European Parliament

2024-2029

TEXTS ADOPTED

P10_TA(2026)0289

Global role of the euro

European Parliament resolution of 15 September 2026 on the global role of the euro (2025/2249(INI))

The European Parliament,

– having regard to the post of 17 June 2025 by Christine Lagarde, President of the European Central Bank (ECB) on the ECB’s blog entitled ‘Europe’s “global euro” moment’,

– having regard to the publication by the ECB of 11 June 2025 entitled ‘The international role of the euro’,

– having regard to the speech by Christine Lagarde of 7 October 2025 at the ‘Business en Européens’ event, held in Paris by Business France,

– having regard to the Commission note to the Eurogroup of 13 February 2026 entitled ‘Strengthening the International Role of the Euro’,

– having regard to the Commission communication of 19 January 2021 entitled ‘The European economic and financial system: fostering openness, strength and resilience’ (COM(2021)0032),

– having regard to the Eurosystem repo facility for central banks (EUREP),

– having regard to the Eurosystem’s comprehensive payments strategy of 31 March 2026,

– having regard to the report of 9 September 2024 by Mario Draghi entitled ‘The future of European competitiveness’,

– having regard to the statement by former Commissioner Thierry Breton of 15 September 2022 entitled ‘A European Sovereignty Fund for an industry “Made in Europe”’,

– having regard to Rule 55 of its Rules of Procedure,

– having regard to the report of the Committee on Economic and Monetary Affairs (A10-0214/2026),

A. whereas the stability and credibility of the European economic and institutional framework, based on the soundness of the EU’s economic policies, competitiveness and institutional predictability, overarchingly influence the global role of the euro;

B. whereas the international monetary system remains centred on the US dollar, which represented 57,8 % of global official foreign exchange reserves at the end of 2024; whereas the euro is firmly established as the world’s second most used currency; whereas it accounts for approximately 20 % of global foreign exchange reserves; whereas gold has reached 20 % of total official reserves at market prices and has thereby overtaken the euro, whose share stood at 16 % at the end of 2024[1];

C. whereas the euro accounts for more than 40 % of global export invoicing when trade within the euro area is included; whereas, once euro area countries are excluded, the US dollar accounted for around 60 % of export invoicing compared with around 25 % for the euro in 2023[2];

D. whereas current geopolitical tensions and international trade challenges – including the disruption of value chains, technological developments, digital transformation, the rise of China’s economic power and the challenges posed by the United States to multilateralism – are leading to a multipolar world economy, thus paving the way for a potential shift towards a multicurrency reserve system where the euro will offer additional currency choices for market participants globally, contributing to reducing global financial risks;

E. whereas, notwithstanding the continued structural demand for US treasuries, several recent episodes of geopolitical and trade-related stress have shown that treasury yields may rise rather than fall, thereby calling into question their automatic safe-haven function; whereas this shifting environment creates a window of opportunity for the euro;

F. whereas, despite recent growth in supranational issuance, the stock of European safe assets remains structurally limited, amounting, when combined with euro area sovereign bonds rated at least AA, to only around 33 % of the outstanding stock of US treasuries in the

---

1 ECB, ‘The international role of the euro’, June 2025.

2 ECB, ‘The international role of the euro’, June 2025, Special Feature B, ‘Global trade invoicing patterns: new insights and the influence of geopolitics’, p. 51, Chart B.1 and footnote 88.

third quarter of 2025[3];

G. whereas the EU should protect the integrity of its financial infrastructures and the independence of its market operators against foreign policy unilateralism and potential extraterritorial sanctions by third country jurisdictions, and ensure, at the same time, the effective enforcement of EU sanctions policy;

H. whereas deep, liquid euro-denominated financial markets, and the progress towards an efficient savings and investments union, the completion of the banking union and the fulfilment of the One Europe, One Market roadmap, should play a fundamental role in strengthening the global role of the euro;

General considerations

1. Notes the gradual but profound transformation of the international monetary and financial system; calls for the EU to reduce its strategic dependencies and strengthen its capacity for autonomous action, while actively promoting global interoperability and a more balanced, sustainable and resilient international monetary and financial system; supports, in this context, that a stronger global role for the euro is about reinforcing its role within a more multipolar international monetary system;

2. Notes that, in recent episodes of geopolitical turmoil, safe-haven inflows have contributed to appreciation pressures on the euro, thereby turning the euro area into a 'passive safe haven'[4] that absorbs shocks instigated elsewhere without fully harnessing the corresponding benefits; stresses that the EU should aim not only to absorb external shocks, but also to strengthen its capacity for greater monetary, economic and geopolitical influence;

3. Considers that globally successful currencies are increasingly reliant not only on direct transactions, but also on well-developed networks and infrastructure, which is especially relevant regarding wholesale payment infrastructures, retail payment front ends and private sector innovation ecosystems; underlines that the euro area already benefits from a significant and mature public payment infrastructure, including the T2 real-time gross settlement system operated by the Eurosystem, the TARGET2-Securities securities settlement platform, and the TARGET instant payment settlement (TIPS) infrastructure; considers that strengthening the international role of the euro should address gaps by building on these existing foundations rather than assuming that the EU lacks the basic infrastructure on which to act;

---

[3] Villeroy de Galhau, F., 'The international role of the euro and the development of European safe assets', speech at the European Stability Mechanism, Luxembourg, 2 October 2025.

[4] Speech by Christine Lagarde at the Business France event 'Business en Européens' in Paris, 7 October 2025.

recalls that the Single Euro Payments Area (SEPA) is implemented through privately administered payment schemes operating within a public regulatory and oversight framework established at EU level, enabling customers to make cashless euro payments to anywhere in the EU and to a number of non-EU countries, currently covering 41 countries, in a fast, safe and efficient way, as in their own country; recalls that the supervision package aims to create a more integrated, efficient and competitive financial system, thereby enhancing the attractiveness of EU market infrastructures;

4. Underlines the dominance of foreign financial market infrastructures, ranging from retail payments reliant on international card schemes to wholesale transactions dependant on systems provided by US corporations; stresses that a euro that relies on third-country payment rails remains structurally exposed to extraterritorial leverage;

5. Underlines the reliance of euro area banks on US dollar wholesale funding; warns that this may expose the euro area in times of stress to a possible instrumental geo-economic use of US dollar swap lines;

6. Stresses that the above dependencies expose EU citizens and firms to extraterritorial application of sanctions from non-EU countries, or to the threat thereof; considers the fact that European individuals, including members of the International Criminal Court, have been blocked from accessing basic banking services to be a regrettable illustration of those vulnerabilities; stresses the fact that strengthening the EU’s economic resilience and policy autonomy should become a strategic objective of the EU;

7. Considers that strengthening the international role of the euro can generate benefits both in the short and long term; underlines that a stronger role for the euro internationally would help insulate Europe’s economy from swings in foreign exchange rates, secure better financing conditions for the European economy and for the green and digital transition, and expand protections from foreign measures, thereby increasing the EU’s macroeconomic autonomy;

8. Considers that the main levers for strengthening the euro’s international role would also mitigate the adverse appreciation effects of stronger euro demand by absorbing inflows more efficiently and reducing exchange rate risk and hedging costs;

9. Stresses that any strategy to strengthen the international role of the euro must be pursued on the basis of a clear-eyed assessment of both its benefits and its costs; notes the distinction between passive safe-haven currencies and full international currencies; stresses that passive safe-haven currencies may face appreciation pressures driven by external shocks rather than domestic economic fundamentals, with potentially adverse effects on competitiveness,

inflation and monetary policy; recognises, by contrast, that full international currency status confers significant advantages, including, precisely, insulation from exchange rate volatility, lower borrowing costs, geopolitical leverage and seigniorage benefits, while also entailing structural obligations and constraints, notably the capacity to provide safe, liquid and credible assets at scale to global markets; agrees, therefore, with the ECB President on the need for the euro to ‘move from being an “in between” to being a full international currency’;

10. Stresses that a stronger global role for the euro will not emerge through market forces alone, but requires a coherent strategy by which public authorities establish the conditions and policies for its wider use; observes that the US and China are actively pursuing such strategies in support of their currencies; stresses, however, that the EU should develop its own distinct approach without emulating the specific models of those countries;

11. Is concerned that the economic and monetary union’s lack of ability to speak as a unified voice with international institutions can hold back the international role of the euro;

Strengthening the economic foundations of the euro

12. Notes that deep, liquid and competitive financial markets are key to strengthening the international role of a currency; stresses, accordingly, that the internationalisation of the euro depends on the further development of EU capital markets and genuine cross-border equity market integration; considers that European savings should be channelled more effectively towards investment within the Union rather than being predominantly intermediated through US capital markets; regards deeper and more integrated capital markets as a prerequisite for the euro internationalisation strategy; calls for the timely completion of the savings and investments union and related policy initiatives that will deliver a globally competitive toolbox;

13. Stresses that European savings should be mobilised towards productive investments in the EU through integrated and competitive capital markets, greater retail investor participation, appropriate investment incentives and a stable regulatory framework; considers, however, that the EU’s core challenge is not a shortage of financial capital, but a lack of state capacity to direct it towards common strategic priorities at the necessary pace and scale; stresses that this requires a framework that provides not only incentives, but also the necessary discipline;

14. Calls, in line with the ECB President’s and the Bundesbank President’s statements[5], for the development of a deep and liquid

---

[5] Nagel, J., interview with Politico Europe, 12 February 2026; Lagarde,

common European safe asset to help strengthen the euro's international role; points out that EU safe assets can provide high-quality collateral in international repo markets and offer a euro-denominated liquidity buffer alongside public backstops; agrees with Mario Draghi[6] that, within the EU, such assets would reduce financing costs, weaken the bank-sovereign nexus and help create a genuine European bond yield curve, which would deepen capital market integration by providing a reliable benchmark for price formation in financial products;

15. Stresses that an EU safe asset can only fulfil these functions if issuance reaches a scale sufficient to create a deep and liquid market; underlines that this could be achieved through new common issuance to finance genuine European public goods; emphasises the need for such financing to be allocated and managed at EU level, with a clear repayment mechanism established from the outset, through predictable and credible EU own resources without mutualisation of national debt; stresses that any discussion on potential EU safe assets must fully respect Member States' fiscal responsibilities, avoid permanent debt mutualisation and minimise moral hazard risks;

16. Stresses that the international role of the euro is underpinned by sustainable and sound fiscal and structural growth-enhancing policies based on a commitment to credible fiscal rules to maintain the stability and integrity of the euro; acknowledges that high sovereign debt levels can weaken fiscal credibility, causing investors to become more sensitive to the fundamentals of the economies concerned and thereby act as a catalyst for potential financial crises;

17. Encourages EU initiatives that facilitate the inclusion of EU supranational bonds in major sovereign bond indices, thereby lowering their yield premium and supporting a deeper and more liquid market; advocates integrating the European Stability Mechanism into the EU legal and budgetary framework as a step towards strengthening the EU's financial architecture and reinforcing the international role of the euro;

Trade, international payments and settlement

18. Considers that strengthening the international role of the euro requires its wider use across cross-border value chains, meaning not only trade invoicing, but also the ability of market participants

---

C., speech at the Jacques Delors Centre Hertie School, 26 May 2025; Lagarde, C., speech on the topic 'Conversations pour demain', Institut Montaigne, 15 September 2025.

6 Draghi, M. (2024), 'The Future of European Competitiveness', Part B, Section 2, Chapter 3, page 290.

across jurisdictions to borrow, lend, hedge and settle in euro throughout those chains;

19. Notes that the global prominence of a currency is directly linked to the role that the issuing country has in global trade; stresses that the EU, as one of the world's largest trading blocs, would benefit from its currency having a strengthened international role; underlines that stimulating the choice of the euro in trade will reduce exchange rate risk and other currency-related costs, especially for European small and medium-sized enterprises;

20. Calls on the Commission to link EU investment programmes with euro invoicing across value chains, actively promote the use of the euro in a way compatible with EU State aid rules in trade agreements and public procurement, and work with industry actors to strengthen its use in invoicing, procurement and payments;

21. Encourages the Commission to explore targeted incentives for the pricing and settlement in euro of exports of clean technology capital goods, in particular where this can support strategic clean technology value chains and the EU's climate and industrial objectives; points out that a higher share of energy and defence public procurement contracts denominated and settled in euro could enhance the international role of the single currency; is therefore supportive of policies furthering that goal;

22. Emphasises that borrowing, lending and settling in euro requires a sovereign European public digital payments and settlement infrastructure ensuring interoperability and speed in cross-border, cross-currency transactions, with a European central bank digital currency (CBDC) in its wholesale functionality lying at its core; considers that the digital euro is the foundational infrastructure layer upon which euro internationalisation depends, and reaffirms its full support for its rollout as a priority instrument of European monetary sovereignty; calls on the ECB to ensure an adequate balance between financial innovation and stability; welcomes, in this regard, the ECB's wholesale initiatives, notably Pontes and Appia; supports their orderly and more rapid implementation;

23. Underlines the importance of interoperability with other international settlement and payment systems; recognises that the digital euro in its retail function could also contribute to strengthening the euro's international role by eliminating frictions and undue costs in remittance flows, creating a significant bottom-up economic incentive for resident and foreign households to adopt it and organically expanding the euro's global footprint;

24. Stresses that reinforcing the euro's role across cross-border value chains requires the further expansion of bilateral swap lines with EU Member States and internationally, which remain currently

restricted; points out that expanding the Eurosystem’s international liquidity backstops to partner jurisdictions can help safeguard euro liquidity abroad, as well as financial stability within the euro area, and thereby enhance the offshore use of the euro; highlights that liquidity lines, such as repo lines, are not substitutes for permanent foreign currency swap lines, which are essential for fostering deep-seated trust in the euro’s global availability; welcomes the ECB’s enhanced Eurosystem repo facility for central banks (EUREP), which provides standing access to euro liquidity lines, in principle, for all international central banks, while noting that it benefits central banks already holding euro reserves rather than those in the process of building them; calls on the ECB to better address, in its annual report to Parliament, the criteria applied to determine eligibility for swap line arrangements, and to assess whether those criteria adequately serve the objective of euro internationalisation, including, where relevant, with respect to the Global South countries; acknowledges that Ukraine has no ECB swap line and that a swap line would help reduce Ukraine’s foreign exchange strains;

Financial stability

25. Underlines that stablecoins backed by third-country currencies actively reinforce the international dominance of those currencies by increasing demand for related debt instruments and further boosting their use in international transactions;

26. Warns that the circulation in the EU of fully fungible US dollar-denominated stablecoins issued by both EU and non-EU entities creates potential new financial stability risks by incentivising the concentration of reserves in the United States while shifting redemption pressure to the EU;

27. Warns of the risks to the EU’s financial stability that could arise from a correction in highly leveraged markets, including the AI sector in the United States; stresses that such shocks may be amplified through EU banks’ reliance on short-term US dollar wholesale funding; underlines the need to monitor closely, beyond net current account balances, gross capital flows as a source of macroeconomic imbalances; stresses that the EU should pursue a balanced approach that safeguards financial stability while enabling responsible innovation and the development of competitive European digital financial markets;

28. Calls on the Commission, in cooperation with the ECB, to present, by the end of 2026, a joint euro internationalisation strategy to Parliament and the Council;

°

° °

29. Instructs its President to forward this resolution to the Council and the Commission.