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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Presidency non-paper: Way forward on the EMU architecture

Delegations will find attached the Presidency non-paper: Way forward on the EMU architecture.

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PRESIDENCY NON-PAPER

Way forward on the EMU architecture

I. Scene-setter

As part of the May 2018 MFF package, the Commission came up with a set of EMU related legislative proposals:

- **the Reform Support Programme (with three components: Reform Delivery Tool, Convergence Facility, and a Technical Assistance component);**
- **the European Investment Stabilisation Function.**

In line with the statement of the December Euro Summit, the Eurogroup in extended format has been discussing the main features of a Budgetary Instrument for Convergence and Competitiveness. The work is conducted in a transparent manner, namely using the inclusive approach. This is very much welcomed by the non-euro members.

The Eurogroup debate overlaps with the debate on the RSP - notably the Reform Delivery Tool component of the Reform Support Programme. Other instruments, such as InvestEU Programme, are mentioned in those ongoing negotiations as well.

As Presidency, we have the responsibility of ensuring a fair and effective legislative process, while coordinating with the Eurogrup filière and implementing the leaders' December decisions.

The aim of the debate proposed by the Romanian Presidency is to provide clarity on how to take forward the work on the parts left out of the euro area discussion on the Budgetary Instrument for Convergence and Competitiveness, namely:

a. **the de facto non-euro area component of the Reform Delivery Tool;**
b. **the Convergence Facility;**
c. **the Technical Support Instrument.**

While understanding the political and time constraints, the Romanian Presidency sees merits in having a package approach, such as:

- **Ensuring a smooth process, as well as a proper quality of the final outcome;**
- **Facilitating well documented opinions on BICC for the non-euro member states;**
- **Ensuring that the MFF negotiations are not delayed because of non-action on those other components of the Commission proposal.**

On each of the three components of the Reform Support Programme mentioned (a, b, c), a decision on when to launch negotiations in the Council should be made.

It goes without saying that the whole debate is without prejudice to the elements to be decided by the leaders as part of the MFF package ('nego-box'), in particular the amounts.

II. What could be the way forward?

Bearing all these in mind, the Romanian Presidency considers that it would be useful for ministers to have an exchange of views on the way forward on these legislative files.

We suggest the following guiding questions:

- **Do ministers consider that it would be useful to start discussing the remaining components in parallel with the BICC?**
- **If so, which component should be the first one to be discussed (a. non-euro area component of the Reform Delivery Tool; b. Convergence Facility; c. Technical Support Instrument)?**


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Romanian Presidency of the Council of the European Union