

15 Feb - close of business

Today, the Eurogroup took stock of the current situation in Greece, based on intensive dialogue between the new Greek authorities and the Institutions.

The Greek authorities have expressed their commitment to a broader, socially just and stronger reform process aimed at durably improving growth prospects. In particular, the Hellenic Government commits to implementing long overdue reforms to tackle corruption and tax evasion, and upgrade the public administration. It announced its intention to take urgent action to ensure a fairer and more effective tax system and to contain the humanitarian crisis. It will ensure that any new measures do not reverse existing commitments and are fully funded. It will refrain from unilateral action and will work in close agreement with its European and international partners.

Greece will fully respect its commitments to partners to ensure sound and sustainable public finances, by reaching and then sustaining sizeable primary balances. The feasibility of reaching the fiscal target for 2015 will be considered in light of evolving economic circumstances. Measures for reducing the debt burden and achieving a further credible and sustainable reduction of the Greek debt-to-GDP ratio should be considered in line with the commitment of the Eurogroup in November 2012.

At the same time, the Greek authorities reiterated their unequivocal commitment to the financial obligations to all their creditors.

The above forms a basis for an extension of the current loan agreement, which could take the form of a [four-month] intermediate programme, as a transitional stage to a new contract for growth for Greece, that will be deliberated and concluded during this period. When considered useful, the European Commission will provide technical assistance to Greece to strengthen and accelerate the implementation of reforms.

The Eurogroup invites the Institutions to continue technical work with the Greek authorities, including to identify intermediate financing needs, how they will be covered and the appropriate conditionalities. The Institutions will report to the Eurogroup by [21] February.