

and π. Ιωαννίδη

2



EUROPEAN COUNCIL
THE PRESIDENT



Brussels, 1 November 2011
EUCO 121/11
PRESSE 405
PR PCE 86

**Joint statement by
President of the European Council Herman Van Rompuy
and President of the European Commission José Manuel Barroso
on the latest developments in the Eurozone**

At the summit of 27 October, the Heads of State or Government of the Eurozone agreed on a comprehensive package that included strengthening the capital of European banks, significant optimisation of the resources of the EFSF and reinforcement of Eurozone governance as well as coordination and monitoring in economic and budgetary matters. We are working on the implementation of those decisions, which are more necessary than ever, without delay.

During this summit, the Heads of State or Government of the Eurozone agreed on the establishment of a new program for Greece of € 100 billion funded by the EU and the IMF. An agreement was reached with the private sector to bring Greek debt on to a sustainable path, which provides for a discount of 50% of the debt held by private creditors, or a write-off in the order of 100 billion €. The Member States of the Eurozone are willing to contribute to all the measures relating to the private sector to the tune of 30 billion €. This PSI, together with an ambitious reform programme, would be instrumental to reach a debt level of 120% by 2020. This substantive reduction would alleviate the burden on the Greek budget and would therefore support growth and jobs' policies

We take note of the intention of the Greek authorities to hold a referendum. We are convinced that this agreement is the best for Greece. We fully trust that Greece will honour the commitments undertaken in relation to the euro area and the international community.

The Presidents of the European Council and Commission have had a telephone conversation with Prime Minister Papandreou. The Presidents are in contact with members of the Eurozone and will continue to be in the margins of the G20 meeting in Cannes.

P R E S S

Dirk De Backer - Spokesperson of the President -
Jesús Carmona - Deputy Spokesperson of the President -

<http://www.consilium.europa.eu/>

EUCO XX/11

1
EN