



Remarks by Commissioner Gentiloni at the Eurogroup press conference

Brussels, 9 April 2020

Good evening from Brussels.

First of all, on behalf of the Commission, let me thank Mário Centeno for your really relentless efforts over the course of more than twenty hours.

I think that tonight we have an agreement that brings us closer to the economic response that Europe needs to complement the strong monetary policy response that the ECB is already implementing.

We are doing this with an unprecedented package of coordinated fiscal policy.

Our governments have put on the table a lot of money – around 3% of GDP in fiscal measures and 16% of GDP in liquidity guarantees – but these commitments often reflect countries' fiscal space more than the scale of their needs. That risks further increasing divergence between our economies, something we cannot afford.]

Tonight's agreement brings us a step closer to delivering the coordinated economic response Europe needs – to complement the strong monetary policy response that the ECB is already implementing.

The Commission has already taken significant decisions in this direction over the last month:

allowing Member States to use EU funds in an extremely flexible way,

adapting our state aid rules

and suspending, with the general escape clause, the Stability and Growth Pact.

The Council has supported these measures.

One week ago, we made another ambitious proposal, SURE, unlocking €100 billion support to preserve jobs. I am particularly pleased that we have reached an agreement to support this proposal. Member States will strive to make it operational with their guarantee as soon as possible. There is no time to lose on jobs. As we are seeing, for example, in the United States where one in ten American workers have lost their jobs in the last three weeks.

I also welcome the other two measures that Mario presented to us.

The initiative of the **European Investment Bank Group**, with its €200 billion in financing for companies, focused on SMEs and the '**Pandemic Crisis Support**', to be made available from the ESM. On this, we reached a very good agreement, concentrating on healthcare costs. We will also have other tools of safety for non euro area countries using the the Balance of Payments facility.

These three pillars will be joined by a fourth pillar, which is the commitment to work on a **Recovery Fund**. I think this gives us the scale of the intervention which will be necessary to relaunch our economy. The design of this fund will need to be discussed, as Mário has said, based on guidance from the European Council. Something is already clear. This fund will be crucial to address the challenge of relaunching our economy over the next period, avoiding divergence. The symmetric crisis and the recovery will mitigate the risk of having asymmetric consequences. These asymmetric consequences would be a danger for our Union.

In this recovery plan, a central role will be played by a revised proposal for the next Multiannual Financial Framework. The situation Europe faces has changed beyond recognition since the last round of budgetary negotiations by the European Council. We will need a powerful, flexible EU budget for the coming years and we will need an agreement to that end very quickly.

The Commission will present our proposal at the end of April.

I want to thank Mario on behalf of the Commission for his determination and perseverance and congratulate him on this agreement.

In conclusion, this is for sure not the end of the road. Thousands of European citizens are still fighting for their lives. On this occasion, I would like to thank the healthcare workers that are helping them to save lives. We have much hard work still before us, hard times still lie ahead for all Europeans. But

tonight Europe has shown that it can deliver, when the will is there. Now we must swiftly take forward each of these strands of work so that together we can deliver the common and coordinated response Europe needs.

Thank you.

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