

Mario Draghi: 20th anniversary of the euro

Speech by Mr Mario Draghi, President of the European Central Bank, at the session of the plenary of the European Parliament to mark the anniversary of the euro, Strasbourg, 15 January 2019.

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It is with great pleasure that I am here today to celebrate with you the first 20 years of the euro. The euro is the most tangible representation of European integration that our citizens encounter, on a daily basis. It is fitting, then, to celebrate this anniversary here with the directly elected representatives of all our citizens.

Over the years, elected representatives and leaders here and in other parliaments have rightly recognised that ensuring economic prosperity and stability over the long term is a shared challenge that is best faced collectively. We are stronger together.

With the Single Market, we have a powerful engine of sustainable growth to underpin our living standards. The euro has safeguarded the integrity of the Single Market. Today, our economies are integrated to a point that was not imaginable when the euro was designed. Intra-EU exports rose from 13% of EU GDP in 1992 to 20% today and value chains are everywhere in the euro area.

The euro has produced two decades of price stability also in countries where this was a long lost memory. Stable prices have fostered people's confidence in the value of their savings, which is one of the conditions for prosperity. Based on such confidence, firms invest and create new jobs.

Today most challenges are global and can be addressed only together. It is this "togetherness" that magnifies the ability of individual countries to retain the sovereignty over the relevant matters, sovereignty that would otherwise be lost in this global world. It is precisely in this sense that the single currency has given to all members of the euro area their monetary policy sovereignty, compared with the pre-existing monetary arrangements.

It is together that we have a voice in the regulation of international financial markets; a voice, which has been fundamental in reshaping the world financial regulation after the global financial crisis.

But in some countries, not all of the euro's benefits have been realised in full. Partly, this is because reforms at national level are necessary, and they would be so under any monetary system, to produce sustainable growth; partly, because the Economic and Monetary Union (EMU) remains incomplete.

Great progress has been achieved since the crisis struck, but more work still needs to be done; and there is no alternative to a future where we will continue to work together to make our EMU an even stronger engine of prosperity for all its member states.

The European Parliament will have a fundamental role in guiding and designing our European future. In the past, together with the EU leaders, the European Parliament took the fundamental decisions to create the Single Market, and in its wake the euro.

Today, we are all reaping the benefits of their commitment and we want the future generations of Europeans to similarly benefit from our commitment as well. Today, our duty is to complete what was started two decades ago.