



EUROPEAN CENTRAL BANK
EUROSYSTEM

COURTESY TRANSLATION

Mario DRAGHI

President

Mr Kostas Chrysogonos
Member of the European Parliament
European Parliament
60, rue Wiertz
B-1047 Brussels

Frankfurt am Main, 3 November 2014

L/MD/14/456

Re: Your letter

Honourable Member of the European Parliament, dear Mr Chrysogonos,

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 16 September 2014.

The Eurosystem has played a critical role in ensuring the stability of the Greek financial sector during the financial crisis. Greek banks were able to rely on central bank funding to replace maturing market funding and a reduction in deposits. With the crisis subsiding, Greek banks have been regaining access to capital and funding markets, and are experiencing an increase in deposits. As a result, they have reduced their reliance on central bank funding. This is essential in their efforts to restore a sustainable broad-based funding model, and is thus a sign of gradual normalisation of financial conditions for Greek banks. With the Eurosystem's current policy of full allotment, any reduction of banks' reliance on central bank funding is driven by banks' own decisions rather than by constraints imposed by the Eurosystem.

Yours sincerely,

[signed]

Mario Draghi