



EUROPEAN CENTRAL BANK
EUROSYSTEM

COURTESY TRANSLATION

Mario DRAGHI
President

Mr Dimitrios Papadimoulis
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt, 7 May 2015

L/MD/15/300

Re: Your letter (QZ-56)

Honourable Member of the European Parliament, dear Mr Papadimoulis,

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 23 March 2015.

Article 14.4 of the Statute of the European System of Central Banks and of the European Central Bank assigns to the ECB Governing Council the responsibility for restricting emergency liquidity assistance (ELA) operations if these operations are found to interfere with the objectives and tasks of the Eurosystem.¹

The Governing Council carefully assesses the features of the transactions, their liquidity effects and whether it would be appropriate to impose specific conditions in order to protect the integrity of the ECB's monetary policy. Additional procedures underlying the Governing Council's role with regard to the provision of ELA are aimed at adequately ensuring that these arrangements and their potential effects do not interfere with the single monetary policy.

The rules of the Eurosystem governing the provision of liquidity to the banking system are intended to ensure the singleness of monetary policy in the euro area. Their consistent application is of crucial importance for

¹ Article 14.4 of the Statute of the ESCB stipulates that "National central banks may perform functions other than those specified in this Statute unless the Governing Council finds, by a majority of two thirds of the votes cast, that these interfere with the objectives and tasks of the ESCB. Such functions shall be performed on the responsibility and liability of national central banks and shall not be regarded as being part of the functions of the ESCB."

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enabling the ECB to fulfil its mandate, i.e. to meet the primary objective of maintaining price stability over the medium term in the euro area as a whole.

Please note that the ECB does not comment on interaction with individual banks, be it in connection with ELA or other operations. Therefore, the ECB does not publish data related to ELA operations.

Yours sincerely,

[signed]

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