



EUROPEAN CENTRAL BANK

EUROSYSTEM

23 September 2016

DECISIONS TAKEN BY THE GOVERNING COUNCIL OF THE ECB (IN ADDITION TO DECISIONS SETTING INTEREST RATES)

August – September 2016

External communication

Generation Euro Students' Award competition to continue

On 28 July 2016 the Governing Council took note of the positive experience with the Generation Euro Students' Award competition, which was launched in 2010 for a five-year trial period as a joint Eurosystem competition for secondary school students aged 16 to 19. It aims to help students understand how monetary policy in the euro area works and how it relates to the economy. The Governing Council has decided to continue this competition. It will be held for the sixth time from October 2016 to April 2017 and involve 11 national central banks and the ECB.

Market operations

Revision of the standardised deduction from the reserve base and amending Regulation on the application of minimum reserves

On 21 July 2016 the Governing Council decided, after a review of newly available statistical evidence, to lower, from 30% to 15%, the standardised deduction from the reserve base to be applied to liabilities with a maturity of up to two years within the debt securities category, as further specified in Regulation (EC) No 1745/2003 on the application of minimum reserves. This decision shall take effect as of the maintenance period starting on 14 December 2016.

On 9 September 2016 the Governing Council adopted Regulation ECB/2016/26 amending Regulation (EC) No 1745/2003 on the application of minimum reserves. The amending Regulation further clarifies the method used to apply the standard deduction for the exclusion of interbank liabilities from the reserve base. Regulation ECB/2016/26 will enter into force on 14 December 2016. It was published in the *Official Journal of the European Union* and is available on the ECB's website in all official languages of the Union.

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

On 9 September 2016 the Governing Council approved the indicative calendars for the Eurosystem's regular tender operations and reserve maintenance periods for 2017 and 2018. Details were provided in a related press release published on the ECB's website on 14 September 2016 in 23 official languages of the Union.

Financial stability

Eurosystem contribution to the European Commission's DG FISMA consultation paper on further considerations for the implementation of the net stable funding ratio in the European Union

On 7 September 2016 the Governing Council approved the Eurosystem contribution to the European Commission's DG FISMA consultation paper on further considerations for the implementation of the net stable funding ratio in the European Union, which was subsequently submitted to the European Commission and published on the ECB's website on 14 September 2016 (see [Eurosystem contribution](#)).

Market infrastructure and payments

Report on TITUS crisis communication exercise for euro area financial market infrastructures

On 28 July 2016 the Governing Council approved the publication of a report on the TITUS crisis communication exercise. The exercise, held on 4 November 2015, was a crisis communication exercise involving the Eurosystem's payment systems oversight function, TARGET2 operators and all critical payment infrastructures processing the euro, including some of their major stakeholders. The participants were confronted with a simulated cyber-attack on a systemically important payment system (SIPS). The exercise enabled the Eurosystem to evaluate its preparedness to carry out effectively its operational and oversight responsibilities during a crisis and highlighted the effectiveness of the different stakeholders' crisis management procedures for events with cross-border impacts. The report is available on the ECB's website (see [TITUS exercise](#)).

Ad hoc assessment of new links against the standards for the use of securities settlement systems (SSSs) and links in Eurosystem credit operations

On 18 August 2016 the Governing Council approved new links as eligible for use in Eurosystem credit operations in view of the third T2S migration wave. The comprehensive list of all eligible links, last updated on 12 September 2016 with new links operational as of that date, is available on the ECB's website.

Report on TARGET2 stress testing

On 9 September 2016 the Governing Council approved the publication of a report on TARGET2 explaining the methodology underlying the stress-testing framework for the real-time gross

settlement system owned and operated by the Eurosystem, TARGET2, and analysing the results obtained from the stress testing of liquidity risk in this system. Overall, the report concludes that TARGET2 stress-testing demonstrates the resilience of the system and that liquidity levels seem appropriate and supported by the efficient liquidity management features of TARGET2. The report will soon be available on the ECB's website.

Advice on legislation

ECB Opinion on the oversight of payment schemes in Poland

On 28 July 2016 the Governing Council adopted Opinion CON/2016/38 at the request of the Polish Ministry of Finance.

ECB Opinion on specific rules for restructuring loans indexed or denominated in foreign currency in Poland

On 29 July 2016 the Governing Council adopted Opinion CON/2016/39 at the request of the Polish Parliament.

ECB Opinion on amendments to the minimum reserves regime in Romania

On 30 August 2016 the Governing Council adopted Opinion CON/2016/40 at the request of Banca Națională a României.

ECB Opinion on the Banca d'Italia's circular implementing the reform of Italian cooperative banks

On 31 August 2016 the Governing Council adopted Opinion CON/2016/41 at the request of the Banca d'Italia.

ECB Opinion on a central credit register in Slovenia

On 31 August 2016 the Governing Council adopted Opinion CON/2016/42 at the request of the Slovenian Ministry of Finance.

ECB Opinion on the role of the Financial Supervisory Authority's representative on the European Central Bank's Supervisory Board, and on supervision fees

On 7 September 2016 the Governing Council adopted Opinion CON/2016/43 at the request of the Finnish Ministry of Finance.

ECB Opinion on a proposal for a Regulation amending Regulation (EU) No 345/2013 on European venture capital funds and Regulation (EU) No 346/2013 on European social entrepreneurship funds

On 12 September 2016 the Governing Council adopted Opinion CON/2016/44 at the request of the Council.

ECB Opinion on the role of Národná banka Slovenska in reporting on the insurance premium levy

On 19 September 2016 the Governing Council adopted Opinion CON/2016/45 at the request of the Ministry of Finance of the Slovak Republic.

Statistics

Amended Regulation and Guideline on Securities Holdings Statistics

On 2 August 2016 the Governing Council adopted Regulation ECB/2016/22 amending Regulation ECB/2012/24 concerning statistics on holdings of securities, Guideline ECB/2016/23 amending Guideline ECB/2013/7 concerning statistics on holdings of securities, and Recommendation ECB/2016/24 on the data quality management framework for statistics on holdings of securities. The amending legal acts provide for the collection of additional accounting and credit risk attributes from banking groups with a view to better analysing risks and exposures within the financial system and enhancing the ECB's analysis of the monetary policy transmission mechanism. They also extend the list of reporting banking groups to cover all significant groups directly supervised by the ECB. The three legal acts, which were published in the *Official Journal of the European Union*, are available on the ECB's website.

Corporate governance

Chair of the Human Resources Conference

On 7 September 2016 the Governing Council appointed Ms Anne-Sylvie Catherin, ECB Director General Human Resources, as Chair of the Human Resources Conference (HRC) with immediate effect. The appointment will expire on 31 December 2016, so as to coincide with the expiry of the terms of office of all the other Eurosystem/ESCB committee chairpersons, who were (re-)appointed by the Governing Council on 17 July 2013.

Amendment to the ECB's Rules of Procedure

On 21 September 2016 the Governing Council adopted Decision ECB/2016/27 amending Decision ECB/2004/2 adopting the Rules of Procedure of the European Central Bank. The amending decision changes the rules on the signature of supervisory decisions and the notification of legal instruments. The Rules of Procedure are available on the ECB's website.

Banknotes

ECB Decision on the accreditation procedures for manufacturers

On 21 September 2016 the Governing Council adopted Decision ECB/2016/25 amending Decision ECB/2013/54 on the accreditation procedures for manufacturers of euro secure items and euro items. The amending decision introduces the following changes: (i) an extension of the ongoing obligation imposed on manufacturers to immediately inform the ECB in writing of their intention to carry out certain acts that might affect their accreditation status; (ii) the imposition on manufacturers of an ongoing obligation to obtain the ECB's written consent before carrying out

acts that might affect their accreditation status; and (iii) the introduction of a discretionary power for the ECB to refuse to grant written consent if accreditation requirements have not been met or if an entity located in, or controlled by an entity located in, a third state which is not a Member State of the Union or of the European Free Trade Association is involved in an intended transaction.

Banking supervision

Final results of the 2016 EBA stress test for SSM banks

On 12 July 2016 the Governing Council did not object to the final results of the 2016 EBA stress test of the 37 significant institutions directly supervised by the ECB taking part in the exercise. The results were submitted to the EBA and published on 29 July 2016. The ECB published a related press release on its Banking Supervision website on the same day [see [press release](#)].

Launch of the public consultation on the guidance to banks on non-performing loans (NPLs)

On 3 August 2016 the Governing Council did not object to the proposal of the Supervisory Board to launch a public consultation on guidance to banks on non-performing loans (NPLs). The consultation will be open from 12 September until 15 November 2016 on the ECB's website. A related press release was issued on 12 September 2016 [see [press release](#)].

Addendum to the Guide on how to harmonise options and discretions in banking supervision

On 9 August 2016 the Governing Council did not object to the proposal of the Supervisory Board to approve and publish the Addendum to the ECB Guide on options and discretions available in Union law, taking into account the feedback received during a related public consultation. A related press release, together with the Addendum and the feedback statement were subsequently published on the ECB's website [see [press release](#)].

ECB notification to the European Banking Authority (EBA) on compliance with EBA Guidelines on the provision of information in summary or collective form for the purposes of Article 84(3) of Directive 2014/59/EU

On 14 September 2016 the Governing Council did not object to the proposal of the Supervisory Board to notify the EBA that the ECB, in relation to the significant institutions under its direct supervision, complies with the EBA Guidelines as of the date of the ECB's notification to the EBA, which took place on the same day.