European Semester. It will rely on a stronger preparatory structure.”*

For some time now, the EG is being recurrently **convened in “inclusive format”**⁶, comprising all finance ministers, to address euro area issues that are also relevant to Member States outside the euro area (such as the completion of the Economic and Monetary Union, the Banking Union and the response to the corona virus outbreak). In this respect, the EG is meeting in a format that is closer to that of the Council (ECOFIN). Any discussion on the Banking Union in the EG will therefore also need to include Bulgaria, which joined ERM-II on [10 July](#) 2022 and has been part of the Banking Union since 1 October 2020.

Since Croatia the single currency area on 1 January 2023, the Eurogroup now consist of 20 EU Member State. This follows the ECOFIN [adoption](#) of the EG [recommendation](#) for the Croatian introduction the euro on 17 June 2022. PEG Paschal Donohoe [praised](#) the enlargement of the euro area as *“a sign of the continued confidence in the euro as a pillar of euro area’s economic strength and resilience”*. By joining the euro area, Croatia now also sits at the Governing Council of the European Central Bank (ECB) and gained access to the European Stability Mechanism (ESM). Consequently, it also ratified the reform of the ESM Treaty to allow for the operationalisation of the common backstop to the Single Resolution Fund (SRF). At the time of writing, ratification is also still pending in Italy.

In the context of the [Recovery and Resilience Facility](#), the EG was called to assess national implementation of the euro area recommendation through national Recovery and Resilience Plans, as reflected in a background note prepared ahead of the 18 January 2021 EG meeting (for further details, see [specific EGOV briefing](#) on the euro area recommendation from February 2022).⁷

With the aim to take stock of global economic developments, the EG has also aimed to **better coordinate its positions in advance of major international meetings** in its policy area. For example, on 16 October 2023, the members of the EG participated for the first time in this setting outside of Europe in the margins of the annual meetings of the International Monetary Fund and the World Bank Group in an [informal meeting with US Secretary of the Treasury Janet Yellen](#) to exchange on the transatlantic economic outlook and common challenges, focusing in particular on assistance to Ukraine.

Being an informal supranational body, the EG has **gained significant prominence, notably during the financial and sovereign crisis**. The EG was the body coordinating and, *de facto*, deciding whether financial assistance would be granted, and under which conditions, to a requesting euro area Member State. It also played a strong role in formulating the economic response to the pandemic. It has been less visible in formulating common policy responses in view of mitigating the negative economic effects of higher energy prices following the decrease in fossil fuel imports from Russia. The [Working Methods of Eurogroup](#) were last time updated in 2007 (see Annex 1 to this paper) to reflect developments in its functioning.

⁶ Some [authors](#) argue that this may lead to a lesser role for the Eurogroup.

⁷ On the 15 March 2021 the EG published a [statement](#) on the euro area fiscal policy response to the COVID-19 crisis and its future prospects once the COVID-19 pandemic is under control. It stressed that timely implementation of the Recovery and Resilience Facility remains of ‘utmost priority’.

IV. Eurogroup transparency

The less formalised nature of Eurogroup (*“Member States whose currency is the euro shall meet informally”* according to the TFEU Protocol on the EG), compared with other EU institutions involved in economic governance and surveillance of Member States’ policies, renders inapplicable some of the EU transparency principles to EG proceedings and decisions.

The sensitivity of discussions and their potential impact on the markets (as seen during crisis times) have been used as arguments for a certain level of opacity to the internal discussions and in granting access to meeting documents. Nevertheless, the EG has been cognisant that transparency increases legitimacy and acceptance of decisions and has acted upon that principle. As said before, EG has recurrently been convening in inclusive format, thus blurring the difference to ECOFIN.

At least since the [summer of 2015](#), the European Ombudsman monitors how requests for public access to EG documents were handled, following a complaint.

On 17 December 2015, the President of the Eurogroup addressed to its members a [letter](#) with proposals to enhance the EG transparency. The letter proposed making publicly available (a) the annotated draft agenda (with a meaningful summary of the aim of discussions); (b) the summing up letter, reflecting PEG’s understanding of the discussions and subject to an *ex ante* written procedure among EG members; (c) financial assistance documentation (to be made available ahead of the decisions, to allow namely forwarding for national parliaments); (d) other meeting documents (to be made available after the EG meeting).

At the EG of [11 February 2016](#), Ministers agreed to *“make public the EG agendas in annotated format, as well as the summing-up letters that recapitulate the main content and course of our discussions”*, whilst mandating the EWG to work on whether other meeting documents could also be made available.

On [7 March 2016](#) Ministers further decided *“from now on, documents submitted to the Eurogroup will, as a rule, be published shortly after meetings, unless there are well-founded objections such as: (i) documents which are still work in progress, and/or subject to further substantial changes; (ii) documents containing confidential or market-sensitive information; and (iii) documents for which the author institution objects to their publication. (...) This initiative also extends to the ESM Board of Governors; the ESM will publish ESM programme documents on its website”*.

Transparency

In February 2019, [Transparency International EU](#) (TI EU) published a [report](#) on the Eurogroup’s accountability and transparency. One of their conclusions is that the Eurogroup continues to evade proper accountability: *“As a basic principle, “democratic control and accountability should occur at the level at which the decisions are taken” – i.e. European decision-making should be accountable at European level. This was the stated goal, in 2012, of the Presidents of the European Council, the European Commission, the Eurogroup, and the European Central Bank. While the Eurogroup’s President regularly appears before the European Parliament to answer questions, this voluntary arrangement does not constitute an effective accountability mechanism. Thus, even while operating as a de-facto gouvernement économique, the Eurogroup as such is not accountable to anyone.”*

The report highlights various proposals to improve the transparency, accountability and integrity of the EG, including the transformation of the EG into a formal body with direct responsibility at EU level, mandatory hearings of the PEG before the EP, the creation of a register containing all EG documents and the suggestion for a full-time president, to avoid interest of conflicts by splitting the role of PEG with its function as national Finance Minister.

The report and its recommendations is acknowledged in a March 2021 [background document](#) of the Council outlining the EG transparency initiative.

The TI EU work on EG is part of a larger project looking at transparency, integrity and accountability of the main EU institutions. An update of the first 2014 study was presented in [February 2021](#).

In a letter dated [14 March 2016](#), the Ombudsman (a) signalled the importance of clarifying the handling of requests for access to EG documents; (b) required transparency also concerning the proceedings of the EG preparatory bodies, namely, the Eurogroup Working Group and disclosure of an overview of available documents. The letter was copied to, namely, the President of the EP. In its response of [16 May 2016](#), the PEG noted that the EG is not subject to the transparency requirements applicable to “*institutions, bodies, offices and agencies*” of the European Union and pointed out to the confidentiality of EWG proceedings. The PEG also noted that the initiatives aiming at increasing EG transparency were respectful of the principles underlying the transparency requirements applicable to European bodies and institutions.

On [30 August 2016](#) the Ombudsman signalled a number of issues for further consideration. The Ombudsman (a) requested clarification on handling documents not held by European institutions or bodies; (b) insisted on disclosure of provisional agendas of EWG; (c) suggested to reconsider the proposal regarding the publication of draft programme country-related documents ahead of the decisions being taken; (d) commended the intention to publish preparatory meeting documents. In its reply, dated [25 November 2016](#), the PEG clarified that most of the documents for EG meetings were prepared by Commission and the ESM, but documents held and prepared by EG members could only be made available in accordance with the respective national transparency regimes. He further clarified that (a) the EG proceedings already brought clarity to the EWG discussions and that (b) publication of programme documentation ahead of EG meetings were inappropriate considering their preliminary nature.

In the [September 2018](#) Eurogroup summing up letter, Mr Centeno noted he had informed ministers “*of my [his] intention to review the transparency initiative adopted by the Eurogroup in 2016 and consider further improvements.*”

On [13 May 2019](#) the European Ombudsman launched a strategic inquiry into the transparency of the bodies involved in preparing Eurogroup meetings (i.e. EWG, EFC and Economic Policy Committee (EPC)) to assess how requests for access to documents are handled. The inquiry is addressed to the Council and the Commission. In a press release, the Ombudsman notes that it is important for citizens to be able to “*follow when EU decisions are made by their national Ministers, and on what basis*” in particular in the context of a (future) euro area budget. A [letter](#) was also sent to the PEG asking for views by 15 July 2019 on how to adopt “*a more ambitious approach to the transparency of the EWG, extending for example to the proactive publication of EWG meeting documents*”.

On [11 July 2019](#) the PEG replied that the issues around EG transparency would be discussed with Ministers “*at the next Eurogroup meeting*”. In its final remarks following the [EG 13 September 2019 meeting](#), the PEG indicated that Ministers agreed to increase EG transparency by (i) creating an online repository of publicly available Eurogroup documents (available [here](#)⁸); (ii) expanding - whenever possible - the summing-up letters; (iii) increase the transparency of preparatory work in the EWG, by publishing the EWG meeting calendar and improving its [webpage](#)⁹. The PEG further noted that EG transparency arrangements should be reviewed at “*regular intervals to ensure they remain fit for purpose*”. Such policies are reflected in a document titled “[Eurogroup transparency policy review and way forward](#)” dated of 20 September 2019.

The EG took stock of the implementation of the current transparency regime in April 2021. A [background document](#) (dated 31 March) from the Council Secretariat outlines the achievements thus far, highlighting

⁸ The EG register of documents facilitates access to EG documents. Nevertheless, it seems to comprise documents that were, in any case, already made available (*inter alia*, agendas, lists of participants, summing up letters and some background documents).

⁹ The meeting calendar of EWG is, indeed, being made available in the EWG website. No further documents seem available, notably, no agendas. The document “[Eurogroup transparency policy review and way forward](#)” addresses EGW transparency as follows: “*In relation to the EWG, it is worth noting that it is only a preparatory body for the discussions held by Ministers at the Eurogroup, and EWG agendas largely mirror the ones of the Eurogroup.*”

the higher levels of transparency achieved both at EG and EWG. At the April 2021 meeting, the EG [agreed](#) that *“no additional steps are called for at the current juncture. We confirmed our strong commitment to regularly take stock and maintain this high standard going forward”*.

ANNEX 1: Working Methods of the Eurogroup

The [Working Methods](#) define a set of principles to organise the Eurogroup. It addresses:

- **Eurogroup mandate:** Eurogroup will discuss “matters of key importance to fiscal, monetary and structural policies in the euro area (...) identify common challenges and to formulate and agree on common approaches (...) [to] (...) foster the “ownership” by national authorities when translating them into policy action (...) [and] strengthen finance ministers’ roles at home in implementing policies and advancing important reform projects.”;
- Such discussions would focus on (a) the economic situation and outlook, (b) budgetary policy, (c) structural reforms (including the so called “*macro structural topics*” referring to structural reforms able to “*influence area wide macroeconomic and financial conditions or the smooth functioning of the internal market*”;
- **Eurogroup Presidency:** the WM sets out the nomination and replacement procedures for the PEG. It also defines that the PEG is elected in its personal capacity, has to be familiar with EG matters and enjoy “*general recognition for their knowledge in EMU matters*”;
- **Attendance to the EG** is limited to a number of officials and institutions as set out in the WM (PEG and two members from each euro area Member State, one Commission member and one Commission official in addition to the Commission president, the president of the ECB, accompanied by another member of the Executive Board or an ECB official of his choice, the EWG president, the EFC secretary and one member of the EFC staff, an assistant to the Eurogroup president, an assistant to the Commissioner for Economic and Monetary Affairs, the secretary general of the Council, the Council Secretariat’s director general for Ecofin matters and one member of the Council Secretariat staff, the EPC president or an EPC vice-president may attend whenever necessary);
- **Timing of meetings, Secretariat, venues and language:** meetings are held at the occasion of Ecofin meetings, but if urgently required, meetings or teleconferences may be held at other times;
- **Preparation of EG meetings** (the EWG): the WM spell out the importance of the EWG as a preparatory body to the EG (“The EWG should remain at the centre of the Eurogroup preparations, implying that, in general, it should be in a position to examine all the documents discussed at the Eurogroup”), also referring to the Commission, ECB and Member States input. The EWG is tasked with preparing “short draft “terms of reference” or “common understandings”, which could help crystallising Eurogroup views”;
- **Agendas, proceedings and documentation:** the WM notably refer that “is a general obligation to safeguard the confidentiality of the documents prepared for the Eurogroup”;
- **Output of the discussions: conclusions and communication:** being an informal body, the EG does not prepare conclusions. Nevertheless, the PEG prepares a letter to other participants outlining the debate and conveying his/her understanding of the meeting (which has been made publicly available). Terms of reference, statements and a dedicated website are also foreseen, as well as press conferences. Only the PEG (and ECB PRES and the Commissioner for Economic Affairs) should convey EG views, whilst preserving confidentiality of discussions;
- **External dimension:** the WM refer to the importance of holding regular contacts and exchanges with the ECOFIN, European social partners and international counterparts, namely G7 and IMF.

The WM make a specific reference to the PEG reporting to the European Parliament *“on the priorities of the Eurogroup work programme and reports on progress achieved in the coordination of economic policies in the euro area.”*

ANNEX 2: Debate on a full-time President of the Eurogroup

The debate on establishing a full-time president is part of a wider discussion on how to achieve a more integrated European and Monetary Union by 2025. Recently, the European Fiscal Board (EFB) also argued in favour of a permanent President of the EG. In its [assessment of the EU fiscal rules](#), the EFB mentions being “convinced that the functioning of the Eurogroup could be improved if it was chaired by a full-time president, who is neither a national Finance Minister nor a member of the Commission.”

The decision whether the president of the Eurogroup should be elected among its Members or become a full-time position should have been taken at the end of the mandate of Jean-Claude Juncker as the President of the Eurogroup, as outlined in the [conclusions](#) of the Euro Summit of 27 October 2011. At this meeting, the need for a better governance structure of the euro area, both to deal more effectively with the challenges after the financial crisis of 2008 and to strengthen the euro, was highlighted. Furthermore, the Euro Summit stated: “The Eurogroup - together with the Commission and the ECB - should rely on a stronger preparatory structure to remain at the core of the daily management for the euro area Member States” (point 32).

In May 2013, a [German-French paper](#) endorsed the idea to create a full-time president for the Eurogroup “relying on wider resources” to be created after the EU elections in 2014. The Dutch elections in spring 2017 fuelled the discussion, as there were doubts on whether the then current president Dijsselbloem could stay in office or he had to resign, as no more being the Dutch finance minister.

The European Parliament had taken a stance on this issue in its [resolution](#) of 16 February 2017 on the budgetary capacity for the euro area (2015/2344(INI)). “The positions of President of the Eurogroup and Commissioner for Economic and Financial Affairs could be merged, and in such case, the President of the Commission should appoint this Commissioner as Vice-President of the Commission.”

In December 2017, the Commission published its [Communication](#) on a European Minister of Economy and Finance, as part of its Roadmap for deepening Europe’s Economic and Monetary Union. The European Commission [set out](#) “how a future European Minister of Economy and Finance could play a role in the governance architecture of the EU and euro area. Specifically, the Communication detailed the possible key functions of a European Minister of Economy and Finance, outlines the institutional setting in which the Minister would operate and sets out a potential timeline for the setting up of this new position.”

The following points present some arguments raised in the public domain in favour of and against a full-time PEG:

- reduce the possible conflicts of interest due to defending the interest of the euro area as a whole and national interest as a current Minister of Finance;
- focus only on economic policy surveillance and cooperation with national and EU level stakeholders;
- strengthen the external representation of the euro;
- strengthen the link between the work of the President of the EG and the work of the ESM;
- strengthen the intergovernmental approach to economic governance in EMU;
- loosen the link between the EG and the work of the Council (ECOFIN);
- lack of clear EU legal framework for the new role; and
- not build on sufficient “peer support” from other Finance Ministers as the role would be somehow detached from Finance Ministers.

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