“Today, we took a useful step towards strengthening Europe as a whole and our common currency. Hopefully, stability will soon return to the markets and the spreading of crisis can be confined with Greece, Ireland and Portugal, instead of consuming the euro zone,” said President Toomas Hendrik Ilves after the conclusion of the unofficial meeting of the heads of governments and states of the euro zone, which took place in Brussels.

The leaders of the 17 countries agreed that the euro zone, together with the IMF and the voluntary participation of the private sector, will ensure the full funding of the loan programme for Greece to ensure the stability of the euro and the euro zone. The total value of public sector loans is estimated to be 109 billion euros, plus a considerable contribution from the private sector. According to the plans, funding from the euro zone will be arranged through the European Financial Stability Facility (EFSF), which was established for crisis situations. Should Estonia join the ESF, our security will amount to 0.28 per cent of the loan portfolio granted by the EFSF.

Euro countries will continue to exercise strict control over the performance of the economic programme prescribed for Greece, which shall also serve as the guarantee for the success of the whole loan package.

“Estonia is not required to transfer any funds immediately, but will provide a security instead. All of this forms a part of the internal solidarity and collective assistance that is characteristic of the euro zone,” President Ilves explained.

“The stability of the euro and the euro zone can only be based upon the economic success of all the states in the euro zone and responsible budget and fiscal policy pursued by all members. But it shall depend, to the very same extent, on trust in the euro and euro zone countries in general and the conviction that the euro zone is capable of solving any possible problems successfully, fast and sustainably,” said the Estonian Head of State. “We need to be honest; we just don’t have any other choice.”

According to President Ilves, not only the European Union, but also the USA, Asia and markets in general are looking forward to a solution to the Greek crisis, as it undermines the reliability of the whole euro zone and our common currency.

“Greece must continue with the reforms as decisively as all the euro zone countries need agreements and compromises on Greek issues,” President Ilves assured. “The need for reorganisation, or more specifically, their inevitability, must be understood in both Athens and the 16 other capital cities.”

This is why the Estonian Head of State described the leaders of the euro zone emphasizing their commitment to achieve a budget deficit below three per cent by 2013, at the latest, as ‘positive’. Today, Estonia, Luxemburg and Finland are the euro zone countries that have already achieved this objective, together with Sweden from among the other European Union Member States.

“Such a responsible approach towards organising the financial business of one’s country is exactly what makes the whole euro zone stronger and will considerably enhance trust in the euro,” said the Estonian Head of State.

President Ilves represented Estonia at the unofficial meeting of the euro zone following the proposal of the Government of the Republic and due to the Prime Minister’s foreign visit to the United States of America. The invitation to the summit in Brussels was submitted to the heads of state and government; fort this reason, replacing the Prime Minister with another cabinet member was not possible.

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