

Jean-Claude TRICHET  
*President*

Mr. Herman Van Rompuy  
President of the European Council  
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Frankfurt, 15 June 2010  
L/JCT/10/738

Dear President,

The European Central Bank actively contributes to the work of the Task Force under your chairmanship on improving the European economic governance framework. In view of the upcoming European Council, it is my pleasure to convey to you, on behalf of the ECB Governing Council, our proposals to strengthen decisively governance and enforcement structures in the economic policy framework of the euro area.

The ECB proposals aim at strengthening surveillance over budgetary policies and sharpening the incentives for compliance with the rules; at creating a closer oversight over relative competitiveness developments and means to address imbalances; and at establishing an appropriate euro area framework for crisis management which minimises moral hazard.

I trust that the proposals will be useful for the deliberations of the Task Force.

With best regards,

[signed]

Encl.