

# Contents

|                                                     |      |
|-----------------------------------------------------|------|
| <i>Acknowledgements</i> .....                       | v    |
| <i>Preface</i> .....                                | vii  |
| <i>List of Contributors</i> .....                   | xiii |
| <i>Abbreviations and General Bibliography</i> ..... | xv   |
| <i>Table of Cases</i> .....                         | xxxi |

|                                        |   |
|----------------------------------------|---|
| Introduction ( <i>Siekmann</i> ) ..... | 1 |
|----------------------------------------|---|

## Part I – Treaty on European Union

|                                                                            |    |
|----------------------------------------------------------------------------|----|
| Article 3 (ex Article 2 TEU) [Aims of the Union] ( <i>Siekmann</i> ) ..... | 61 |
| Article 13 [Institutional framework] ( <i>Siekmann</i> ) .....             | 67 |

## Part II – Treaty on the Functioning of the European Union

|                                                                                                                            |     |
|----------------------------------------------------------------------------------------------------------------------------|-----|
| Article 119 [Economic and monetary policy] ( <i>Siekmann</i> ) .....                                                       | 75  |
| Article 120 (ex Article 98 TEC) [Conduct of economic policies] ( <i>Ohler</i> ) .....                                      | 107 |
| Article 121 (ex Article 99 TEC) [Coordination of economic policy] ( <i>Ohler</i> ) .....                                   | 119 |
| Article 122 (ex Article 100 TEC) [Emergency measures] ( <i>Kämmerer</i> ) .....                                            | 137 |
| Article 123 (ex Article 101 TEC) [Prohibition of credit facilities] ( <i>Kämmerer</i> ) .....                              | 155 |
| Article 124 (ex Article 102 TEC) [Prohibition of privileged access to financial<br>institutions] ( <i>Kämmerer</i> ) ..... | 173 |
| Article 125 (ex Article 103 TEC) [Prohibition to assume liabilities] ( <i>Ohler</i> ) .....                                | 181 |
| Article 126 (ex Article 104 TEC) [Avoidance of excessive deficits; budgetary<br>discipline] ( <i>Goldmann</i> ) .....      | 193 |
| Preliminary notes to Articles 127–133: monetary policy ( <i>Waldhoff</i> ) .....                                           | 247 |
| Article 127 (ex Article 105 TEC) [Objectives, tasks and competences<br>of the ESCB] ( <i>Friebel/Waldhoff</i> ) .....      | 253 |
| Article 128 (ex Article 106 TEC) [Euro banknotes and euro coins] ( <i>Freimuth</i> ) .....                                 | 323 |
| Article 129 (ex Article 107 TEC) [Structure of the ESCB; Statute] ( <i>Becker</i> ) .....                                  | 355 |
| Article 130 [ex Article 108 TEC] [Freedom from instructions and independence]<br>( <i>Siekmann/Gesley</i> ) .....          | 387 |
| Article 131 (ex Article 109 TEC) [Harmonisation obligation of Member States] ( <i>Friebel</i> ) .....                      | 435 |
| Article 132 (ex Article 110 TEC) [Regulatory instruments of the ECB] ( <i>Ohler/Wenzel</i> ) .....                         | 453 |
| Article 133 [Legal acts concerning the euro] ( <i>Becker</i> ) .....                                                       | 481 |
| Article 134 (ex Article 114 TEC) [Economic and Financial Committee] ( <i>Becker</i> ) .....                                | 483 |
| Article 135 (ex Article 115 TEC) [Recommendations and proposals of the<br>Commission] ( <i>Becker</i> ) .....              | 501 |
| Article 136 [Enhanced cooperation; stability mechanism] ( <i>Ohler</i> ) .....                                             | 505 |
| Article 137 [Euro Group] ( <i>Broemel/Meier</i> ) .....                                                                    | 515 |
| Article 138 (ex Article 111(4) TEC) [External representation of EMU] ( <i>Kadelbach</i> ) .....                            | 527 |

|                                                                                                                                                           |     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Article 139 [Member States with a derogation] ( <i>Broemel</i> ) .....                                                                                    | 545 |
| Article 140 (ex Articles 121(1), 122(2), second sentence, and 123(5) TEC)<br>[Convergence Report and Exemption Clauses] ( <i>Friebel/Herrmann</i> ) ..... | 555 |
| Article 141 (ex Articles 123(3) and 117(2) first five indents, TEC)<br>[General Council of the ECB] ( <i>Sprung</i> ) .....                               | 585 |
| Article 142 (ex Article 124(1) TEC) [Exchange rate policy] ( <i>Broemel</i> ) .....                                                                       | 613 |
| Article 143 (ex Article 119 TEC) [Balance of payment difficulties] ( <i>Broemel</i> ) .....                                                               | 621 |
| Article 144 (ex Article 120 TEC) [Sudden balance of payment crisis] ( <i>Broemel</i> ) .....                                                              | 621 |
| Article 219 (ex Article 111(1) to (3) and (5) TEC) [Monetary and exchange<br>rate agreements] ( <i>Kadelbach</i> ) .....                                  | 637 |
| Article 282 [Status, governance, tasks and powers] ( <i>Becker</i> ) .....                                                                                | 661 |
| Article 283 (ex Article 112 TEC) [Composition of the decision-making bodies<br>of the ECB] ( <i>Steven</i> ) .....                                        | 701 |
| Article 284 (ex Article 113 TEC) [Participation rights; annual reports] ( <i>Becker</i> ) .....                                                           | 709 |
| Article 340 (ex Article 288 TEC) [Public liability of the Union] ( <i>Becker</i> ) .....                                                                  | 723 |
| Article 343 (ex Article 291 TEC) [Privileges and immunities of the Union] ( <i>Becker</i> ) .....                                                         | 731 |

### Part III – Statute of the ESCB/ECB

|                                                                                                                          |            |
|--------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Protocol (No 4) On the Statute of the European System of Central Banks and<br/>of the European Central Bank</b> ..... | <b>745</b> |
| Chapter I: The European System of Central Banks.....                                                                     | 745        |
| Article 1 The European System of Central Banks ( <i>Waldhoff</i> ) .....                                                 | 745        |
| Chapter II: Objectives and tasks of the ESCB.....                                                                        | 747        |
| Article 2 Objectives ( <i>Waldhoff</i> ) .....                                                                           | 747        |
| Article 3 Tasks ( <i>Waldhoff</i> ) .....                                                                                | 749        |
| Article 4 Advisory functions ( <i>Waldhoff</i> ) .....                                                                   | 751        |
| Article 5 Collection of statistical information ( <i>Muscheler/Rheinberger</i> ) .....                                   | 753        |
| Article 6 International cooperation ( <i>Broemel</i> ) .....                                                             | 783        |
| Chapter III: Organisation of the ESCB.....                                                                               | 789        |
| Article 7 Independence ( <i>Siekmann</i> ) .....                                                                         | 789        |
| Article 8 General principle ( <i>Becker</i> ) .....                                                                      | 791        |
| Article 9 The European Central Bank ( <i>Becker</i> ) .....                                                              | 793        |
| Article 10 The Governing Council ( <i>Steven</i> ) .....                                                                 | 795        |
| Article 11 The Executive Board ( <i>Steven</i> ) .....                                                                   | 821        |
| Article 12 Responsibilities of the decision-making bodies ( <i>Steven/Schweiss</i> ) .....                               | 829        |
| Article 13 The President ( <i>Steven</i> ) .....                                                                         | 859        |
| Article 14 National central banks ( <i>Steven</i> ) .....                                                                | 865        |
| Article 15 Reporting commitments ( <i>Siekmann</i> ) .....                                                               | 891        |
| Article 16 Banknotes ( <i>Freimuth</i> ) .....                                                                           | 903        |
| Chapter IV: Monetary Functions and Operations of the ESCB .....                                                          | 905        |
| Preliminary notes to Articles 17–24 Statute ( <i>Heidfeld</i> ) .....                                                    | 905        |
| Article 17 Accounts with the ECB and the national central banks ( <i>Heidfeld</i> ) .....                                | 913        |
| Article 18 Open market and credit operations ( <i>Heidfeld</i> ) .....                                                   | 919        |
| Article 19 Minimum reserves ( <i>Heidfeld</i> ) .....                                                                    | 991        |

|                                                                                                                        |      |
|------------------------------------------------------------------------------------------------------------------------|------|
| Article 20 Other instruments of monetary control ( <i>Heidfeld</i> ) .....                                             | 1007 |
| Article 21 Operations with public entities ( <i>Freimuth</i> ).....                                                    | 1013 |
| Article 22 Clearing and payment systems ( <i>Alfes</i> ) .....                                                         | 1023 |
| Article 23 External operations ( <i>Kleine</i> ) .....                                                                 | 1079 |
| Article 24 Other operations ( <i>Kleine</i> ) .....                                                                    | 1085 |
| Chapter V: Prudential supervision.....                                                                                 | 1089 |
| Article 25 Prudential supervision ( <i>Friebel</i> ) .....                                                             | 1089 |
| Chapter VI: Financial provisions of the ESCB .....                                                                     | 1091 |
| Article 26 Financial accounts ( <i>Freimuth</i> ) .....                                                                | 1091 |
| Article 27 Auditing ( <i>Freimuth</i> ).....                                                                           | 1107 |
| Preliminary notes to Articles 28–33 ( <i>Langner</i> ) .....                                                           | 1115 |
| Article 28 Capital of the ECB ( <i>Langner</i> ).....                                                                  | 1129 |
| Article 29 Key for capital subscription ( <i>Langner</i> ) .....                                                       | 1145 |
| Article 30 Transfer of foreign reserve assets to the ECB ( <i>Kleine/Langner</i> ).....                                | 1161 |
| Article 31 Foreign reserve assets held by national central banks ( <i>Kleine</i> ) .....                               | 1199 |
| Article 32 Allocation of monetary income of national central banks ( <i>Langner</i> ) .....                            | 1211 |
| Article 33 Allocation of net profits and losses of the ECB ( <i>Langner</i> ) .....                                    | 1243 |
| Chapter VII: General Provisions .....                                                                                  | 1259 |
| Article 34 Legal acts ( <i>Ohler/Wenzel</i> ) .....                                                                    | 1259 |
| Article 35 Judicial control and related matters ( <i>Broemel</i> ) .....                                               | 1261 |
| Article 36 Staff ( <i>Siekmann</i> ) .....                                                                             | 1271 |
| Article 37 (ex Article 38) Professional secrecy ( <i>Siekmann</i> ) .....                                              | 1311 |
| Article 38 (ex Article 39) Signatories ( <i>Becker</i> ).....                                                          | 1327 |
| Article 39 (ex Article 40) Privileges and immunities ( <i>Becker</i> ).....                                            | 1331 |
| Chapter VIII: Amendment of the Statute and Complementary Legislation .....                                             | 1333 |
| Article 40 (ex Article 41) Simplified amendment procedure ( <i>Becker</i> ).....                                       | 1333 |
| Article 41 (ex Article 42) Complementary legislation ( <i>Becker</i> ).....                                            | 1335 |
| Chapter IX: Transitional and Other Provisions for the ESCB .....                                                       | 1337 |
| Article 42 (ex Article 43) General provisions ( <i>Broemel</i> ) .....                                                 | 1337 |
| Article 43 (ex Article 44) Transitional tasks of the ECB ( <i>Sprung</i> ).....                                        | 1343 |
| Article 44 (ex Article 45) The General Council of the ECB ( <i>Sprung</i> ) .....                                      | 1347 |
| Article 45 (ex Article 46) Rules of Procedure of the General Council ( <i>Sprung</i> ).....                            | 1353 |
| Article 46 (ex Article 47) Responsibilities of the General Council ( <i>Sprung</i> ) .....                             | 1365 |
| Article 47 (ex Article 48) Transitional provisions for the capital of<br>the ECB ( <i>Langner</i> ) .....              | 1377 |
| Article 48 (ex Article 49) Deferred payment of capital, reserves and provisions<br>of the ECB ( <i>Langner</i> ) ..... | 1385 |
| Article 49 (ex Article 52) Exchange of banknotes in the currencies of the<br>Member States ( <i>Freimuth</i> ).....    | 1405 |
| Article 50 (ex Article 53) Applicability of the transitional provisions ( <i>Sprung</i> ).....                         | 1409 |

## Part IV – Other Protocols

|                                                                               |      |
|-------------------------------------------------------------------------------|------|
| Protocol (No 12) On the excessive deficit procedure ( <i>Goldmann</i> ) ..... | 1415 |
| Protocol (No 13) On the convergence criteria ( <i>Friebel</i> ) .....         | 1419 |

## Contents

|                                                                                                                                          |      |
|------------------------------------------------------------------------------------------------------------------------------------------|------|
| Protocol (No 14) On the euro group ( <i>Broemel</i> ) .....                                                                              | 1421 |
| Protocol (No 15) On certain provisions relating to the United Kingdom of<br>Great Britain and Northern Ireland ( <i>Siekmann</i> ) ..... | 1423 |
| Protocol (No 16) On certain provisions relating to Denmark ( <i>Siekmann</i> ) .....                                                     | 1431 |
| Protocol (No 17) On Denmark ( <i>Siekmann</i> ) .....                                                                                    | 1441 |
| Protocol (No 18) On France ( <i>Siekmann</i> ) .....                                                                                     | 1445 |
| <i>Index</i> .....                                                                                                                       | 1455 |