



EUROPEAN CENTRAL BANK  
EUROSYSTEM

*COURTESY TRANSLATION*

Mario DRAGHI

*President*

Mr Rareş-Lucian Niculescu  
Member of the European Parliament  
European Parliament  
60, rue Wiertz  
B-1047 Brussels

Frankfurt, 13 November 2012

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**Re: Your letter**

Dear Mr Niculescu,

Thank you for your letter passed on to me by Ms Sharon Bowles, Chairwoman of the Committee on Economic and Monetary Affairs, and accompanied by a cover letter dated 3 October 2012.

Regarding your question on the investment of the ECB in its new premises I would like to mention that the ECB is currently renting office space in three buildings in Frankfurt am Main. As recommended by the European Court of Auditors to all European institutions, owning premises, fit for the institution's needs and requirements, is in the long-term economically preferable to renting office space. For the new premises, the ECB will use its own funds.

Regarding the costs for the new ECB premises the following needs to be taken into account: The overall investment costs were estimated in 2005 to be around €850 million based on constant 2005 prices.

It is anticipated that increases in the price of construction materials and construction activities from 2005 until the completion of the project in 2014 will account for the majority of the estimated additional costs prognosis.

The ECB monitors the construction progress, its costs and price developments very closely. Where necessary, adjustments and amendments are implemented. The Grossmarkthalle – a large industrial heritage

building from 1928 – presented a number of challenges that were not detected in the initial examination conducted prior to the acquisition: the foundations turned out to be insufficient and required additional support; the roof coverage was found to be contaminated and therefore could not be disposed of as envisaged; and parts of the concrete construction had insufficient steel support.

All mentioned factors are likely to account for additional costs of about €300-350 million until the end of the project in 2014 compared to the original estimate of overall investment costs based on constant 2005 prices.

Yours sincerely,

[signed]

Mario Draghi