Crunch time for eurozone leaders

Detailed but controversial plans to reduce Greece's debt burden and resolve the eurozone crisis will be presented to EU leaders on Wednesday – the 14th debt-management summit since the Greek crisis began in 2009

- **Banks:** Europe's biggest banks – those holding large portfolios of Greek, Portuguese, Irish, Spanish and Italian debt – forced to raise **€108 billion** of new capital over next six to nine months to provide bigger reserves against sovereign debt losses

- **Greek debt writedowns:** Bankers have agreed to raise voluntary writedowns from **21%** to **40%** – politicians and ***International Monetary Fund*** now want **50-60%** haircuts. Second bail-out of **€450bn** – more than twice current **€110bn** package – to be agreed

- **Eurozone rescue fund:** Boost **€440 billion *European Financial Stability Facility (EFSF)*** so there are sufficient funds to support Italy and Spain. EFSF would guarantee **20-30%** of new bonds to build investor confidence

- **European Central Bank:** Leaders have ruled out tapping ECB funds to boost EFSF. Facing opposition from Germany and ECB, French President ***Nicolas Sarkozy*** *(right)* has backed down over his demands to turn EFSF into a bank and let it borrow from ECB

- **Special-purpose vehicle (SPV):** New IMF-backed bonds to attract cash from sovereign wealth funds such as China and Brazil. This could boost EFSF to over **€1 trillion**

- **Fiscal union: *José Manuel Barroso***, *(left)* European commission president, and ***Herman Van Rompuy*** *(right)*, EU President – backed by Germany, France and Italy – propose closer economic integration. A ***United States of Europe*** requires amendment or replacement of controversial ***Lisbon Treaty***

- **Britain:** Conservative-led coalition is drawing up list of demands for unpopular EU powers to be repatriated to UK in return for treaty change

Sources: Economist, Financial Times, Bloomberg Pictures: Getty Images