

Plenary: MEPs to discuss ECB actions with President Mario Draghi

European Central Bank President Mario Draghi presents his 2014 annual report to Parliament on Monday 1 February. A debate with MEPs will follow and likely focus on low inflation and the ECB's quantitative easing programme for reviving the economy. The proceedings will be streamed live on our website.

ECB President Mario Draghi comes to Parliament on Monday 1 February to discuss monetary policy at the Strasbourg plenary session. At his regular press conference in Frankfurt on January 21, Draghi indicated that the bank may review its course of action in March.

In expanding its asset purchase programmes last spring, the ECB promised to buy public and private sector securities to the tune of €60 billion every month until at least September 2016. The programme was later extended until March 2017. This large-scale operation is more commonly known as quantitative easing or QE.

By buying sovereign and private debt on secondary markets, the ECB is in effect printing money. Cash ends up at the bank accounts of institutions and individuals that have sold bonds to the ECB. The hope is that sellers of the bonds will use this money to invest in riskier ventures that earn more interest than cash or spend it in other ways to boost economic growth, employment and inflation.

2% inflation goal

The ECB's primary goal is to maintain price stability in the eurozone by keeping the inflation rate below but close to 2%. This should guarantee healthy economic growth and stable prices. The latter also helps investors and consumers to make rational decisions. In December 2015, however, the eurozone annual inflation rate was just 0.2%.

Until Europe's financial crisis in 2008, the ECB maintained price stability through changes in [key interest rates](#). These are the rates that, for example, apply to eurozone banks when securing liquidity from the ECB. As interest rates were lowered towards zero however, unconventional measures had to come into play with quantitative easing being the most notable example.

[Inflation](#) is still not at a level the ECB would like but [Europe's economy](#) should continue on a course of moderate recovery. What needs to be finetuned? Get your answers by following the

plenary debate [live](#) on Monday from 17.00 CET.

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Further information

[Plenary live on Monday, February 1, 17.00](#)

[Plenary schedule](#)

[Economic and monetary affairs committee resolution on ECB annual report 2014](#)

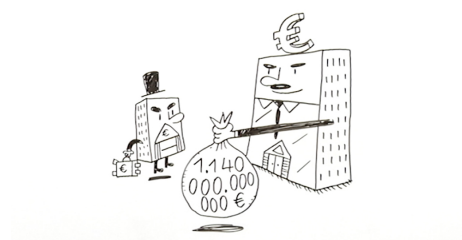
[ECB annual report 2014](#)

[Further information on monetary policy of the ECB](#)

[EP supervisory powers](#)



The ECB building in Frankfurt ©AP Images/ European Union-EP



Quantitative easing: oiling Europe's economy

<http://www.europartv.europa.eu/en/player.aspx?pid=6b15c777-1652-47d0-9a4d-a476009f3ae6>