



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, 10 March 2015

L/MD/15/135

Re: Your letter (QZ-14/15/16)

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 29 January 2015.

Please allow me to remind you about the role of the European Central Bank (ECB) in the programme work. The ECB provides advice and expertise on a broad range of issues supporting the general economic policies in the European Union, acting in liaison with the European Commission to assess economic policy conditions attached to financial assistance, and reviewing these conditions on a regular basis with a view to providing input to enable the finance ministers of euro area Member States to decide on granting such assistance.

Regarding your question on insurance funds, over the past five years the pension system in Greece has undergone significant reforms of the main pension scheme and supplementary pensions. These important reforms have simplified the highly fragmented structure of the system and improved its prospects for sustainability in the long term (see the 2012 Ageing Report of the European Commission and the Economic Policy Committee). In addition, please note that one of the key elements of the programme for Greece has been to increase payment compliance and establish actuarial fairness. This should ensure an environment in which pension funds obtain adequate financial resources and all Greek citizens pay their fair share of social security contributions.

Regarding your question on the right to social security, unemployment benefits are one of the tools available to the state to mitigate the hardship of unemployment. However, they are conditional on the payment of social

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security contributions and are only provided for a limited period of time. Longer-term support to vulnerable groups, including the long-term unemployed, is provided through public safety nets. Indeed, Greece recently launched its first-ever guaranteed minimum income scheme. This scheme, initiated in the context of a wider reform of the welfare system, is to be rolled out nationally by the end of the year, allowing it to effectively and efficiently reach out to those in need and provide them with support. At the same time, as part of another important area of reforms and policies under way, the unemployed are increasingly being supported through activation policies aimed at facilitating their return to employment. Finally, and while some temporary employment is offered in the public sector for the shorter term, Greece has committed to further improving its business environment in order to attract investment and create jobs in the private sector, as this is really the only way to achieve sustainable high employment.

Regarding your question on health policies, the economic adjustment programme aims at stabilising public health expenditure and increasing the efficiency of health care provision so as to guarantee the quality and affordability of the care delivered. As with all individual actions and legislation, it is important to recall that the ultimate decisions on all concrete measures related to health care provision are made by the Greek authorities.

Yours sincerely,

[signed]

Mario Draghi

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