



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-PUBLIC

Mario DRAGHI

President

Mr Fabio De Masi  
Member of the European Parliament  
European Parliament  
60, rue Wiertz  
B-1047 Brussels

Frankfurt, 11 May 2017

L/MD/17/175

**Re: Your letter (QZ-021)**

Honourable Member of the European Parliament, dear Mr De Masi,

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 22 March 2017.

Let me first clarify that the provision of emergency liquidity assistance (ELA) is a national task that falls under the competence of the respective national central bank (NCB). As such, it is not part of the single monetary policy conducted by the Eurosystem.

It is also important to note that information on the recourse to ELA, whether by individual institutions or at national level, is not publicly available. Eurosystem NCBs publish their balance sheets on a regular basis, and the provision of ELA is recorded in these balance sheets under item A6, *Other claims on euro area credit institutions denominated in euro*. However, this item does not comprise ELA only,<sup>1</sup> and the transactions it covers vary among the NCBs. Therefore, the inference of changes in the provision of ELA at national level from a published NCB balance sheet is subject to assumptions and prone to misinterpretation.

Finally, it is true that in comparison with the Eurosystem monetary policy operations, ELA is a less favourable funding source for the respective counterparties. In the case of Greek banks, the decrease in recourse to Eurosystem monetary policy operations, as observed in the first few months of 2017, can be explained by (i) the shift towards interbank market transactions secured by assets previously used as collateral with the

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<sup>1</sup> See also the [Consolidated financial statement of the Eurosystem as at 20 April 2012](#) for further information.

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Eurosystem, and (ii) sales of some of the assets previously used as collateral to the Eurosystem under the Eurosystem's expanded asset purchase programme. While a reduction in Greek banks' reliance on Eurosystem monetary policy operations can be seen as a positive development, it does not necessarily enable Greek banks to also reduce their recourse to ELA as provided by the Bank of Greece.

Yours sincerely,

[signed]

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