



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-PUBLIC

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60, rue Wiertz

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Frankfurt, 11 April 2017

L/MD/17/157

Re: Joint answer to letters QZ-006, -007, -008 and -010.

Honourable Members of the European Parliament,

Thank you for your letters, which were passed on to me by Mr Roberto Gualtieri, Chairman of the Committee on Economic and Monetary Affairs (ECON), accompanied by cover letters dated 3 and 14 February 2017. As your letters all concern the same issue, namely TARGET2 balances, and your questions partly overlap, I am hereby sending you a joint reply.

As I had the opportunity to explain during my appearance before the ECON on 6 February 2017 and on several previous occasions¹, the euro is irrevocable. This was established in the Treaty on the Functioning of the European Union. Hence, it is not appropriate for the ECB to engage in any reflections on hypotheses or assumptions not provided for in the Treaty².

¹ See, for instance, my letter dated 7 May 2015 to your Honourable colleagues from the European Conservatives and Reformists political group, published on the ECB website: https://www.ecb.europa.eu/pub/pdf/other/150508letter_eqr.en.pdf

² Consolidated version of the Treaty on the Functioning of the European Union (OJ C 326, 26.10.2012, p. 47), available at: <http://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:12012E/TXT>

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For further explanations regarding the functioning of TARGET2 and the background to recent developments in TARGET2 balances, I kindly ask you to refer to a box in the ECB's Economic Bulletin from November 2016 (see page 20).³

Yours sincerely,

[signed]

Mario Draghi

³ ECB Economic Bulletin Issue 7 / 2016, available at: <https://www.ecb.europa.eu/pub/pdf/ecbu/eb201607.en.pdf>

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