Resolved to achieve the strengthening and the convergence of their economies and to establish an economic and monetary union including, in accordance with the provisions of this
Treaty and of the Treaty on the Functioning of the European Union, a single and stable currency. Elsewhere in the TEU, provisions on EMU are limited to a brief statement in Article
3(4) that Under Article 140, the Commission and the ECB must present the Council with a report on the progress made towards EMU by Member States with a derogation. If a
Member State is judged to have met the criteria for joining the euro, Article 140(3) allows the Council to fix the rate at which the euro shall be substituted for the national currency of
the Member State concerned. The introduction on January 1, 1999, of the euro the single currency adopted by eleven of the fifteen countries of the European Union marked the
beginning of the final stage of Economic and Monetary Union and the start of a new era in Europe. This historic achievement was the culmination of a lengthy process that began in
March 1957, when six Euro-pean nations Belgium, France, Germany, Italy, Lux-embourg, and the Netherlands signed the Treaty of Rome, thereby founding the European
Economic Community (EEC).1 The Treaty came into effect on January 1, 1958, exactly forty-one years before the incept The EURO is Europe's new currency, to be launched in
1999 and to replace European currencies by February 2002. This page contains facts and data about the EURO. May 1-3, 1998. Decision on participating member states by the
European Council on a recommendation from the Council of Ministers on the basis of reports and recommendations from the Commission and the European Monetary Institute (EMI).
The recommendations will assess the performance of each countries under the Maastricht criteria. Bilateral exchange rates between the participating countries will be announced.
Eleven countries have been chosen for the first round of membership. Report on progress towards convergence and recommendation with a view to the transition to the third stage of
economic and monetary union. Author (Corporate). European Commission. The Commission has also issued this information in two separate publications with the title EURO
Regions. Europe. The subject of convergence and divergence in the monetary union has many facets. Some of them impinge directly on the issue of the appropriate monetary
strategy for the euro area. After all, there have already been calls for relaxing the stability standard of the Eurosystem because of the structural differences between the countries
participating in EMU. I shall start with a brief glance back at the convergence process in the run-up to monetary union, and then draw your attention to the differences in growth and
inflation rates that still exist in the monetary union. From the monetary policy standpoint, what interests me most are the reasons for those differences.