

Press release – COVID-19 and German constitutional court decision top meeting with ECB's Lagarde



During the quarterly 'Monetary Dialogue' with Ms Lagarde on Monday, Economic and Monetary Affairs Committee MEPs focused almost exclusively on the ECB's actions to dampen the pandemic's negative effects on the economy and the decision of the German constitutional court on the ECB's Public Sector Purchase Programme.

ECB firefighting COVID-19

Whereas numerous MEPs supported the ECB's decisions to launch and recently strengthen its Pandemic Emergency Purchase Programme (PEPP), seeing it as essential to the EU's economies, others mentioned various reasons why the Bank had done too much too soon. The detractors cautioned against the risk of providing cheap money to multinationals and environmentally dirty companies, allowing national governments to avoid providing fiscal stimuli, and continuing to penalise lenders and savers by keeping interest rates very low.

German constitutional court decision

Numerous MEPs asked about the effects of the German constitutional court's unprecedented decision in May to dismiss a ruling of the European Court of Justice on the ECB's Public Support Purchase Programme launched in 2015 to stabilise the Eurozone.

A few MEPs asked how the concerns raised by the constitutional court would affect the need for the ECB to be held more accountable, namely through its relations with the European Parliament. Others asked about the potential effects on how the ECB would structure its other purchase programme (the PEPP), going forwards.

Other topics

During the meeting, some MEPs touched on some other topics including Brexit, the ECB's role in greening the economy and Greece.

Catch up again with the meeting [here](#)