

**Contribution concerning the final report of the Working
Group on Economic Governance,
Mr. Edmund Wittbrodt, Polish delegate to the European
Convention, Brussels, 7 Nov. 2002.**

Mr. President! Distinguished Members of the Convention!

I strongly support the idea of presence of the Union's economic and social objectives in the new European Constitution. I consider the broad economic policy guidelines as the major instrument of the coordination of economic policies in the whole area of the EU. We have to agree that the monetary policy should be the subject of the competencies of the European Central Bank. This policy needs to be conducted with coordination between the economic policies of the Member States.

I disagree with the proposal to include in to the Constitution the objectives of growth and employment. I am convinced that the present framework of the European Central Bank monetary policy guarantees stability and creates good environment for sustainable development. I also support the ECB's commitment to further increase of openness.

I would like to underline that economic policy of the EU should belong to the competencies of European institutions, not to national ones. The Commission should play the **most significant role in proposing the common economic policy**, but for implementation national parliaments will held.

I agree that the Commission should have the right to issue first warnings on excessive deficits to the Member States. The Stability and Growth Pact should remain outside the Constitution, as it has to be flexible according to rapid changes in economic environment.

The taxation should be in accordance with the single market and may not create internal trade distortion and harmful tax competition.

I agree with the conclusions of the Lamfalussy's report on simplifying regulation of security markets and the need to extend them to other financial sectors and to include appropriate provisions in the Treaty.

I am in favor of the proposal of maintaining informal discussions among finance ministers of the Eurogroup, the European Central Bank and the Commission which could be the first step to further coordination of the functioning of these institutions. The issues regarding the Cohesion Policy should have been included in the paper referring the Economic Governance of the European Union.

Thank you for your attention.