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Brussels, 10 April 2020

To Mr Charles Michel, President of the European Council

Dear President,

The European Council, in its statement of 26 March, entrusted the Eurogroup with developing proposals for the economic response to the severe social and economic disruption caused by the COVID-19 pandemic. As a response to the mandate received, on 30 March, I asked Members to submit concrete, well-justified and effective proposals for discussion. On this basis we have worked intensively over the past two weeks in inclusive format and have agreed on a report laying out a comprehensive and coordinated economic policy strategy that I am hereby submitting to you.

Our response complements the bold actions of the Member States and the rapid, co-ordinated measures taken by the European monetary and fiscal authorities and European regulators.

The strategy rests on four building blocks. First, we are proposing to set up immediately three safety nets to shield us from the short-term economic consequences of the COVID-19 crisis: for workers, businesses and sovereigns. The fourth pillar aims to ensure that once the immediate health crisis is over, the ensuing economic recovery is strong, balanced and inclusive. This is why we agreed to work on a Recovery Fund, which will mobilise future-oriented investment and help spread the costs of the extraordinary crisis over time through appropriate financing. Some Members were of the view that it should be based on common debt issuance, while others advocated alternative

solutions, in particular in the context of the multi-annual financial framework. As with the remaining measures adopted, we are driven by a sense of urgency to set up the Recovery Fund in the context of a comprehensive recovery plan.

The comprehensive strategy we are proposing is ambitious and far-reaching. It is a proof of strong European solidarity in face of the enormous challenge our economies face and, I believe, it will help us build common and prosperous future. Subject to your guidance, the Eurogroup stands ready to continue its urgent work on developing and implementing this comprehensive strategy.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Mario Centeno', with a horizontal line extending from the end of the signature.

Mario Centeno