

COMMITTEE OF GOVERNORS OF THE CENTRAL BANKS
OF THE MEMBER STATES
OF THE EUROPEAN ECONOMIC COMMUNITY

Confidential

Draft

275th MEETING
BASLE, TUESDAY, 20th APRIL 1993¹
(ROOM C)

Agenda

- I. Approval of the minutes of the 274th meeting.²
- II. Monthly monitoring of economic and monetary developments and policies in the Community.³
- III. Adoption of the Committee's report to the EEC Ministers of Finance on developments on the foreign exchange markets of the nineteen countries participating in the concertation procedure during March 1993 and the first few days of April 1993.⁴
- IV. Review of the EMS exchange rate mechanism.⁵

¹ Please note that there will be a **restricted meeting** which will start at 9.30 a.m. in the same room, followed immediately by the regular meeting. The restricted meeting is expected to last about 20 minutes.

² The draft minutes of the 274th meeting were circulated on 8th April 1993.

³ The monthly monitoring will be prepared by the Foreign Exchange Policy Sub-Committee (Monitoring Group) and will be based on the "Monitoring Charts", "Effective Exchange Rate Charts", "Concertation Tables" and "Monthly Statistical Series" which will be drawn up by the Secretariat and will be ready for the Governors in Basle.

⁴ The draft report prepared by the Secretariat and finalised by the Concertation Group will be circulated to the Governors in Basle.

⁵ Under this item, the Committee will continue its discussion on the follow-up to the mandate from the European Council meeting of Birmingham. The Committee is expected to finalise its written report to the Ministers of Finance and to discuss a draft oral statement to be made by the Chairman at the informal ECOFIN Council meeting of 15th/16th May 1993. Drafts of the written and the oral reports were circulated on 7th April 1993 to the Alternates. A final draft of the written report (together with the first draft of the oral report) will be distributed to Governors in Basle in the afternoon of Monday, 19th April 1993.

V. Preparatory work for the move to Stages Two and Three of EMU:

- Prohibition of central bank credit to public entities;⁶
- Report from the Working Group on Payment Systems on "Principles for the co-operative oversight of payment systems in EC countries";⁷
- Information system requirements for Stages One and Two of EMU;⁸
- Organisation of consultations in the EMI on issues affecting the stability of financial institutions and markets;⁹
- Status of preparatory work.¹⁰

VI. Other matters falling within the competence of the Committee:

- Co-operation with EFTA central banks.¹¹

VII. Date and place of next meeting.

⁶ Under this item, the Committee will consider a draft letter expressing the Committee of Governors' view on some aspects of secondary Community legislation deemed to be desirable in the context of Article 104 (prohibition of central bank credit to the public sector) of the Maastricht Treaty. A draft letter, which has been prepared by the Monetary Policy Sub-Committee in a written procedure, was circulated to the Alternates on 8th April 1993. Following the review of this draft by the Alternates, a final draft will be distributed to Governors in the afternoon of Monday, 19th April 1993.

⁷ The examination of an earlier version of this report was postponed to the present meeting. A revised report, dated April 1993, was circulated on 8th April 1993.

⁸ An interim report prepared by the Working Group on Information Systems will be circulated shortly.

⁹ A report from the Banking Supervisory Sub-Committee is expected to be submitted shortly.

¹⁰ The bi-monthly status report is being prepared by the Secretariat and will follow soon.

¹¹ The replies of some of the EFTA central bank governors to the Chairman's letter of 9th March 1993 (outlining proposals for closer co-operation with EFTA central banks) were circulated on 8th April 1993. A note by the Secretariat on documents which might be made available to the EFTA central banks will be circulated soon.