



EUROPEAN CENTRAL BANK

EUROSYSTEM

Mario DRAGHI  
President

CONFIDENTIAL

Mr Michael McGrath T.D.  
Fianna Fail Spokesperson on Finance  
Constituency Office  
Main Street  
Carrigaline  
Co. Cork  
Ireland

Frankfurt, 29 January 2013

L/MD/13/44

Dear Mr. McGrath,

Thank you for your letter dated 7 January 2013 and for taking the time to express your views and concerns of on-going developments related to the Irish adjustment programme.

Let me assure you that I am fully aware of the resilience displayed by Irish citizens in the face of what I am aware is a necessary but difficult adjustment process. The performance of the adjustment programme has rightly won praise from many quarters, and it is clear that despite the challenges still presented by the programme, Ireland continues to progress well towards a successful conclusion of its programme. I have no doubt that Ireland will do so, not just through continued and determined domestic policy action, but also through the term of its Presidency of the European Union.

Let me also take this opportunity to assure you that Ireland continues to enjoy the support of the Eurosystem. Over recent years, the support from the Eurosystem to Irish banks, in form of monetary policy and emergency liquidity loans, has been extraordinary.

As you are aware, the ECB has a keen interest in developments surrounding the Irish Bank Resolution Corporation's promissory notes, which are non-marketable instruments.

The ECB remains in close contact with the Central Bank of Ireland and will continue to discuss with the Irish authorities on what may be achievable with respect to the promissory notes, within the confines of the treaties that govern our monetary union.

Yours sincerely,