



EUROPEAN CENTRAL BANK

EUROSYSTEM

24 March 2017

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

March 2017

External communication

ECB's Annual Report 2016

On 22 March 2017 the Governing Council adopted the ECB's Annual Report 2016, which will be presented to the European Parliament and made available on the ECB's website in 23 official languages of the European Union on 10 April 2017. On that date it will also be presented to the Committee on Economic and Monetary Affairs of the European Parliament.

Market infrastructure and payments

User assessment of new links between securities settlement systems

On 15 March 2017 the Governing Council approved two new direct links, from Euroclear France to Clearstream Banking AG-system and from Euroclear France to Monte Titoli, to be used for the settlement of Eurosystem credit operations. The full list of eligible direct and relayed links is available on the ECB's website.

Advice on legislation

ECB Opinion on conferring new mortgage credit-related tasks on the Central Bank of Cyprus

On 17 February 2017 the Governing Council adopted Opinion CON/2017/3 at the request of the Cypriot Ministry of Finance.

ECB Opinion on Italy's participation in a number of International Monetary Fund programmes: the extension of the New Arrangements to Borrow, the contribution to the Poverty Reduction and Growth Trust, and a new bilateral loan agreement

On 22 February 2017 the Governing Council adopted Opinion CON/2017/4 at the request of the Italian Ministry of Economy and Finance.

ECB Opinion on provision of information and data by payment systems, payment schemes, securities depositories and clearing and settlement systems in Poland

On 1 March 2017 the Governing Council adopted Opinion CON/2017/5 at the request of the Polish Minister for Economic Development and Finance.

ECB Opinion on a proposal for a directive of the European Parliament and of the Council on amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy

On 8 March 2017 the Governing Council adopted Opinion CON/2017/6 at the request of the Council of the European Union and the European Parliament.

ECB Opinion on certain amendments to the deferred tax assets legal framework in Greece

On 15 March 2017 the Governing Council adopted Opinion CON/2017/7 at the request of the Greek Ministry of Finance.

ECB Opinion on limiting the obligation to receive cash payments in Denmark

On 21 March 2017 the Governing Council adopted Opinion CON/2017/8 at the request of the Danish Financial Supervisory Authority.

Corporate governance

Revised Good Practices for the selection and mandate of External Auditors according to Article 27.1 of the ESCB/ECB Statute

On 10 March 2017 the Governing Council approved a revised version of the Good Practices for the selection and mandate of External Auditors according to Article 27.1 of the ESCB/ECB Statute, which were initially adopted in October 2008 and revised in June 2012. The Good Practices, which are published on the ECB's website, enable the Governing Council to ensure that its recommendations to the EU Council on the appointment of NCBs' external auditors are based on proper and harmonised selection criteria.

Banking supervision

ECB Guide for the Targeted Review of Internal Models

On 17 February 2017 the Governing Council did not object to a proposal by the Supervisory Board to publish a draft ECB Guide for the Targeted Review of Internal Models (TRIM). The Guide for TRIM sets out the ECB's view on appropriate supervisory practices and how the ECB intends to interpret the relevant EU law on internal models for credit, market and counterparty credit risk and on general model governance topics. The Guide will be published in due course on the ECB banking supervision website and will be further refined throughout the course of the TRIM project.

Compliance with EBA guidelines on ICAAP and ILAAP information collected for SREP purposes

On 17 February 2017, following a proposal from the Supervisory Board, the Governing Council did not object to the ECB's intention to comply with the European Banking Authority (EBA) Guidelines on ICAAP and ILAAP information collected for SREP purposes (EBA/GL/2016/10). These Guidelines specify the information competent authorities should collect from institutions regarding the internal capital adequacy assessment process (ICAAP) and the internal liquidity adequacy assessment process (ILAAP). The extent of compliance with these Guidelines, which have applied since 1 January 2017, is disclosed on the EBA's website.

ECB guidance on non-performing loans

On 8 March 2017 the Governing Council did not object to a proposal by the Supervisory Board to publish the final ECB guidance to banks on non-performing loans (NPLs). This guidance outlines measures, processes and best practices which banks should, as a priority, incorporate when tackling NPLs. It is based on a number of best practices identified by a high-level group on NPLs, comprising staff from the ECB and national competent authorities, established by the Supervisory Board in July 2015 with the mandate to develop a consistent supervisory approach to NPLs. It follows a public consultation held by the ECB between September and November 2016. The guidance, which is addressed to credit institutions within the meaning of Article 4(1) of Regulation (EU) No 575/2013 (the Capital Requirements Regulation) and is generally applicable to all significant institutions supervised directly under the Single Supervisory Mechanism, including their international subsidiaries, is available on the ECB banking supervision website together with the feedback statement which followed the public consultation.

Annual report 2016 on supervisory activities

On 14 March 2017 the Governing Council adopted the 2016 ECB Annual Report on supervisory activities, prepared in accordance with Article 20 of the SSM Regulation, and authorised its publication and transmission to the European Parliament, the Council, the Eurogroup, the European Commission and the national parliaments of the participating Member States. It is also available on the ECB banking supervision website.

Amendments to ECB significance decisions

On 16 March 2017 the Governing Council did not object to amendments proposed by the Supervisory Board to the ECB's significance decisions, reflecting changes that have occurred within the structure of some entities directly supervised by the ECB, and took note of changes to the list of less significant institutions which are supervised by the national competent authorities. The list of significant institutions and less significant institutions is regularly updated and is available on the ECB's website in accordance with Article 49 of the SSM Framework Regulation.