

02.07.2014

The ECB Governing Council adopts a rotating system for voting after Lithuania joins the euro area

Lithuania's accession to the euro area, which will be effective 1 January 2015, will give rise to a change in the ECB's Governing Council's voting system.

From next year, 19 National Central Bank (NCB) governors will be members of the Governing Council, which will entail the start-up of a rotating system for this body's votes. The new system grants the right to vote to 15 of the governors, who will exercise this entitlement in a rotating fashion, and to the 6 members of the ECB's Executive Board, who will retain this right permanently.

The adoption of the rotating system was already envisaged in the statutes of the European System of Central Banks and of the ECB for the time at which the number of euro area countries exceeded 15. However, in December 2008, the Governing Council of the ECB deferred the decision until the number of governors exceeded 18. It is not foreseen that the start-up of this system will be further postponed.

The member governors of the Governing Council will be assigned to groups, depending on the respective weight of their countries in the euro area economy and financial sector. With the adoption of the euro by Lithuania, and as long as the number of governors does not exceed 21, the groups will be as follows:

- The first will comprise the **governors** of the NCBs of the **5 countries** with most weight in the euro area, which will **share 4 votes**. At present, this group would be made up by Germany, France, Italy, Spain and the Netherlands.
- The second, the governors of the NCBs of the **remaining countries**, which will **share 11 votes**.

As indicated, the 6 Executive Board members retain their voting rights permanently, whereby, under this arrangement, **the total number of votes amounts to 21**. The governors will rotate monthly (although this period might be amended in the future) in the exercise of their voting rights.

In future, if the number of countries belonging to the euro area reaches 22, rotation will be structured around three groups of countries, of which the first group will continue to

comprise the 5 governors of the national central banks of the main euro area economies (currently, Germany, France, Italy, Spain and the Netherlands), retaining the same number of votes as in the system which will come into force on 1 January 2015.