



Greens/EFA ECON Members statement after the Eurogroup video conference on 7th of April 2020

Following the Eurogroup meeting on 7th of April 2020, which paused after 16 hours of inconclusive negotiations, the Greens/EFA Members of the Economic and Monetary Affairs in the European Parliament call on the European Heads of State and governments to adopt ambitious proposals to tackle the biggest health crisis Europe has ever suffered from and to prepare a recovery plan in line with our climate and sustainability objectives.

As the European Union is struggling with fighting the corona crisis and counting deads by thousands, the Finance Ministers of the Eurogroup could not even agree yesterday on a limited package of financial assistance of about 4% of GDP, that looks still insufficient compared to the size and gravity of the crisis. This includes using funds from the European Stability Mechanism (ESM) for the health and economic costs of the crisis, a guarantee fund in the European Investment Bank to support companies, especially SMEs, and a temporary reinsurance scheme (SURE) from the Commission to support national unemployment schemes.

It is extremely disappointing that a unanimous consensus could not even be found on the use of the European Stability Mechanism credit line to help Member States coping with the corona crisis for an amount only up to 2% of GDP.

The insistence by the Netherlands to include conditionality and framing the use of the ESM as a purely healthcare funding matter disregards the fact that this crisis is an economic threat to the Eurozone as a whole and is not in line with the principle of solidarity which is at the heart of our European values. Now it is the time for courageous joint action and unity against a crisis affecting all countries but caused by none of them. This is also in the very common interest of each country. Doing too little too late would put the prosperity of Europeans at risk for years and repeat the mistakes of the past crisis. The ESM, if used, should be made available to all countries and with no macroeconomic conditionality attached to it.

However, given the scale of the pandemy and the needs for economic recovery after the crisis, the European Stability Mechanism is in itself by far not sufficient to deal with the task ahead. We need a common European debt instrument and the issuance of corona bonds to cover the immediate costs related to the corona crisis, stabilize our economy and to support the restart and reorientation of our economies fully in line with the Paris agreement and the objectives of the European Green Deal. This is why the Greens/EFA have called for an [EU](#)

[coronavirus fund](#) to tackle the economic consequences of the COVID-19 outbreak. As the Eurogroup failed to act towards such European solidarity, Heads of State and government will be judged by their citizens if they don't show a common understanding of the gravity of this crisis and are not able to provide effective and ambitious solutions that are adequate to this historic challenge. Democratically elected politicians should not leave the task of solving this crisis to central bankers alone.

Europe is in a critical situation and we need European unity and solidarity now more than ever. European leaders must absolutely avoid failing on their responsibility to protect their citizens and the future of Europe. Concrete outcomes are expected sooner rather than later when people are mourning loved ones, losing jobs and incomes, and facing uncertain economic perspectives in the future.

Every country that is willing to act in solidarity should start moving forward. However, ultimately only a united response would be really credible and effective. We therefore call on the Dutch government to drop its resistance against the use of ESM without macroeconomic conditionality. We also reiterate our calls on the sense of responsibility and solidarity of the Dutch government together with the governments of Germany, Austria and Finland, to support an ambitious solution based on the issuance of common debt to fund the massive expenses and investments required for the recovery and the reconstruction of our economy. This is not only required by a spirit of solidarity in difficult times, but also by compelling economic reasons in the common interests of every EU country. We therefore urge opposing governments to put aside ideological arguments and to focus on finding meaningful solutions.

Signed by all Greens/EFA ECON Members:

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