

August 2011

## PRESS RELEASE

### STATEMENT BY THE PRESIDENT OF THE ECB

1. The Governing Council of the European Central Bank (ECB) welcomes the announcements made by the governments of Italy and Spain concerning new measures and reforms in the areas of fiscal and structural policies. The Governing Council considers a decisive and swift implementation by both governments as essential in order to substantially enhance the competitiveness and flexibility of their economies, and to rapidly reduce public deficits.
2. The Governing Council underlines the importance of the commitment of all Heads of State or Government to adhere strictly to the agreed fiscal targets, as reaffirmed at the euro area summit of 21 July 2011. A key element is also the enhancement of the growth potential of the economy.
3. The Governing Council considers essential the prompt implementation of all the decisions taken at the euro area summit. In this perspective, the Governing Council welcomes the joint commitment expressed by Germany and France today.
4. The Governing Council attaches decisive importance to the declaration of the Heads of State or Government of the euro area in the inflexible determination to fully honour their own individual sovereign signature as a key element in ensuring financial stability in the euro area as a whole.
5. It equally considers fundamental that governments stand ready to activate the European Financial Stability Facility (EFSF) in the secondary market, on the basis of an ECB analysis recognising the existence of exceptional financial market circumstances and risks to financial stability, once the EFSF is operational.
6. It is on the basis of the above assessments that the ECB will actively implement its Securities Markets Programme. This programme has been designed to help restoring a

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better transmission of our monetary policy decisions – taking account of dysfunctional market segments – and therefore to ensure price stability in the euro area.

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