



EUROPEAN CENTRAL BANK  
EUROSYSTEM

Mario DRAGHI

*President*

Ms Martina Anderson  
Member of the European Parliament  
European Parliament  
60, rue Wiertz  
B-1047 Brussels

Frankfurt, 20 June 2013

L/MD/13/378

**Re: Your letter**

Dear Ms Anderson,

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 April 2013.

The Central Bank of Ireland has stated publicly that “[t]he bonds will be placed in the Central Bank’s trading portfolio and sold as soon as possible, provided that conditions of financial stability permit. The disposal strategy will of course maintain full compliance with the Treaty prohibition on monetary financing”.<sup>1</sup>

The Irish Government’s Department of Finance, in a document entitled “Transaction Overview”, dated February 2013,<sup>2</sup> stated that the Central Bank of Ireland has committed itself to selling a minimum of bonds in accordance with a specific schedule.

The management of the Central Bank of Ireland’s asset portfolio is entirely a matter for the Central Bank of Ireland, subject to the proviso that it does not interfere with the single monetary policy.

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<sup>1</sup> Statement published by the Central Bank of Ireland dated 7 February 2013 (<http://www.centralbank.ie/press-area/press-releases/Pages/CentralBankStatement.aspx>).

<sup>2</sup> For further details see <http://www.finance.gov.ie/documents/publications/presentation/2013/newjmpres.pdf>.

Moreover, the Central Bank of Ireland is obliged to ensure compliance with Article 123 of the Treaty on the Functioning of the European Union. This applies to the decision to dispose of the bonds held by it that replaced the promissory notes. The Governing Council of the ECB is empowered, under Article 271(d) of the Treaty and Article 35.6 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank, to decide whether the Central Bank of Ireland has failed to fulfill its obligations under Article 123 of the Treaty.

Yours sincerely,

[signed]

Mario Draghi