

Remarks by M. Centeno following the Eurogroup meeting of 22 January 2018

Press contacts

Luis Rego

Eurogroup President Spokesperson
+352621136935

Good afternoon everyone.

This was my first meeting in my new role as Eurogroup President. It was also the first meeting for Hartwig Löger, the new Austrian minister, whom we welcomed. By contrast, it was the last meeting for Thomas Wieser, as chair of the Eurogroup Working Group. It was a special moment. We thanked him for his enormous contribution at a crucial period for our currency union.

Today, we also confirmed his successor, Hans Vijlbrief, who will start on 1 February. Hans and I go way back, he is very experienced and I am sure he will do a great job.

Still on appointments: I also launched today the call for candidates for the upcoming ECB Vice President vacancy, to ensure a smooth succession of Vitor Constâncio, whose term ends on 31 May.

Now a few words on our discussions. Today we covered Greece, Portugal, the euro area economy and follow-up to the December euro summit. Let me highlight a few key points.

On Greece, there are good news. We have achieved a political agreement on the third review of the ESM programme. We welcomed the adoption of nearly all agreed prior actions and mandated the EWG to check the completion of the remaining ones in the coming weeks. This reflects the huge efforts and excellent cooperation between the Greek government and the institutions.

The next disbursement will amount to 6.7 billion euros to cover debt service, arrears clearance and to support Greece's cash buffer – this is critical to ensure full market access.

Looking ahead, we can start with technical work on debt relief measures, in particular we will look into a mechanism that will link debt relief to growth developments. This is in line with the Eurogroup statement of June 2017. At the same time, a sizeable primary surplus and reform momentum must stay on and outlive the programme in order to unlock growth potential and regain investors' confidence. A holistic growth strategy will also be instrumental to this effect. We look forward to see it because we know from experience that ownership of the reform process during and after the programme is critical.

On the euro area economy, the IMF presented their article IV report. There are good news again: it shows how the economic situation has improved significantly with solid growth and job creation in virtually all euro area countries; it is a good time to make our economies more resilient.

With this in mind, we discussed policy priorities for the euro area in 2018. We agreed on five recommendations for the euro area focussing on growth and jobs, fiscal issues, labour market functioning, the financial sector and the euro area architecture.

On reforming the euro area, we discussed the guidance from the December euro area summit. There is strong interest in further developing the Banking Union and the ESM. Some Ministers also argued in favour of exploring other issues, such as fiscal capacity and improved fiscal rules. I'm convinced that sequencing will also help to bring all views on board.

In terms of process, our discussions over the coming months will then feed into the March and June summits. Non-euro area countries will be included in our debates.

After our meeting today, I sense a strong team spirit and common purpose. I will do my best to help deliver the changes that will make the Euro area stronger. I will also do my best in explaining to our citizens the benefits of these reforms.

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