

reviews some of the economic issues regarding the effects of EMU on foreign direct investment (FDI) flows. The sixth section considers other scenario-dependent potential effects, and the seventh presents an assessment of the overall effects on Canadian companies based on a survey of exporters to the EU which was undertaken as part of this project. Section eight concludes.

**Table 1.1**  
Timetable for the Final Stage of the EMU Process

Timing	Actions	Responsibility	Phase
As soon as possible in 1998	Decision on participating Member States	Council	
As soon as possible after the decision on participating Member States	Start production of euro banknotes; Start production of euro coins	ESCB Council and Member States	A
January 1, 1999	Irrevocable fixing of conversion rates and entry into force of legislation related to the euro (legal status, continuity of contracts, rounding, etc.)	Council	A
From January 1, 1999	Definition and execution of the single monetary policy in euro; Conduct of foreign exchange operations in euro; Operation of TARGET payment system; Issue new public debt in euro.	ESCB ESCB ESCB Member states	B
January 1, 1999 to January 1, 2002	Exchange a par value of currencies with irrevocably fixed conversion rates; Monitor changeover in the banking and finance industry; Assist the whole of the economy in an orderly changeover.	ESCB ESCB and public authorities in Member States ESCB and public authorities in Member States	B
January 1, 2002 at the latest	Start circulation of euro banknotes and withdrawal of national banknotes; Start circulation of the euro coins and withdrawal of national coins; Complete changeover in the public administration.	ESCB Member states Member states	C
July 1, 2002 at the latest	Cancel the legal tender status of national banknotes and coins.	Council; Member states; ESCB	C

Notes: ESCB (European System of Central Banks),  
TARGET (Trans-European Automated Real-time Gross settlement Express Transfer).

Source: Association for the Monetary Union of Europe (1996)