

European Commission and European Stability Mechanism lay down principles of cooperation

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Press releases

ESM

The European Commission and the European Stability Mechanism (ESM) will today sign a [Memorandum of Understanding on the working relationship between the two institutions](#).

The two institutions share the common objectives of safeguarding the stability of the euro area and ensuring the efficient governance of financial assistance programmes in Member States. The document – which will be officially signed by Vice-President Valdis Dombrovskis and Commissioner Pierre Moscovici on behalf of the Commission and ESM Managing Director Klaus Regling this afternoon – reflects the close cooperation of the two institutions and the important role that the ESM has played over the years in providing financial assistance to Member States to overcome acute crises and regain financial stability.

The Memorandum spells out the working methods between the Commission and the European Stability Mechanism in the light of experience and in line with their respective roles and mandates. It does not change the rules and the legal framework under which they operate. The existing competences and responsibilities of both institutions, as enshrined in the European Union law and the ESM Treaty, remain intact. The Memorandum is also without prejudice to any further reform of the ESM that may be agreed.

Valdis **Dombrovskis**, Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union, said: "*Today's Memorandum reflects the shared objectives of the European Commission and the*

European Stability Mechanism, which are to safeguard the stability of the euro area and to ensure efficient governance of financial assistance programmes in Member States. It is based on the current principles of cooperation between the two institutions, in line with their respective roles and mandates. Going forward with the deepening of Europe's Economic and Monetary Union, we should work to further strengthen our crisis management tools."

Pierre **Moscovici**, Commissioner for Economic and Financial Affairs, Taxation and Customs, said: *"The close collaboration between the Commission and the ESM in recent years has demonstrated that we can act successfully and with determination in the interest of the euro area in times of crisis. This Memorandum of Understanding recalls the key principles of our cooperation today and in the future. By strengthening the foundations of our crisis management, we are sending a signal of confidence and stability."*

Klaus **Regling**, Managing Director of the European Stability Mechanism, added: *"I am very glad that we sign the Memorandum of Understanding between the European Commission and the ESM today. The MoU formalises our successful cooperation in ESM financial assistance programmes. The MoU builds on the complementary responsibilities and competences the Commission and the ESM have. The further intensification of our working relationship leads to a win-win situation for the euro area as a whole and all its Member States."*

Continued close cooperation

The Memorandum of Understanding sets out the principles of cooperation, working arrangements under ESM financial assistance programmes and post-programme surveillance, operational arrangements on exchanges of information and confidentiality, and matters regarding training programmes and staff exchange. The agreement will provide useful guidance for continued collaboration in future programmes. The ESM Managing Director will meet at least twice a year with the Members of the Commission responsible for Financial Stability and Economic and Financial Affairs to discuss the working arrangements set out in the Memorandum.

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