Question for written answer E-001944/2023
to the Commission
Rule 138
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Subject: Member States' public debt exposure to central banks

The Organisation for Economic Co-operation and Development (OECD) has published a report[1] on the sovereign debt situation in its 38 countries. The report shows that, on average, 25 % of the countries' debt is held by their respective central banks. There is considerable variation in exposure among the countries, however. Some EU Member States, like Denmark and Czechia have no exposure at all, while Portugal has the highest of all the countries in the report: 50 %. The OECD warns of 'a deterioration in market conditions and liquidity conditions.'

The European Commission acknowledges[2] that Portugal still has macroeconomic imbalances, including vulnerabilities related to private, government and external debt.

In view of this state of affairs and the restrictive monetary policies currently in place to tackle high inflation[3] in Europe and in the euro area in particular:

1. How does the Commission view Member States' exposure to their central banks and the ECB?

2. How does it view the risks arising from difficulty accessing the market and liquidity, particularly in countries that have higher public debt levels?

Supporter[4]

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[1] https://www.oecd-ilibrary.org/finance-and-investment/oecd-sovereign-borrowing-outlook-2023_09b4cfba-en
[2] https://commission.europa.eu/system/files/2023-05/COM_2023_622_1_EN.pdf
[3] https://www.ecb.europa.eu/stats/macroeconomic_and_sectoral/hicp/html/index.en.html
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