



EUROPEAN CENTRAL BANK

EUROSYSTEM

27 October 2017

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

October 2017

Monetary policy

Non-standard monetary policy measures and increased transparency on the asset purchase programme

On 26 October 2017 the Governing Council decided that net purchases under the asset purchase programme (APP) would be reduced from a monthly pace of €60 billion to a monthly pace of €30 billion from January 2018 until the end of September 2018, or beyond, if necessary, and in any case until the Governing Council sees a sustained adjustment in the path of inflation consistent with its inflation aim. The Governing Council also decided that the Eurosystem would reinvest the principal payments from maturing securities purchased under the APP for an extended period of time after the end of its net asset purchases, and in any case for as long as necessary. Furthermore, the Governing Council decided to continue to conduct the main refinancing operations (MROs) and three-month longer-term refinancing operations (LTROs) as fixed rate tender procedures with full allotment for as long as necessary, and at least until the end of the last reserve maintenance period of 2019. The rates on these LTROs will be fixed at the average rate of the MROs over the life of the respective LTRO. Finally, the Governing Council decided to provide additional data on redemptions, as well as information about reinvestments and the role of private sector purchase programmes, with a view to supporting a continued smooth implementation of asset purchases. The measures are detailed in a related press release available on the ECB's website.

Financial stability

Report on financial structures

On 19 October 2017 the Governing Council approved the publication of the ECB Report on financial structures 2017. The report reviews the main structural features and developments in the broader euro area financial sector over the period from 2008 to 2016, covering the banking sector, insurance corporations and pension funds, as well as other non-bank financial intermediaries. It serves as a complement to the biannual ECB Financial Stability Review, which focuses more on cyclical factors. The report is available on the ECB's website.

Market infrastructure and payments

Amendments to the TARGET2 Guideline

On 22 September 2017 the Governing Council adopted Guideline ECB/2017/28 amending Guideline ECB/2012/27 on a Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET2). The amendments implement past decisions taken by the Governing Council, for instance with regard to the harmonisation of the remuneration of the guarantee funds of financial market infrastructures held with the Eurosystem, or cater for new developments such as the new ancillary system settlement procedure to support the emergence of a pan-European solution for instant payments. The Guideline is available on the ECB's website.

Amendments to the Decision on access to and use of certain TARGET2 data

On 22 September 2017 the Governing Council adopted Decision ECB/2017/29 amending Decision ECB/2010/9 of 29 July 2010 on access to and use of certain TARGET2 data. The amending Decision extends the scope of access to TARGET2 transaction-level data with a view to enabling analyses pertaining to macroprudential oversight, financial stability, financial integration, market operations, monetary policy functions and the Single Supervisory Mechanism. It also facilitates sharing the aggregated results of these analyses. The Decision will be published shortly in the *Official Journal of the European Union* and on the ECB's website.

Advice on legislation

ECB Opinion on a proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1095/2010 and Regulation (EU) No 648/2012 with regard to the procedures and authorities involved for the authorisation of central counterparties and the recognition of third country central counterparties

On 4 October 2017 the Governing Council adopted Opinion CON/2017/39 at the request of the Council of the European Union and of the European Parliament.

ECB Opinion on limitations to cash payments in Cyprus

On 6 October 2017 the Governing Council adopted Opinion CON/2017/40 at the request of the Cypriot Minister for Finance.

ECB Opinion on judicial relief granted to holders of qualified bank credit in Slovenia

On 9 October 2017 the Governing Council adopted Opinion CON/2017/41 at the request of the Slovenian Ministry of Finance.

ECB Opinion on a proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 648/2012 as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories

On 11 October 2017 the Governing Council adopted Opinion CON/2017/42 at the request of the Council of the European Union and of the European Parliament.

Banking supervision

Report on the results of the sensitivity analysis of the effects of interest rate changes

On 26 September 2017 the Governing Council did not object to a proposal by the Supervisory Board to publish the aggregate results of the ECB sensitivity analysis of interest rate risk in the banking book (IRRBB) – stress test 2017, which show that interest rate risk was well managed by most European banks. The detailed results, together with a related press release issued on 9 October 2017, are available on the ECB's banking supervision website.

Compliance with EBA Recommendations on the equivalence of confidentiality regimes

On 2 October 2017 the Governing Council did not object to a proposal by the Supervisory Board that, for significant institutions under its direct supervision, the ECB should comply with the EBA Recommendations on the equivalence of confidentiality regimes (EBA/REC/2015/01), as amended by EBA/REC/2015/02 on 11 September 2015 and by EBA/REC/2017/01 on 11 January 2017, and notify the EBA of its compliance therewith.

ECB decisions on the significance of supervised credit institutions

On 13, 16 and 17 October 2017 the Governing Council did not object to proposals by the Supervisory Board regarding the significance of several supervised credit institutions. The list of supervised entities is updated regularly and is available on the ECB's banking supervision website.