

Joint Statement: Andris Vilks and Klaus Regling hail Latvia's accession to ESM

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Press releases

ESM

Riga - On the occasion of the forthcoming accession of the Republic of Latvia to the European Stability Mechanism (ESM), the Latvian Finance Minister Andris Vilks and ESM Managing Director Klaus Regling met today in Riga. At the Finance Minister's invitation Mr. Regling is in Riga for talks today and tomorrow. He will also meet with the Prime Minister, the Central Bank Governor and Members of the Latvian Parliament.

Latvia will become the 18th Member of the European Stability Mechanism (ESM) on 13 March 2014. On this day the ESM Treaty will enter into force for Latvia, which will acquire full rights and obligations of ESM membership.

Finance Minister Andris Vilks said: "It is not merely our obligation to join the ESM. We also owe a solidarity debt to our European partners providing us with financial assistance and helping us find a way out of the crisis we ourselves partially created. Therefore it would only be self-evident that Latvia through its participation in the ESM could provide a helpful hand to other countries in financial trouble." Andris Vilks also stressed: "It bears repeating that participation in the ESM is not a burden but an instrument of insurance against financial difficulties from which no one is fully protected."

ESM Managing Director Klaus Regling said: "I am delighted to welcome Latvia, the first new country to join the ESM since it was inaugurated in October 2012. Latvia has valuable experience to offer to the euro area because the country overcame a deep crisis thanks to its determination in implementing macro-economic adjustment

measures and structural reforms.” Klaus Regling added: “As the euro area is getting out of the crisis I am very happy to see that the currency union is growing further.”

Under the ESM Treaty, all euro area Member States are obliged to join the ESM. Latvia joined the euro area on 1 January 2014 and completed the necessary procedures for membership in the ESM. Latvia will subscribe to ESM capital, which provides backing for the bills and bonds issued by the ESM, and the country will be able to receive financial assistance from the ESM if needed.

Latvia’s Finance Minister Andris Vilks will be a member of the ESM Board of Governors in which the euro area Finance Ministers take all the key decisions regarding the ESM.

[Information package on Latvia’s accession to the ESM](#)

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