

Remarks by J.Dijsselbloem following the Eurogroup meeting of 20 February 2017

Good afternoon everyone and sorry to surprise you with such a short Eurogroup. I guess half of your colleagues are out somewhere because they didn't expect us back already.

I have a couple of sentences on the euro area economy, but I will let commissioner Pierre Moscovici say more on the basis of the winter forecast.

We discussed the ease of doing business in the euro area. We had an interesting discussion where several colleagues told us what they were doing to improve the business climate in their countries - cutting red tape etc. - and this is all in our work stream on the investment climate and investments in the eurozone. We will continue work on that and come back to it in April.

On the euro area economy, the recovery is clearly on track. There are lots of risks, downward risks also looming outside Europe and outside the euro area. Yet we are entering the fourth consecutive year of economic recovery and the recovery is gradually becoming stronger; real GDP grew steadily at 1.7% last year.

Lots of positive signs coming from different euro area members states; the rate of unemployment is going down in most countries. I'll stop there and let the commissioner say more about that.

Let me come quickly to the topic that probably interests you most today which is Greece.

We have intensified talks in the last week, week and a half, with the institutions and the Greek government, to find enough common ground for the institutions to go back to Athens. The outcome of today is that they will go back to Athens in a very short time. They will work with the Greek authorities on the additional package of structural reforms; looking at the tax system, the pensions system, also labour market regulation. There will be a change in the policy mix, moving away from austerity and putting more emphasis on deep reforms, which has also been a key element for the IMF. So that is I think a good step and we have to realize that there is no agreement, there is no political agreement at this point, as that would be too early. It is a very positive and good step that the institutions have enough confidence and a common agreement to go back to Athens.

A lot of work still needs to be done. I already mentioned the kind of reforms that it's about. In any country the combination of these topics would be difficult, so we will allow the institutions and the Greek government to do that work on the ground in more technical detail.

And they will return to the Eurogroup if and when there is a staff level agreement and then we will have a final political discussion on the latest stages of the programme, on how to move forward.

So, very happy with that outcome for today. Broad support, institutions willing and ready to go, and we hope to come back to you as soon as possible.

On that element of time, because I know you will be asking about that, there is no liquidity issue in the short run for Greece. But I think we all feel a sense of urgency because of the key issue of confidence. If you want economic growth in Greece to continue and to start picking up, confidence is a key factor. That confidence has been returning in the last year and needs to strengthen, and we don't want to jeopardize that. So that would be a strong motivator to do the work as soon as possible.

I'll stop here and I'm sure you'll have lots of questions. Thanks, and let's listen to the commissioner.