

## **European Institutions**

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The institutional system of the European Union is unique in the world. It is also very complex because it was thought to establish a balance between national and "European" interests.

The European Council is a meeting of the "Heads of State and Government" of the member-States of the European Union. Each Member-State holds the presidency of the European Union for six months.

The European Commission is the institution of the European Union that guarantees the application of the provisions of the Treaty instituting the European Community, it has the initiative power concerning communitarian policies, submits communitarian laws and is competent in specific Areas. It is composed of 20 commissaries, from which 2 are from Germany, Spain, France, Italy and United Kingdom and 1 from each other of the Member-States.

The Council of Ministers is composed by ministers from each country. It is the "supreme" legislative organ of the European Union and adopts the laws that will be executed in every Member-States. Progressively, the Council of Ministers has to legislate in co-operation with the European Parliament.

The members of the European Parliament represent the citizens of Europe. They participate in the legislative process together with the Council of Ministers.

The European Central Bank (ECB), created on the 1<sup>st</sup> June 1998, is located in Germany. It started operating on the 1<sup>st</sup> January 1999. It ensures the execution of its attributions established for the Eurosystem and the ESCB, either by its own activities, in accordance with the statutory requirements, or by the national central banks.

The national central banks of the Member-States that adopted Euro participate in the Eurosystem.

The European Central Bank, together with the National Central Banks from the Member-States of the European Union, form the European System of Central Banks (ESCB), with the mission to define and implement the single monetary policy as from the 1<sup>st</sup> January 1999, date when the Euro will be introduced. The ESCB is politically independent and its main objective is to keep stability of prices within the Union.