

ESM adjusts capital contribution key following end of the temporary correction period for Latvia



(Luxembourg) - The Board of Governors of the European Stability Mechanism (ESM) has agreed to the adjustment of the ESM capital contribution key following the end of Latvia's temporary correction of its capital contribution to the institution.

In line with Article 42 of the ESM Treaty, ESM Members whose GDP per capita is less than 75% of the EU average when they join the institution benefit from a temporary correction of their contribution key for subscribing to ESM authorised capital stock for a period of 12 years after the date of its adoption of the euro.

As a result, the capital subscription of the ESM Member benefiting from the correction is reduced for twelve years. Nevertheless, the country fully benefits from the protection afforded by ESM membership once it joins.

As set out in the ESM Treaty, the contribution key for the subscription of ESM authorised capital stock is adjusted when an ESM Member's correction period ends.

The temporary correction period for Latvia ends on 1 January 2026. Consequently, Latvia will increase its contribution to the ESM paid-in capital to €324.4 million.

"The end of Latvia's temporary correction period is a step towards full alignment among ESM Members and a testament to the continued convergence within the euro area. The adjustment also reflects the principles of fairness and solidarity embedded in the ESM Treaty, ensuring that all members contribute according to their economic capacity," said Managing Director Pierre Gramegna.

Apart from Latvia, the temporary correction of the ESM capital contribution key was applied in the past to Slovenia, Malta, Slovakia, and Estonia. Lithuania and Croatia continue benefitting from a correction until the end of 2026 and 2034, respectively.

Contacts



[Cédric Crelo](#)

Head of Communications and Chief Spokesperson

+352 260 962 205

c.crelo@esm.europa.eu



[Anabela Reis](#)

Deputy Head of Communications and Deputy Chief Spokesperson

+352 260 962 551

a.reis@esm.europa.eu



[Juliana Dahl](#)

Principal Speechwriter and Principal Spokesperson

+352 260 962 654

j.dahl@esm.europa.eu