



EUROPEAN CENTRAL BANK

EUROSYSTEM

23 June 2017

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

June 2017

External communication

ESCB support to the Foreign Exchange Global Code of Conduct

On 25 May 2017 the ECB issued a press release approved by the Governing Council and the General Council of the ECB welcoming the publication of the Foreign Exchange Global Code of Conduct. All the members of the European System of Central Banks, i.e. the ECB and the national central banks of all EU Member States, thereby confirmed their strong commitment to supporting and promoting adherence to the Code in their respective jurisdictions, which together play a key role in the global FX market. In particular, they will adhere to the principles of the Code when acting as FX market participants and likewise expect their regular FX trading counterparties to adhere to the Code.

Publication of the agreement on emergency liquidity assistance

In order to further enhance the transparency regarding the provision of emergency liquidity assistance (ELA) by the national central banks (NCBs), on 17 May 2017 the Governing Council decided to make the related agreement public. The ELA agreement specifies the rules which apply to the provision of ELA and the role of the Governing Council of the ECB in that respect. The document, published on 19 June 2017 on the ECB's website replaces the ELA procedures that had been made public in October 2013. A related press release is also available on the ECB's website.

Market infrastructure and payments

TARGET Annual Report 2016

On 18 May 2017 the Governing Council took note of the TARGET Annual Report for 2016, which was subsequently published on the ECB's website. The TARGET Annual Report provides information on TARGET2 traffic, its operational performance and the main developments that took place in 2016. This year's report also provides detailed information on topics of particular relevance in 2016 and its four boxes focus, respectively, on the evolution of traffic in TARGET2, TARGET2 interdependencies, transaction level data and the Systematically Important Payment Systems regulation and TARGET2 cyber resilience.

Launch of a Eurosystem TARGET Instant Payment Settlement project

On 21 June 2017 the Governing Council approved the launch of the development of a pan-European instant payment settlement service, the “Target Instant Payment Settlement” (TIPS). The aim of the TIPS project is to provide a pan-European instant payment settlement service which will enable citizens and firms to transfer money between each other in real time and which will be available around the clock, 365 days a year. A related press release is available on the ECB’s website and more detailed information will be regularly provided to the public during the realisation phase of the project via the “Payments & Markets” page of the ECB’s website.

Advice on legislation

ECB opinion on the financial independence of Sveriges Riksbank

On 18 May 2017 the Governing Council adopted Opinion CON/2017/17 at the request of the Swedish Ministry of Finance.

ECB opinion on limitations to cash payments in Portugal

On 22 May 2017 the Governing Council adopted Opinion CON/2017/18 at the request of the Portuguese Assembly of the Republic.

ECB opinion on the Commission for the monitoring of alternative dispute resolution procedures and the reserve funds of banking foundations in Spain

On 26 May 2017 the Governing Council adopted Opinion CON/2017/19 at the request of the Banco de España, on behalf of the Secretary of State for Economy and Business Support.

ECB opinion on the limitation of cash payments in Belgium

On 30 May 2017 the Governing Council adopted Opinion CON/2017/20 at the request of the Belgian Ministry of Finance.

ECB opinion on macroprudential measures to limit systemic risks in Austria

On 7 June 2017 the Governing Council adopted Opinion CON/2017/21 at the request of the Austrian Ministry of Finance.

ECB opinion on a proposal for a directive of the European Parliament and of the Council on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU

On 7 June 2017 the Governing Council adopted Opinion CON/2017/22 on its own initiative.

ECB opinion on a new category of debt instruments, new macroprudential tool, the creation of a new category of settlement institution and the exclusion of set-off rights in Belgium

On 8 June 2017 the Governing Council adopted Opinion CON/2017/23 at the request of the Governor of the Nationale Bank van België/Banque Nationale de Belgique, on behalf of the Minister of Finance.

ECB opinion on the auditing of Banka Slovenije's business operations

On 12 June 2017 the Governing Council adopted Opinion CON/2017/24 at the request of the President of the National Assembly of the Republic of Slovenia.

ECB opinion on the ownership of a special-purpose entity for manufacturing euro banknotes

On 16 June 2017 the Governing Council adopted Opinion CON/2017/25 at the request of the Banco de España, on behalf of the Spanish Sub-secretary for Finance and the Civil Service.

Statistics

Statistical data quality report 2016 on euro area monetary and financial statistics

On 18 May 2017 the Governing Council approved the 2016 quality report on euro area monetary and financial statistics which was subsequently published on the ECB's website. This biennial data quality report focuses on the collection, compilation and dissemination of monetary and financial statistics relevant for the euro area in 2015 and 2016 and provides descriptive and quantitative quality indicators. Its first section highlights the recently implemented regulatory updates, which for the period under review were significantly impacted by the new data demands triggered by the establishment of the Single Supervisory Mechanism. Issues related to statistical processes and the quantitative results of the data quality analysis are presented in sections 2 and 3, respectively, of the report.

International and European cooperation

The 16th annual review of the international role of the euro

On 21 June 2017 the Governing Council authorised the publication of the 16th annual review of the international role of the euro, which examines developments in the use of the euro by non-euro area residents. The report, together with a press release, will be published on the ECB's website on 5 July 2017.

Banking supervision

Amendments to ECB significance decisions

On 17 and 23 May 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.

Report on the national framework stocktake of non-performing loans

On 26 May 2017 the Governing Council did not object to a proposal by the Supervisory Board to publish a report taking stock of national supervisory practices and legal frameworks related to non-performing loans (NPLs). This report follows the first stocktake report published in September 2016 which was completed in close collaboration with eight national competent authorities and focused in particular, but not exclusively, on emerging best practices in jurisdictions with relatively high levels of NPLs. This second report extends the stocktake to the remaining 11 countries participating in the Single Supervisory Mechanism, therefore providing a full picture of the practices in the euro area as at 31 December 2016, and supporting the ECB's contribution to the European dialogue on NPLs. The report is available on the ECB's banking supervision website.

Declaration of an institution "failing or likely to fail"

On 6 June 2017 the Governing Council did not object to an assessment prepared by the Supervisory Board and the notification to the Single Resolution Board that would conclude that Banco Popular Español S.A. was failing or likely to fail as a result of the significant deterioration of the bank's liquidity situation. The Single Resolution Board was consulted on the assessment prepared in accordance with Article 18(1) of the Single Resolution Mechanism Regulation, and agreed with the assessment. Following the submission of the final notification to the Single Resolution Board, the central bank function of the ECB, the European Commission, the European Systemic Risk Board, the Banco de España, the Spanish Ministry of Economy, Industry and Competitiveness and the Spanish Deposit Guarantee Fund were informed accordingly. A related press release is available on the ECB's banking supervision website.

ECB guidance on information on transactions which go beyond the contractual obligations of a sponsor institution or an originator institution

On 6 June 2017 the Governing Council did not object to a proposal by the Supervisory Board to publish ECB guidance on information on transactions which go beyond the contractual obligations of a sponsor institution or an originator institution under Article 248(1) of Regulation (EU) No 575/2013. The Guidance, which incorporates the EBA Guidelines into supervisory practice with regard to selected securitisation transactions, is available on the ECB's banking supervision website.