

PRESS RELEASE

8 February 2018

ECB amends guidelines relating to the Eurosystem's monetary policy implementation

- Implements previously announced changes to the eligibility criteria of unsecured bank bonds
- Adjusts haircuts for floating rate assets and risk control measures for retained covered bonds with extendible maturities
- Amends criteria on interest payment structures for eligible credit claims and other technical changes related to collateral framework

The European Central Bank (ECB) has today published three new guidelines (Guidelines ECB/2018/3, ECB/2018/4 and ECB/2018/5). These guidelines amend (i) the Guideline on the implementation of the Eurosystem monetary policy (ECB/2014/60), (ii) the Guideline on the valuation haircuts (ECB/2015/35) and (iii) the Guideline on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral (ECB/2014/31).

The new guidelines introduce changes to the monetary policy implementation framework, which include the following:

The Eurosystem is implementing an ECB decision on the collateral eligibility criteria for unsecured bank bonds. This decision was [previously announced](#) on 14 December 2017.

The Eurosystem is introducing haircuts for floating rate assets graduated according to maturity and is adjusting the risk control measures for retained covered bonds with extendible maturities. These changes follow up on an [ECB press release](#) of 3 November 2016.

The Eurosystem is amending the criteria on interest payment structures for eligible credit claims and is further clarifying the haircuts assigned to floating rate assets with ceilings or floors applying to their coupon payments.

The Eurosystem is excluding investment funds as eligible issuers and guarantors for the collateralisation of Eurosystem credit operations, taking into account their specific risks related to potential asset portfolio changes.

The Eurosystem is excluding commercial mortgage-backed securities (CMBSs) from collateral eligibility, owing to their relatively complex nature.

The Eurosystem is amending the rules on the own-use of assets in the collateral framework. Covered bonds that do not meet certain requirements for preferential risk weights under Article 129 of the Capital Requirements Regulation (CRR) will no longer be allowed for own-use. The own-use of covered bonds meeting the requirements of the CRR and the own-use of non-marketable retail mortgage-backed debt instruments, or RMBDs, as well as of certain multi-cédulas (debt instruments issued by specific Spanish special purpose vehicles) will continue to be permitted.

The Eurosystem is amending the limit on the use of unsecured bank bonds as collateral. Assets issued by credit institutions that are also recognised agencies in the collateral framework, or multilateral development banks or international organisations will be exempted from the limit.

The Eurosystem is providing more details on the minimum information that should be provided to the Eurosystem by firms applying for Eurosystem designation as an asset-backed security, or ABS, loan level data repository.

The Eurosystem is phasing out its framework published in January 2014 for the assessment of securities settlement systems (SSSs) and links. In its place new criteria will be introduced in the General Documentation Guideline which central securities depositories (CSDs) must fulfil for their SSSs and links to be eligible for use in Eurosystem credit operations. The new criteria take account of overlapping requirements for CSDs seeking permission to operate under the Central Securities Depositories Regulation (CSDR) and also apply to SSSs and links which were made eligible under the previous framework.

The Eurosystem is introducing amendments to the General Documentation Guideline to implement specific aspects of the Eurosystem standards for the use of triparty agents (TPAs) in Eurosystem credit operations which were published on the ECB's website in September 2017 and which will apply as of the entry into force of the new guideline amending the General Documentation Guideline. TPAs positively assessed by the Eurosystem prior to the application date will continue to be eligible for use in Eurosystem credit operations.

Guidelines ECB/2018/3, ECB/2018/4 and ECB/2018/5 are published on the ECB's website. Versions of the guidelines in 23 official EU languages are expected to be published in April 2018 in the Official Journal of the European Union.

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