

**24 January 2020**

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

January 2020

### **Monetary policy**

*Launch of the review of the ECB's monetary policy strategy*

On 23 January 2020 the Governing Council decided to launch a review of the ECB's monetary policy strategy adopted in 1998 and further clarified in 2003. More information about the rationale for, the scope and the timetable of the review is detailed in a press release available on the ECB's website.

### **Market operations**

*Annual review of acceptable non-regulated markets, agencies and recognised multilateral development banks and international organisations in the Eurosystem collateral framework*

On 7 January 2020 the Governing Council decided, as a result of its annual review of these lists, to leave unchanged the list of acceptable non-regulated markets for assets eligible as collateral for Eurosystem monetary policy operations and to add Action Logement Services, CDC Habitat, Île-de-France Mobilités, IN'LI and Investitionsbank des Landes Brandenburg to the harmonised list of agencies, making them eligible for purchases under the public sector purchase programme. It also decided to apply more conservative haircuts to two already eligible agencies (Caisse des dépôts et consignations and Instituto de Crédito Oficial) that failed to comply for the period under review with the quantitative criteria to benefit from lower haircuts. Finally, the Governing Council decided to align the list of multilateral development banks and international organisations with the list of entities reported in Articles 117(2) and 118 of Regulation (EU) No 575/2013 (the Capital Requirements Regulation). This alignment implies adding the Asian Infrastructure Investment Bank and the International Development Association as eligible multilateral development banks and removing the European Company for the Financing of Railroad Rolling Stock from the list of eligible international organisations. All lists, which were updated accordingly on 10 January 2020, are available on the ECB's website.

### **Advice on legislation**

*ECB Opinion on limitations to cash payments in the Netherlands*

On 30 December 2019 the Governing Council adopted Opinion CON/2019/46 at the request of the Minister for Finance of the Netherlands.

*ECB Opinion on national defence in Estonia*

On 7 January 2020 the Governing Council adopted Opinion CON/2020/2 at the request of the Estonian Ministry of Justice.

*ECB Opinion on measures limiting macroprudential risks in residential property loans in Germany*

On 8 January 2020 the Governing Council adopted Opinion CON/2020/1 at the request of the German Federal Ministry of Finance.

*ECB Opinion on the recovery and resolution of central counterparties in Germany*

On 14 January 2020 the Governing Council adopted Opinion CON/2020/3 at the request of the German Federal Ministry of Finance.

## **Banking supervision**

*SREP aggregate results and methodology*

On 3 January 2020 the Governing Council did not object to a proposal by the Supervisory Board to publish the aggregate outcome of its 2019 Supervisory Review and Evaluation Process (SREP). A booklet including an overview of the SREP 2019 outcomes in terms of aggregate SREP scores compared with the 2018 cycle, an aggregate overview of the CET1 demand and additional features related to SREP measures is scheduled to be made publicly available, together with a related press release, on 28 January 2020 on the ECB's banking supervision website.

On 16 January 2020 the Governing Council did not object to a proposal by the Supervisory Board regarding the SREP methodology text for publication on the ECB's banking supervision website also on 28 January.

*Launch of a simplified public consultation on a draft ECB Guideline with regard to the threshold for assessing the materiality of credit obligations past due*

On 3 January 2020 the Governing Council did not object to a proposal by the Supervisory Board to launch a simplified public consultation on the draft ECB Guideline on the exercise of the discretion under Article 178(2)(d) of Regulation (EU) No 575/2013 by national competent authorities in relation to less significant institutions with regard to the threshold for assessing the materiality of credit obligations past due. The objective of this Guideline is to ensure a consistent exercise of options and discretions in relation to both significant and less significant institutions, where appropriate. The public consultation was launched on 20 January 2020. A related press release, together with the underlying documentation, is available on the ECB's banking supervision website.

*2020 ECB Recommendation on dividend distribution policies, and accompanying letters to banks on remuneration policies*

On 17 January 2020 the Governing Council did not object to a proposal by the Supervisory Board to adopt the 2020 Recommendation ECB/2020/1 on dividend distribution policies, and approve the accompanying letters to banks on their remuneration policies. The Recommendation and accompanying letters are available on the ECB's banking supervision website.