

## **Remarks by Jeroen Dijsselbloem at the press conference following the meeting of the Eurogroup of 17 February 2014**

We have just finished our regular February Eurogroup meeting. Let me debrief you on the outcome of our meeting today. I will start with the ESM's direct recapitalisation instrument, then say a few words on the ministerial meeting on the Single Resolution Fund that will start after this press conference. I will also debrief you on the state of play on the programme countries that we discussed today - Greece and Cyprus - and finally report on our discussion on the economic situation.

On direct recaps: we have reviewed the operational framework of the future ESM direct recap instrument. We have made progress towards resolving the last outstanding issues and I am confident that we will come to a political agreement in time for our meeting in March.

After this press conference, I will chair a ministerial meeting on the intergovernmental agreement on the functioning of the Single Resolution Fund, the so-called Eurogroup+. The aim of the meeting is to review the main open issues that have arisen since the discussion started in January. Negotiations are still ongoing at technical level so I don't expect an agreement tonight, but I hope that we will be able to give political guidance for the further work so that the negotiations on this agreement are concluded in March together with the trilogues on the SRM Regulation.

I will join the Presidency press conference tomorrow after the Ecofin in order to debrief you on this meeting, so this is the only press conference tonight.

Now turning to the programme countries:

On Greece, on the basis of today's discussion in the Eurogroup, the Troika expressed its intention to Athens later this week or in the coming days. We welcomed the commitment of the Greek authorities to deliver on reforms in a number of key areas and invite them to work closely so that the mission can indeed be successfully concluded.

On Cyprus, the Troika debriefed us on the main findings of the third review mission. We of course welcomed the conclusion of the Troika that the programme remains on track. The macroeconomic and fiscal data for 2013 turned out to be better than expected and that is of course good news. In addition it is good to see that the financial sector is stabilising in Cyprus, allowing for the second phase of the gradual relaxation of restrictions to start shortly.

Finally let me say a few words on the economic situation. The economic outlook of the euro area is improving. Euro area real GDP growth is picking up in recent quarters, and economic activity is expected to continue recovering. The euro area has so far also shown resilience as far as the recent emerging markets economies turmoil is concerned.

At the same time, we all realise that there is no time for complacency. Unemployment in the euro area may have stabilised but is still at an unacceptably high level. We thus need to take ambitious measures to reduce unemployment. We also need to implement bold structural reforms in order to enhance our competitiveness and to continue on the track of differentiated and growth-friendly fiscal consolidation. In all these areas, considerable progress has already been made in the recent years, but work is far from completed.

We now look forward to the publication of the Commission's winter forecast later this month and will continue our close monitoring of the economic developments on that basis.

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