

Brussels, 2 May 2010

Mr Jean-Claude Juncker
President
Eurogroup

Dear Mr Juncker,

The European Commission and the European Central Bank have been asked by the Heads of State and Government at their meeting of 25 March 2010 to make an assessment of the Greek financial situation. The European Commission and the Governing Council of the ECB concluded on 2 May that the ability of the Greek government to fund itself in the market has become increasingly uncertain and that market financing is insufficient.

They also concluded that risks to the stability of the Greek financial system are heightened. They assessed that financial market developments in Greece, if not mitigated, can be expected to impact on the financial stability of the euro area through several propagation channels.

Overall, recent developments relating to the increasingly difficult financing situation of the Greek government are heightening the risks to the financial stability of the euro area as a whole.

Accordingly, there is a need for external financial assistance to support the programme negotiated between the Greek government and the European Commission, in liaison with the ECB, and the IMF, which contains the strong conditionality required to stabilise the fiscal and economic situation over time and address the fiscal and structural challenges of the Greek economy.

Kind regards,

[signed]

Jean-Claude Trichet
President
European Central Bank

[signed]

Olli Rehn
Commissioner
European Commission