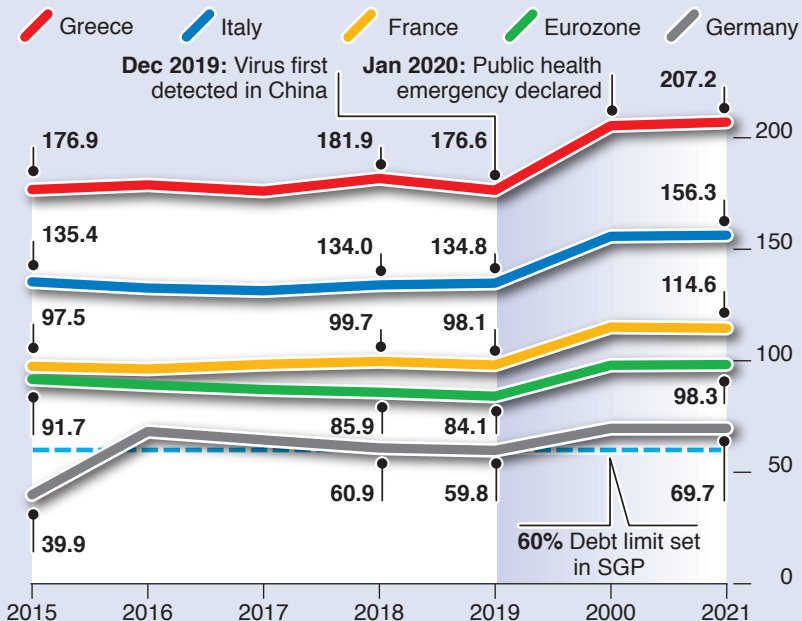


EU faces debt-rule showdown

Massive public borrowing to fund pandemic rescue efforts is forcing a rethink of the European Union's Stability and Growth Pact. Proposed changes to the SGP are exposing EU political fault lines

Debt-to-GDP ratio (percent, Q4 except for 2021, Q2)



Christian Lindner:
German finance minister says debt must not dictate SGP monetary policy



Mario Draghi: Italian Prime Minister says SGP rules are "obsolete" – wants more flexible interpretation



Klaus Regling:
European Stability Mechanism chief says 60% debt ceiling "is no longer relevant"