

4 May 2020

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

April 2020

Monetary policy

Extended timeline for the monetary policy strategy review

On 2 April 2020 the ECB communicated the decision taken by the Governing Council to extend the timeline for the review of its monetary policy strategy given the need for the Eurosystem as a whole to prioritise all its efforts on addressing the challenges posed by the coronavirus (COVID-19) pandemic. The conclusion of the strategy review will accordingly be postponed from the end of 2020 to mid-2021. A related press release is available on the ECB's website.

Central bank compliance with prohibitions on monetary financing and privileged access

On 9 April 2020, in accordance with the Treaty on the Functioning of the European Union (TFEU), which assigns to the ECB the task of monitoring the compliance of EU central banks with the prohibitions referred to in Articles 123 and 124 of the TFEU and the related regulations, the Governing Council approved the compliance report covering the year 2019. Further information on this matter can be found in a dedicated section of the ECB's Annual Report 2019, which will be published on the ECB's website on 7 May 2020.

External communication

ECB's Annual Report 2019

On 17 April 2020 the Governing Council adopted the ECB's Annual Report 2019, which will be presented to the Committee on Economic and Monetary Affairs of the European Parliament and made available on the ECB's website in 22 official languages of the European Union on 7 May 2020.

Market operations

Decisions amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations

On 16 March 2020 the Governing Council adopted Decision (EU) 2020/407 amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations (TLTRO III) (ECB/2020/13). The amending Decision applies changes to the parameters of TLTRO III which were decided by the Governing Council on 12 March 2020 in order to support bank lending to those most affected by the spread of COVID-19, in particular small and medium-sized enterprises. The Decision is available on the ECB's website.

On 30 April 2020 the Governing Council adopted a second Decision, Decision ECB/2020/25 amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations. The new amending Decision caters for further technical changes in the TLTRO III parameters regarding the lending threshold, the applicable interest rate and the start date of the lending performance assessment period, as detailed in a related press release available, together with the Decision, on the ECB's website. The Governing Council furthermore approved the publication of the indicative calendar for the third series of targeted longer-term refinancing operations, which will also be available shortly on the ECB's website.

Launch of a temporary pandemic emergency purchase programme, implementing legal acts and decisions on its operational parameters

On 18 March 2020 the Governing Council decided to launch a new temporary asset purchase programme for private and public sector securities with an overall envelope of €750 billion to counter the serious risks to the monetary policy transmission mechanism and the outlook for the euro area posed by the outbreak and escalating diffusion of COVID-19. More details on this new pandemic emergency purchase programme (PEPP) were subsequently communicated via a press release available on the ECB's website.

On 24 March 2020 the Governing Council adopted Decision (EU) 2020/440 on a temporary pandemic emergency purchase programme (ECB/2020/17), which sets out the technical parameters of the programme, and Decision (EU) 2020/441 amending Decision (EU) 2016/948 on the implementation of the corporate sector purchase programme (CSPP) (ECB/2020/18), which expands the range of eligible assets under the CSPP to non-financial commercial papers, making all commercial papers of sufficient credit quality eligible for purchase under the CSPP. Both Decisions are available on the ECB's website.

Reactivation of the swap agreement with Danmarks Nationalbank

On 20 March 2020 the Governing Council approved the reactivation of the swap agreement with Danmarks Nationalbank and an increase in its maximum outstanding amount from €12 billion to €24 billion. A related press release is available on the ECB's website.

Increased frequency of the seven-day US dollar operations

On 20 March 2020 the Governing Council approved the conduct of US dollar liquidity providing operations with a maturity of seven days at a daily (instead of weekly) frequency, starting on 23 March 2020 and continuing for as long as appropriate to support the smooth functioning of US dollar funding markets. A related press release on this decision, coordinated with the Bank of Canada, the Bank of England, the Bank of Japan, the Federal Reserve System and the Swiss National Bank, is available on the respective websites.

Ad hoc assessment of Estonian Treasury bills market

On 30 March 2020 the Governing Council decided to add the non-regulated Estonian Treasury bills market to the list of accepted non-regulated markets for assets eligible as collateral for Eurosystem monetary policy operations. The complete list of accepted non-regulated markets is available on the ECB's website.

Precautionary euro-kuna swap line arrangement with Hrvatska narodna banka

On 1 April 2020 the Governing Council approved the conclusion of a precautionary euro-kuna swap line arrangement with Hrvatska narodna banka. A related press release is available on the ECB's website.

Temporary collateral easing measures as a response to the coronavirus pandemic

On 7 April 2020 the Governing Council approved a comprehensive package aimed at temporarily easing collateral constraints in order to facilitate the availability of eligible collateral for Eurosystem counterparties participating in liquidity providing operations. The precise technicalities of this set of measures are detailed in a related press release published on the ECB's website. On the same day, the implementing legal acts were adopted by the Governing Council, namely, first, Decision (EU) 2020/506 amending Guideline (EU) 2015/510 on the implementation of the Eurosystem monetary policy framework and Guideline (EU) 2016/65 on the valuation haircuts applied in the implementation of the Eurosystem monetary policy framework (ECB/2020/20) and, second, Guideline (EU) 2020/515 amending Guideline ECB/2014/31 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral (ECB/2020/21). Both legal acts are available on the ECB's website.

On 22 April 2020 the Governing Council decided further complementary measures to mitigate the impact of possible rating downgrades on collateral availability. Specifically, the Governing Council decided to maintain, until September 2021, the eligibility of marketable assets and of the issuers of such assets that fulfilled minimum credit quality requirements on 7 April 2020 in the event of a deterioration in credit ratings decided by the credit rating agencies accepted in the Eurosystem, as long as the ratings remain above a certain credit quality level. More detailed information on these measures can be found in a related press release available on the ECB's website.

Precautionary euro-lev swap line arrangement with Българска народна банка (Bulgarian National Bank)

On 20 April 2020 the Governing Council approved the conclusion of a precautionary euro-lev swap line arrangement with Българска народна банка (Bulgarian National Bank). A related press release is available on the ECB's website.

Pandemic emergency longer-term refinancing operations

On 30 April 2020 the Governing Council decided to conduct a new series of seven additional longer-term refinancing operations, called pandemic emergency longer-term refinancing operations (PELTROs). More detailed information on the modalities of and calendar for these operations can be found in a press release available on the ECB's website.

Market infrastructure and payments

Agreement between the Eurosystem and Sveriges Riksbank for the provision of TARGET Instant Payment Settlement (TIPS) services in Swedish krona

On 2 April 2020 the Governing Council endorsed a cooperation agreement between the Eurosystem and Sveriges Riksbank offering Sweden access to the Eurosystem's TIPS service to support the Swedish instant payment service, RIX-INST. More detailed information is available in a related press release on the ECB's website.

ESCB response to the European Commission's public consultation on an EU framework for markets in crypto-assets

On 9 April 2020 the Governing Council approved the response of the European System of Central Banks (ESCB) to the European Commission's public consultation on an EU framework for markets in crypto-assets, which was subsequently submitted to the European Commission, and authorised its public disclosure.

Creation of a temporary Debt Issuance Market Contact Group

On 15 April 2020 the Governing Council approved the creation of a temporary market contact group, the Debt Issuance Market Contact Group (DIMCG), tasked to investigate issues around debt issuance and initial distribution and the harmonisation aspects thereof. The DIMCG will be a multi-stakeholder group with European issuers (e.g. the European Stability Mechanism and the European Investment Bank), investors, central banks, intermediaries and market infrastructures. The outcome of the DIMCG investigations will be presented in an advisory report to the Eurosystem approximately 12 months after its first meeting. The DIMCG Terms of Reference, which were also approved by the Governing Council, are available on the ECB's website.

Advice on legislation

ECB Opinion on Hrvatska narodna banka

On 18 March 2020 the Governing Council adopted Opinion CON/2020/8 at the request of Hrvatska narodna banka.

ECB Opinion on the oversight of payment systems and payment system operators in Cyprus

On 19 March 2020 the Governing Council adopted Opinion CON/2020/9 at the request of the Governor of the Central Bank of Cyprus.

ECB Opinion on close cooperation between the European Central Bank and Hrvatska narodna banka (HNB) within the Single Supervisory Mechanism, and on the macroprudential mandate and tools of HNB

On 25 March 2020 the Governing Council adopted Opinion CON/2020/10 at the request of Hrvatska narodna banka.

ECB Opinion on the provision of emergency liquidity assistance by Lietuvos bankas

On 30 March 2020 the Governing Council adopted Opinion CON/2020/11 at the request of Lietuvos bankas.

ECB Opinion on the identification and reporting by financial institutions of the allocation of sums deposited in savings accounts in Belgium

On 17 April 2020 the Governing Council adopted Opinion CON/2020/12 at the request of the Secretariat of the Belgian Parliament's Commission of Economy.

ECB Opinion on reform of Sveriges Riksbank

On 20 April 2020 the Governing Council adopted Opinion CON/2020/13 at the request of the Swedish Ministry of Finance.

Corporate governance

Recommendation to the Council of the European Union on the external auditors of Latvijas Banka

On 19 March 2020 the Governing Council adopted Recommendation ECB/2020/14 to the Council of the European Union on the external auditors of Latvijas Banka. The Recommendation has been published in the Official Journal of the European Union and on the ECB's website.

Chair of the Risk Management Committee

On 1 April 2020 the Governing Council appointed Mr Fernando Monar Lora, Director Risk Management, as Chair of the Risk Management Committee (RMC) with immediate effect and until 31 December 2022 so as to coincide with the terms of all other ESCB/Eurosystem committee chairs appointed or reappointed in December 2019.

Membership of the Audit Committee

On 29 April 2020 the Governing Council appointed Mr Jens Weidmann, President of the Deutsche Bundesbank, as a member of the Audit Committee for an initial term of three years, i.e. until 30 April 2023.

Statistics

Guideline amending Guideline (EU) 2019/1265 on the euro short-term rate (€STR)

On 19 March 2020 the Governing Council adopted Guideline (EU) 2020/496 amending Guideline (EU) 2019/1265 on the euro short-term rate (€STR) (ECB/2020/15). In the interest of the efficient allocation of resources, the amending Guideline provides that the ECB may carry out tasks regarding the determination process and post-production procedures on behalf of national central banks that have only one reporting agent resident in their Member State and do not operate a local collection platform. It also introduces the possibility of submitting complaints electronically. The amending Guideline is available on the ECB's website.

Guideline on the recording of certain data by national competent authorities in the Register of Institutions and Affiliates Data

On 20 March 2020 the Governing Council adopted, in accordance with Article 6(1), (2) and (7) of the SSM Regulation and in consultation with the national competent authorities (NCAs), Guideline (EU) 2020/497 on the recording of certain data by national competent authorities in the Register of Institutions and

Affiliates Data (RIAD) (ECB/2020/16). The legal act establishes NCAs' obligations with respect to the recording, maintenance and quality management of reference data in RIAD, which is the shared dataset of reference data on legal and other statistical institutional units, for the purposes of supervisory tasks. The Guideline is available on the ECB's website.

2019 statistical data quality reports

On 2 April 2020 the Governing Council approved the publication of the 2019 quality reports on euro area and national quarterly financial accounts and on euro area and national balance of payments and international investment position statistics. These reports, prepared in close cooperation with the Eurosystem/ESCB Statistics Committee, provide information on the quality of European statistics collected, compiled and disseminated by the ECB with the assistance of the euro area national central banks and are part of the ECB Statistics Quality Framework. The reports are available on the ECB's website.

ECB communication on the collection of statistical information in the context of COVID-19

On 8 April 2020 the Governing Council approved the publication on the ECB's website of a communication to reporting agents on the collection of statistical information in the context of COVID-19. This communication, while underlining the need for high-quality data to be available on a timely basis, stresses the Eurosystem's readiness to adopt pragmatic solutions to support reporting agents given the considerable and diverse challenges the coronavirus pandemic poses to reporting agents across the euro area and the European Union, such as the unavailability of staff, restrictions on movement and the closing down of some sectors of the economy.

Regulation on the extension of deadlines for the reporting of statistical information

On 15 April 2020 the Governing Council adopted Regulation (EU) 2020/533 on the extension of deadlines for the reporting of statistical information (ECB/2020/23). The Regulation allows for an extension of the deadlines for certain reporting of statistical information for a limited period of time given the significant challenge the current coronavirus pandemic poses for reporting agents. The Regulation is available on the ECB's website.

Banknotes

Decision on accreditation procedures and requirements for manufacturers of euro banknotes

On 27 April 2020 the Governing Council adopted Decision ECB/2020/24 on accreditation procedures for manufacturers of euro secure items and euro items (recast). The recast is in the interests of legal certainty and clarity and repeals Decision ECB/2013/54, which has been substantially amended several times since its adoption in 2013. The Decision is available on the ECB's website.

Banking supervision

Further supervisory mitigating measures to address the adverse impact of the coronavirus pandemic

Further to the supervisory measures taken on 12 March 2020 to provide temporary capital and operational relief in response to the coronavirus pandemic for the banks directly supervised by the ECB in order to enable them to continue to fulfil their role in funding the real economy, additional flexibility was

announced by means of a press release published on 20 March 2020 on the ECB's banking supervision website together with a Frequently Asked Questions document.

Thereafter, on 26 March 2020, the Governing Council did not object to a proposal by the Supervisory Board to adopt decisions implementing further mitigating measures, in particular postponing by six months a number of deadlines for the fulfilment of obligations, requirements and/or conditions set out in ECB decisions addressed to significant institutions under the ECB's direct supervision, more flexibility granted for procedural deadlines and reduced or postponed data requests.

In addition, on 1 April 2020, the Governing Council did not object to the Supervisory Board's proposal to send a letter to all significant institutions with recommendations from the ECB on how to apply IFRS 9 with a view to mitigating its potential procyclicality. The letter is available on the ECB's banking supervision website.

Furthermore, on 14 April 2020, the Governing Council did not object to a proposal by the Supervisory Board to issue a communication to banks on supervisory reporting measures in the context of the coronavirus pandemic. This communication, which comes in support of the European Banking Authority's statement on supervisory reporting and Pillar 3 disclosures, details a number of measures to alleviate the operational burden on banks in relation to reporting. The communication is available on the ECB's banking supervision website.

Finally, on 15 April 2020, the Governing Council did not object to a proposal by the Supervisory Board to provide additional relief by temporarily allowing lower capital requirements for market risk. A related press release was subsequently published on the ECB's banking supervision website.

Recommendation on dividend distributions during the COVID-19 pandemic and repealing

Recommendation ECB/2020/1

On 27 March 2020 the Governing Council, on a proposal by the Supervisory Board, adopted Recommendation ECB/2020/19 on dividend distributions during the COVID-19 pandemic and repealing Recommendation ECB/2020/1. Given the need for credit institutions to conserve capital to retain their capacity to support the economy, the ECB has recommended that, at least until 1 October 2020, credit institutions do not pay out dividends or undertake any irrevocable commitment to pay out dividends for the financial years 2019 and 2020 and refrain from share buy-backs aimed at remunerating shareholders. The Recommendation, together with a related press release, is available on the ECB's banking supervision website.

Regulation amending Regulation (EU) 2015/534 on reporting of supervisory financial information

On 9 April 2020 the Governing Council, on a proposal by the Supervisory Board, adopted Regulation ECB/2020/22 amending Regulation (EU) 2015/534 on reporting of supervisory financial information with a view to aligning that Regulation with the latest version of Commission Implementing Regulation (EU) No 680/2014, which was recently amended, resulting in changes to the templates and instructions regarding the reporting of supervisory financial information. The Regulation is available on the ECB's banking supervision website.

Public consultation on an ECB guide on climate-related and environmental risks

On 21 April 2020 the Governing Council did not object to a proposal by the Supervisory Board to launch a public consultation on an ECB guide setting out supervisory expectations for the management and

disclosure of climate-related and environmental risks. The material related to this public consultation will be made available on the ECB's banking supervision website in the course of May 2020.