

27 September 2019

Decisions taken by the Governing Council of the ECB (in addition to decisions setting interest rates)

August-September 2019

External communication

Publication of data on ECB foreign exchange interventions

On 23 September 2019 the Governing Council decided to publish additional data on the ECB's foreign exchange interventions (FXI). As of April 2020 the ECB will start publishing FXI data both in a table on its website and in the ECB Annual Report. The table, which will disclose all FXI historical data since 1999, will, on a quarterly basis, indicate whether the ECB has intervened during the quarterly review period and, if so, specify the timing and nature of these interventions (unilateral, coordinated or ERM II-related), their total amount and direction, as well as provide a breakdown per currency. A related press release is available on the ECB's website.

Monetary policy

Non-standard monetary policy measures

On 12 September 2019 the Governing Council took several non-standard monetary policy measures, namely to resume net purchases under the ECB asset purchase programme (APP) at a monthly pace of €20 billion as from 1 November 2019; to continue reinvestments, in full, of the principal payments from maturing securities purchased under the APP; to extend the possibility of buying assets with yields below the interest rate on the deposit facility, to the extent necessary, under all parts of the APP; to introduce a two-tier system for reserve remuneration in which part of institutions' holdings of excess liquidity shall be exempt from the negative deposit facility rate; and to change some of the key parameters of the third series of targeted longer-term refinancing operations (TLTRO-III), which are further elaborated below.

Market operations

Indicative calendar for the Eurosystem's regular tender operations and reserve maintenance periods

On 8 August 2019 the Governing Council approved the indicative calendar for the Eurosystem's regular tender operations and reserve maintenance periods for 2020. The calendar, together with a related press release, is available on the ECB's website.

Changes to some key parameters of the third series of targeted longer-term refinancing operations

On 12 September 2019 the Governing Council decided to change some key parameters of the TLTRO-III, namely to increase the maturity of all operations from two to three years, introduce a voluntary repayment option and amend the pricing of these operations. These changes are formalised in Decision ECB/2019/28 amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations adopted on 12 September 2019 by the Governing Council. This Decision and a related press release are available on the ECB's website.

Extension of the additional credit claims frameworks until end-March 2024

On 12 September 2019 the Governing Council took note that the prolongation of the maturity of the TLTRO III operations implied that the additional credit claims (ACC) frameworks needed to be extended until end-March 2024, in view of the decision of the Governing Council of 7 June 2019 to extend the ACC frameworks until the maturity date of the final TLTRO III operation.

Extension of the indexation of the interest rate on three-month longer-term refinancing operations beyond the end of the last reserve maintenance period of 2019

On 12 September 2019 the Governing Council decided that the interest rate on three-month longer-term refinancing operations (LTROs) will be fixed at the average rate of the main refinancing operations over the life of the respective LTRO, at least until the end of the reserve maintenance period starting in March 2021.

Market infrastructure and payments

ECB Decision on the procedure and conditions for exercise by a competent authority of certain powers in relation to oversight of systemically important payment systems

On 26 July 2019, in application of Article 21(2) of Regulation ECB/2017/32 amending Regulation (EU) No 795/2014 on oversight requirements for systemically important payment systems ("SIPS Regulation"), the Governing Council adopted Decision ECB/2019/25 on the procedure and conditions for exercise by a competent authority of certain powers in relation to oversight of systemically important payment systems. The Governing Council also decided to publish together with the Decision a summary of the responses received in the context of a public consultation which took place on the draft Decision between 8 March and 12 April 2019.

Advice on legislation

ECB Opinion on restrictions on transfers of mortgage claims in Poland

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On 9 August 2019 the Governing Council adopted Opinion CON/2019/29 at the request of the Polish *Sejm* (Parliament).

ECB Opinion on the sale and purchase of credit facilities in Cyprus

On 16 August 2019 the Governing Council adopted Opinion CON/2019/30 at the request of the Ministry of Finance of Cyprus.

ECB Opinion on freedom of information in the Netherlands

On 4 September 2019 the Governing Council adopted Opinion CON/2019/31 at the request of the Dutch Minister for the Interior and Kingdom Relations.

ECB Opinion on the rules to be followed by financial undertakings when defining remuneration policies in the Netherlands

On 5 September 2019 the Governing Council adopted Opinion CON/2019/32 at the request of the Minister for Finance of the Netherlands.

ECB Opinion on the protection of the euro against counterfeiting and on the authentication of euro coins in Luxembourg

On 23 September 2019 the Governing Council adopted Opinion CON/2019/33 at the request of the Luxembourg Minister of Finance.

Corporate governance

ECB Recommendation to the Council of the European Union on the external auditors of the Central Bank of Malta

On 25 July 2019 the Governing Council adopted Recommendation ECB/2019/24 to the Council of the European Union on the external auditors of the Central Bank of Malta. The Recommendation was published in the Official Journal of the European Union and on the ECB's website.

Chair of the Ethics Committee of the ECB

Mr Patrick Honohan, member of the Ethics Committee of the ECB since 2016, assumed the function of Chair of the Ethics Committee as of 1 August 2019. In this role, Mr Honohan succeeds Mr Jean-Claude Trichet whose term of office expired on 31 July 2019.

Host central bank for the Eurosystem Procurement Coordination Office from 2020 to 2024

On 1 August 2019 the Governing Council designated the Banque centrale du Luxembourg to host the Eurosystem Procurement Coordination Office (EPCO) from 2020 to 2024, following a positive assessment of the Banque centrale du Luxembourg business proposal. EPCO identifies, assesses and coordinates joint procurements of goods and services necessary for the performance of Eurosystem tasks, with a view to maximising cost efficiency and effectiveness.

ECB Decision concerning the establishment of an Administrative Board of Review and its Operating Rules

On 9 August 2019 the Governing Council adopted Decision ECB/2019/27 amending Decision ECB/2014/16 concerning the establishment of an Administrative Board of Review and its Operating Rules. The Supervisory Board was also consulted on the proposed amendments which clarify certain aspects of the Operating Rules of the Administrative Board of Review in light of the experience gained since its establishment in 2013. The amending Decision also includes a methodology for the apportionment of the costs of the review incurred by the applicant and by the ECB in the context of a review of ECB decisions by the Administrative Board of Review.

Membership of the Administrative Board of Review

On 12 August 2019 the Governing Council, taking into account the opinion of the Supervisory Board, decided to extend the terms of office of Mr Jean-Paul Redouin, Ms Concetta Brescia Morra, Mr Javier Aristegui Yáñez and Mr André Camilleri (as members) and of Mr René Smits (as an alternate) of the Administrative Board of Review for a further five years until 7 September 2024.

Membership of the euro short-term rate Oversight Committee

On 23 August 2019 the Governing Council appointed Mr Massimo Rostagno, ECB Director General Monetary Policy, Ms Cornelia Holthausen, ECB Deputy Director General Market Operations, Ms Emmanuelle Assouan, Banque de France Deputy Director General for Financial Stability and Market Operations, and Mr Paolo Del Giovane, Banca d'Italia Head of the Market Operations Directorate, as members of the ECB's internal Oversight Committee for the oversight of the euro short-term rate (€STR) determination process. This Oversight Committee, established in application of Article 9 of Guideline ECB/2019/19 on €STR, is chaired by the ECB's Vice-President, Mr Luis de Guindos. All members are required to submit declarations of any conflicts of interest which will be published on the ECB's website.

Acting Chair of the Risk Management Committee

On 29 August 2019 the Governing Council appointed Mr Fernando Monar Lora, Head of the Risk Analysis Division in the ECB's Directorate Risk Management, as Acting Chair of the Risk Management Committee (RMC), from 1 September 2019.

Banking supervision

Results of the comprehensive assessment of Bulgarian credit institutions

On 25 July 2019 the Governing Council did not object to a proposal by the Supervisory Board to approve the final results of the comprehensive assessment of six Bulgarian credit institutions (UniCredit Bulbank AD, DSK Bank EAD, United Bulgarian Bank AD, First Investment Bank AD, Central Cooperative Bank AD and Investbank AD) which ECB Banking Supervision conducted between November 2018 and June 2019 following Bulgaria's request to establish close cooperation between the ECB and Българска народна

банка (the Bulgarian National Bank). A related press release is available on the ECB's banking supervision website.

Memorandum of Understanding between the ECB and the European Court of Auditors

On 26 July 2019 the Governing Council did not object to a proposal by the Supervisory Board to enter into a Memorandum of Understanding with the European Court of Auditors regarding audits of the ECB's supervisory tasks. The document will officially be signed in Luxembourg on 9 October 2019 and the full text published on the ECB's banking supervision website on the same day. A related press release is available on the ECB's banking supervision website.

ECB decisions on the significance of supervised credit institutions

On 26 July 2019 the Governing Council did not object to proposals by the Supervisory Board to change the significance status of certain supervised credit institutions. The list of supervised entities is updated regularly and published on the ECB's banking supervision website.

Scope of the comprehensive assessment of Croatian credit institutions

On 29 July 2019 the Governing Council did not object to a proposal by the Supervisory Board for the Croatian credit institutions to be included in the comprehensive assessment undertaken by ECB Banking Supervision as from September 2019 following a request by Croatia to establish close cooperation between the ECB and Hrvatska narodna banka. A related press release is available on the ECB's banking supervision website.

Compliance with the amended EBA recommendations on the equivalence of confidentiality regimes

On 5 August 2019 the Governing Council did not object to a proposal by the Supervisory Board to notify the European Banking Authority (EBA), for significant institutions under its direct supervision, of the ECB's intention to comply with the EBA recommendations on the equivalence of confidentiality regimes as last amended on 8 November 2018 (EBA/REC/2018/03), as of the date of notification.

Revised supervisory coverage expectations for non-performing exposures

On 9 August 2019 the Governing Council did not object to a proposal by the Supervisory Board to revise the supervisory expectations for prudential provisioning of new non-performing exposures (NPEs) specified in the "Addendum to the ECB Guidance to banks on non-performing loans". The supervisory expectations for the stock of NPEs remain unchanged. The revisions, which account for the adoption of a new EU regulation that entered into force on 26 April 2019, have been proactively communicated to the institutions and are detailed in a related press release, together with a technical document, both available on the ECB's banking supervision website.

Administrative penalty imposed on a credit institution in breach of own funds provisions

On 13 August 2019 the Governing Council did not object to a Supervisory Board decision to impose an administrative penalty for an amount of €5,150,000 on Piraeus Bank S.A. for breaches of own funds

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provisions between 2015 and 2017. A related press release is available on the ECB's banking supervision website.

Assessment of an institution as failing or likely to fail

On 15 August 2019 the Governing Council did not object to the Supervisory Board's assessment, prepared in accordance with Article 18(1) of Regulation (EU) No 806/2014, that AS PNB Banka was failing or likely to fail as a result of a significant deterioration in its liquidity situation. The Single Resolution Board was duly consulted and agreed with the assessment. A related press release is available on the ECB's banking supervision website.

Compliance with EBA Guidelines on outsourcing arrangements

On 16 August 2019 the Governing Council did not object to a proposal by the Supervisory Board to notify the European Banking Authority (EBA), for significant institutions under its direct supervision, of the ECB's intention to comply with the EBA Guidelines on outsourcing arrangements (EBA/GL/2019/02) by the end of September 2020.