



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-PUBLIC

COURTESY TRANSLATION

Mario DRAGHI
President

Mr Stelios Kouloglou
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 10 April 2018

L/MD/18/123

Re: Your letter (QZ-009)

Honourable Member of the European Parliament, dear Mr Kouloglou,

Thank you for your letter, which was passed on to me by Mr Roberto Gualtieri, Chairman of the Committee on Economic and Monetary Affairs, accompanied by a cover letter dated 13 February 2018.

The ECB has been made aware of the ongoing investigations in Greece surrounding the Swiss pharmaceuticals company Novartis mentioned in your letter, and of the alleged involvement of the current Governor of the Bank of Greece in the context of his past non-Eurosystem-related activities.

The ECB is obviously concerned about the good conduct of any member of a decision-making body of a national central bank (NCB) being part of the European System of Central Banks, as it considers such conduct vital for safeguarding the public's trust in the irreproachable performance of public office.

On the other hand, central bank independence is a cornerstone of Economic and Monetary Union in all four of its dimensions (institutional, personal, functional and financial)¹. In particular, the personal independence of

¹ Article 130 of the Treaty on the Functioning of the European Union provides: "When exercising the powers and carrying out the tasks and duties conferred upon them by the Treaties and the Statute of the ESCB and of the ECB, neither the European Central Bank, nor a national central bank, nor any member of their decision-making bodies shall seek or take instructions from Union institutions, bodies, offices or agencies, from any government of a Member State or from any other body. The Union institutions, bodies, offices or agencies and the governments of the Member States undertake to respect this principle and not to seek to influence the members of the decision-making bodies of the European Central Bank or of the national central banks in the performance of their tasks." See also Articles 7 and 14.2 of the Statute of the ESCB.

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the Governors in the performance of their Eurosystem-related tasks is a key principle of the operation of the Eurosystem and of the legal integration of each NCB into the Eurosystem, which is strongly protected in the Treaty on the functioning of the European Union (hereinafter the "Treaty") and the Statute of the European System of Central Banks and the ECB (hereinafter the "Statute"). The ECB closely monitors any signs of pressure being put in particular on NCB Governors and undue interference in the performance of their Eurosystem tasks, which would be inconsistent with the legal protection afforded by the Treaty and the Statute as regards central bank independence.

The Statute provides that an NCB Governor may only be relieved from office in two specific situations: (i) if he or she no longer fulfils the conditions required for the performance of his or her duties or (ii) if he or she has been found guilty of serious misconduct.² NCB statutes must ensure that Governors cannot be relieved from office for reasons other than these two. The concept of serious misconduct is understood to cover a situation in which an NCB Governor is found guilty by a court of law of a serious offence. In addition, the ECB observes that the presumption of innocence, a fundamental right protected by Article 48(1) of the Charter of Fundamental Rights of the European Union, applies to any NCB Governor. Finally, if an NCB Governor were unlawfully relieved from office, the Governing Council of the ECB would have the right to challenge the relevant national decision by referring it to the Court of Justice of the European Union on the grounds of infringement of the Treaty or of any rule of law relating to its application.³

The ECB does not interfere in national judicial proceedings and fully respects the competence and independence of the national courts and judicial system. The ECB will continue to closely monitor any developments related to this matter.

Yours sincerely,

[signed]

Mario Draghi

² Article 14.2, sentence 2 of the Statute of the ESCB.

³ Article 14.2, sentences 3 and 4 of the Statute of the ESCB.

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