

**01 – 01 – 2023**

- News: Croatia adopts EURO as its currency
- Recently, Croatia became the member of Eurozone.

## **Eurozone**

- Eurozone is a **currency union of 20 member states of the European Union (EU) that have adopted the euro as their primary currency and sole legal tender, and have thus fully implemented EMU policies.**
- **Countries in European Union but out of Eurozone are Bulgaria, Czech Republic, Denmark, Hungary, Poland, Romania and Sweden.**
- Countries in Eurozone have to **fulfill 5 economic criteria, known as euro convergence criteria or the Maastricht criteria.** These criteria are based on Article 140 of the Treaty of functioning of the European Union.
- There are countries which are not in Eurozone, but **uses Euro with formal agreement (Andorra, Monaco, San Marino and Vatican City) and without any agreement (Kosovo and Montenegro).**

## European Union (EU)

- European Union is **founded by Maastricht treaty in 1993** (amended thrice by Treaty of Amsterdam 1997, Treaty of Nice 2001 and **Treaty of Lisbon 2007**).
- EU is a Political and Economic Union of **27 member states**.
- Combined area is 4,233,255.3 km<sup>2</sup> and population is about 447 million.
- Combined GDP of European Union members are \$20 trillion (25% of Global GDP).
- Members: **Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden**.
- EU countries are having **High Human Development Index**.
- EU is funding Electronic Auto-rickshaw in India named "**Namma Auto**".
- In the recent India visit, Ambassador of EU to India announced the setting up of India's first major off-shore wind energy power plant in Gujarat.
- On **1 December 2009, the Lisbon Treaty entered into force and reformed many aspects of the EU**. In particular, it changed the legal structure of the European Union, merging the EU three pillars system into a single legal entity provisioned with a legal personality, created a permanent President of the

European Council, the first of which was Herman Van Rompuy, and strengthened the position of the High Representative of the Union for Foreign Affairs and Security Policy.

- There are **five recognised candidates for membership of the European Union**: Turkey (applied in 1987), North Macedonia (applied in 2004), Montenegro (applied in 2008), Albania (applied in 2009), and Serbia (applied in 2009). All have started accession negotiations.
- Kosovo, whose independence is not recognised by five EU member states and Bosnia and Herzegovina are recognised as potential candidates for membership by the EU.
- The accession criteria are included in **Copenhagen criteria**.
- **Broad Term – Based Trade and Investment Agreement** is a trade agreement between EU and India.
- EU is the **largest trade partner of India** and India is the **9<sup>th</sup> largest trade partner of EU**.
- 3 % of EU trade is with India, whereas 11% of Indian trade is with EU.
- BTBI will bring a Free Trade Agreement with EU.
- European Union is the **co-manager of BIOFIN** initiative along with UNDP where, National Biodiversity Authority (NBA) is the partner in India. (Statutory bodies).