

# Monetary and exchange rate relations with non-EU currencies

## Art 111.3 EC

- agreements concerning monetary or foreign-exchange regime matters with third parties (States, IO)
- the Council (QMV – CMSN Rec., ECB cons.) decides arrangements for negotiation & for conclusion of such agreements
- these arrangements ensure that the Community expresses a single position
- the Commission is fully associated with the negotiations

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## Exchange rate arrangements:

**fixed pegs with former colonies' currencies**

- ***Council Decision of 23/11/1998 concerning exchange rate matters relating to the CFA franc & the Comorian franc***
- ***Council Decision of 31/12/1998 concerning exchange rate matters relating to Cape Verde escudo***

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## Monetary agreements with third countries: *Vatican, San Marino and Monaco*

- *are allowed to use the euro as their national currency*
- *are allowed to issue a limited amount of euro coins*
- *apply Community rules applicable to euro banknotes and coins*
- *co-operate against counterfeiting*
- *Monaco: additional commitments because of access to EU payments systems & to Eurosystem monetary policy operations*