Question for written answer E-001230/2017
to the Commission
Rule 130
Beatrix von Storch (EFDD)

Subject: ECB and the legality of purchasing bonds

This question concerns the ECB's purchase of trillions of euros worth of bonds and the Commission's role as guardian of the Treaties. Article 123 TFEU prohibits the monetary **financing** of the Member States. Pursuant to **Council Regulation (EC) No 3603/93 of 13 December 1993 specifying definitions for the application of the prohibitions referred to in Articles 104 and 104b (1) of the Treaty**, bond purchases made on the secondary market are also prohibited where such purchases have similar effects to primary purchases.

The monetary financing of Member States occurs where the Central Bank, by purchasing government bonds, favours the financing conditions of governments and in the long-term creates independence from market-driven sanctions against rising public debt. This is the effect of the ECB programmes. Their objective is to make the over-indebted countries independent of the capital markets, at least temporarily. The evidence for this is that bond purchasing has made the ECB and the national central banks the largest creditor in all euro area countries. Yields on the debt securities of all euro area countries are at a record low.

1. Which Commission service examines compliance with the abovementioned Council Regulation?

2. Are there any written assessments on this issue, and if so, when were they published?

3. What legal estimates has the Commission made and have these estimates changed during the course of the ECB purchase programmes?