

**Question for written answer Z-000107/2016
to the European Central Bank**

Rule 131

Jonás Fernández (S&D)

Subject: Extending the LTRO programme to households

In his reply to Written Question Z-000081/2016 on the possibility of direct cash transfers to Eurozone residents in order to better transmit monetary policy, fight deflation, and achieve the monetary policy objective of an inflation rate below, but close to, 2 per cent, the ECB President referred to his reply to Written Question Z-000023/2016 on that matter.

In the said reply, Mr Draghi stated that ‘helicopter money means different things to different people, but all these schemes are fraught with complexities from accounting, operational, and legal perspectives, especially as regards compatibility with Article 123 of the Treaty on the Functioning of the European Union’.

Since Article 123(1) of the Treaty on the Functioning of the European Union (TFEU) forbids lending to EU and Member State bodies and public sector companies, it is clear that direct lending to Eurozone households through the LTRO programme, for example, is not within the scope of this prohibition, since private citizens cannot, with all certainty, be considered in any way public entities.

Can the ECB President therefore explain what the ‘legal complexity’ of the said monetary policy option is in connection with Article 123(1) of the TFEU?