

"Frugality produces the pre-requisites for growth, and the situation in Estonia has shown that this was the only right way. Germany serves as a good example of a competitive economy in Europe and that structural reforms are inevitable," told the President, Toomas Hendrik Ilves – who is on a working visit to Germany – at his meeting with the President of Federal Republic of Germany, Joachim Gauck.

"Germany sets an example for the euro area in general with its responsible, rational and logical behaviour. Germany, which itself has internally merged east with west, can become the key country in overcoming the barriers between Western and Eastern Europe," told President Ilves.

"There is only one Europe and there is no space for dividing countries into old and new; an arrogant and prejudiced approach is out of place and will only harm all of us. Europe needs the moral leadership of Germany in this regard," President Ilves emphasised.

According to President Ilves, mutual economic integration should become stronger, at least in euro area countries; as for the financial sector, this is the approach to be adopted by all the European Union Member States.

"It is in the interests of Estonia to prevent the European Union from splitting into those inside and outside the euro area – or should this really happen – to keep the emerging gap as small as possible; otherwise, this may interfere with the functioning of the European Union internal market. Estonia also supports further expansion of the euro area; in this regard, we see Latvia as a strong candidate," told the Estonian Head of State.

When speaking about the new budget of the European Union and the so-called smart economic growth, President Ilves assured: "The new budget of the EU will help all the Member States to achieve economic growth, provided that we all put national structural reforms, a high quality educational system, an extended and expanded internal market, a strengthening of global trade and the coordination of economic policies into focus."

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