



EUROPEAN CENTRAL BANK
EUROSYSTEM

COURTESY TRANSLATION

Mario DRAGHI

President

Ms Cristiana Muscardini
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 5 September 2013

L/MD/13/550

Re: Your letter

Dear Ms Muscardini,

Thank you for your letter, which was forwarded to me by Ms Sharon Bowles, Chair of the Committee on Economic and Monetary Affairs, accompanied by a cover letter dated 12 July 2013.

Regarding your first question, please note that the European Central Bank (ECB) is under the jurisdiction of the Court of Justice of the European Union (ECJ) under the conditions set out in the Treaties, in particular in Articles 263 ff. of the Treaty on the Functioning of the European Union. It should also be pointed out that the ECB is not party to the proceedings before the German Constitutional Court. In keeping with the principle of loyal cooperation between Union institutions and Member States, the ECB responded favourably to the request by this court to act as a third party expert and for this purpose to be represented at the hearing by a member of the Executive Board of the ECB.

With regard to your second question, the participation of the ECB in the proceedings before the German Constitutional Court does not encroach on the independence of the ECB. As far as the conduct of the single monetary policy is concerned, participating in the proceedings allowed the ECB to explain that it has acted strictly within its mandate.

On your third question, let me stress that the financial assistance programmes agreed with several euro area countries have helped to smooth unavoidable adjustment processes with the aim of re-establishing the long-

term fiscal sustainability, competitiveness and market access of distressed countries, as well as financial stability for the euro area as a whole.

As concerns your last question, the conduct of the ECB's monetary policy is based on the economic and monetary analysis of the euro area as a whole. The current ECB's monetary policy stance continues to be geared towards maintaining the degree of monetary accommodation warranted by the outlook for price stability and promoting stable money market conditions. It thereby provides support to a gradual recovery in economic activity in the remaining part of the year and in 2014.

Yours sincerely,

[signed]

Mario Draghi