

19 December 2025

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

December 2025

External communication

Simplification of EU banking rules

On 11 December 2025 the ECB published three documents in relation to the simplification of EU banking rules. First, the ECB published [recommendations](#) for simplifying the European prudential regulatory, supervisory and reporting framework for banks. These recommendations were prepared by the Governing Council High-Level Task Force on Simplification, endorsed by the Governing Council of the ECB and will be presented to the European Commission. Second, the ECB published a [report](#) prepared by ECB Banking Supervision which discusses its ongoing agenda to increase the effectiveness, efficiency and risk focus of European banking supervision under the existing legislation. These initiatives complement the recommendations of the Governing Council High-Level Task Force and can be fully implemented independently of those recommendations. A third [report](#), prepared by the European Systemic Risk Board, completes the package available on the ECB's website. A related [press release](#) was also published.

Market infrastructure and payments

Updated legal framework for continuation of the Eurosystem exploratory work on the settlement in central bank money of wholesale transactions based on distributed ledger technology (DLT)

European Central Bank
Directorate General Communications
Sonnenmannstrasse 20, 60314 Frankfurt am Main, Germany
Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

Reproduction is permitted provided that the source is acknowledged.

On 20 November 2025 the Governing Council approved an update of the legal framework for the continuation of the Eurosystem's exploratory work on the settlement of DLT-based wholesale transactions in central bank money to run until the third quarter of 2026, when the Eurosystem's initial offering to link market DLT platforms and TARGET Services to settle such transactions will be implemented. The legal framework consists of (a) an updated Eurosystem-internal Memorandum of Understanding; and (b) a targeted derogation from selected TARGET2-Securities (T2S) access criteria as per the T2S Framework Agreement that is also temporary, i.e. limited to the period during which the exploratory work continues, which is expected to last until the third quarter of 2026. This update follows the Governing Council approval on 23 June 2025 of a plan that will make it possible to settle DLT-based transactions using central bank money via a two-track programme. The first track, "Pontes", provides a short-term offering to the market – scheduled to be launched in the third quarter of 2026 – and the second track, "Appia", focuses on a long-term approach.

Updated legal documentation related to the Eurosystem Collateral Management System (ECMS)

On 21 November 2025 the Governing Council approved an update to the Eurosystem-internal Level 2/Level 3 Agreement for the ECMS project. This update was triggered by the delayed start of the operational phase of the ECMS project, which went live on 16 June 2025.

Accession of the Bulgarian National Bank to market infrastructure-related agreements

On 4 December 2025 the Governing Council approved amended versions of market infrastructure-related agreements in view of Bulgaria joining the euro area on 1 January 2026, so that the Bulgarian National Bank can become a party to these Eurosystem internal agreements that form the legal framework for TARGET Services.

Eligibility criteria for the Pontes project and its pilot phase

On 4 December 2025 the Governing Council approved the use cases and the eligibility criteria for participants, market DLT operators and assets for Pontes and its pilot phase. Its initial offering is foreseen to go live by the end of the third quarter of 2026. The operational and legal frameworks, which will underpin Pontes and its pilot phase and formally establish these eligibility criteria, will be published in accordance with their respective go-live dates.

2025 report on payment fraud, jointly prepared by the European Banking Authority (EBA) and the ECB

On 11 December 2025 the Governing Council authorised the publication of the second joint EBA-ECB report on payment fraud. The report presents a comprehensive overview of payment fraud data

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

collected by the EBA and the ECB in their respective roles as overseer of payment systems, instruments, schemes and arrangements and supervisory authority of payment service providers, under the relevant applicable frameworks. The EBA and the ECB monitor payment fraud developments based on the fraud data collected and publish these reports on a yearly basis. These reports replace the previous Eurosystem reports on card fraud, providing a more comprehensive and detailed perspective on fraud across various payment instruments. The joint EBA-ECB [report](#) and a related [press release](#) are available on the websites of the EBA and the ECB.

Advice on legislation

ECB Opinion on the prevention of conflicts of interest among the staff of the Central Bank of Cyprus

On 25 November 2025 the Governing Council adopted Opinion [CON/2025/38](#) at the request of the Central Bank of Cyprus.

ECB Opinions concerning the ownership of the Banca d'Italia's gold reserves

On 2 December 2025 the Governing Council adopted Opinion [CON/2025/39](#) at the request of the Italian Minister for Economy and Finance. Following the revision of the relevant provision of the draft Budget Law 2026 concerning the ownership of the Banca d'Italia's gold reserves, the ECB was again consulted and on 8 December 2025 the Governing Council adopted Opinion [CON/2025/40](#) at the request of the Italian Minister for Economy and Finance.

ECB Opinion on the taxation of financial institutions

On 12 December 2025 the Governing Council adopted Opinion [CON/2025/41](#) at the request of the Italian Minister of Economy and Finance.

ECB Opinion on digitalisation and modernisation of the financial sector

On 16 December 2025 the Governing Council adopted Opinion [CON/2025/42](#) at the request of the Banco de España, on behalf of the Spanish Ministry of Economy, Trade and Business.

ECB Opinion on certain provisions relating to the interaction between national law and the Single Supervisory Mechanism and sector-specific banking rules

On 18 December 2025 the Governing Council adopted Opinion [CON/2025/43](#) at the request of the Italian Ministry of Economy and Finance. The Opinion will be published in due course on EUR-Lex.

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

ECB Opinion on the notification and assessment procedure for intragroup mergers

On 18 December 2025 the Governing Council adopted Opinion CON/2025/44 at the request of the Luxembourg Ministry of Finance. The Opinion will be published in due course on EUR-Lex.

Corporate governance

Amendments to the legal framework related to the entry of the Bulgarian National Bank into the Eurosystem

On 4 December 2025 the Governing Council adopted Decision [ECB/2025/39](#) amending Decision ECB/2010/29 on the issue of euro banknotes, to reflect the change in the capacity of the Bulgarian National Bank from a non-euro area central bank to a euro area central bank, as a consequence of the abrogation, as of 1 January 2026, of Bulgaria's derogation. For the same reason, the Governing Council will be invited in December 2025 to, first, adopt a Decision on the paying-up of capital, transfer of foreign reserve assets, and contributions by the Bulgarian National Bank to the ECB's reserves and provisions, and, second, endorse an Agreement between the Bulgarian National Bank and the ECB regarding the claim credited to the Bulgarian National Bank by the ECB under Article 30.3 of the Statute of the European System of Central Banks and of the European Central Bank.

On 16 December 2025 the General Council also endorsed an amended [Agreement amending the ERM II Central Bank Agreement](#) in view of the abrogation, as of 1 January 2026, of Bulgaria's derogation.

The adoption and endorsement (as applicable) of these legal acts is a standard procedure undertaken in view of the entry into the Eurosystem of the national central bank of a Member State that adopts the euro. It is also accompanied by an update of the schedule of the rotation system of voting rights in the Governing Council as a result of the Bulgarian National Bank joining the Eurosystem and taking part in its decision-making. The updated [calendar](#) will be available on the ECB's website on 1 January 2026.

ECB Recommendation on the external auditors of Eesti Pank

On 12 December 2025 the Governing Council adopted Recommendation ECB/2025/41 to the Council of the European Union on the external auditors of Eesti Pank. The Recommendation will be published in due course on EUR-Lex.

Proposed extension of the mandate of the Vice-Chair of the Supervisory Board

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

On 17 December 2025 the Governing Council proposed to extend the term of office of ECB Executive Board member Frank Elderson as Vice-Chair of the ECB's Supervisory Board. In accordance with the ECB Rules of Procedure, the Vice-Chair's term may be extended, but not beyond the end of the eight-year mandate as a member of the Executive Board. Mr Elderson's mandate runs until 14 December 2028. More detailed information is available in a related [press release](#) on the ECB's website.

Appointment of the Chair of the Committee on Controlling (COMCO) and the national central bank co-Chair of the Organisational Development Committee (ODC)

On 17 December 2025 the Governing Council appointed Sergio Nicoletti Altimari, Member of the Governing Board and Deputy Governor of the Banca d'Italia, as Chair of COMCO, to succeed Olaf Sleijpen, President of De Nederlandsche Bank, whose mandate as chair of COMCO expires at the end of 2025. The Governing Council also appointed Elisa Newby, Head of the General Secretariat of Suomen Pankki – Finlands Bank, as national central bank co-Chair of the ODC, to replace Michael Peschel who is retiring from the Deutsche Bundesbank at the end of the year. Both appointments take effect on 1 January 2026 and run until 31 December 2028 to coincide with the terms of office of the other Chairs of Eurosystem/ESCB committees who were recently re-appointed for the three-year period from January 2026 to December 2028.

International and European cooperation

European System of Central Banks (ESCB) cooperation programme for strengthening the central bank capacities in the Western Balkans

On 27 November 2025 the Governing Council endorsed the programme documentation for the third phase of the ESCB cooperation programme between the ESCB and the Western Balkans. This programme, coordinated by the Deutsche Bundesbank and financed by the European Commission under its Instrument for Pre-Accession Assistance (IPA III) Programming Framework for the period 2021-27, involves 21 ESCB national central banks and will benefit the Bank of Albania, the Central Bank of Bosnia and Herzegovina, the National Bank of the Republic of North Macedonia, the Central Bank of Montenegro, the National Bank of Serbia and the Central Bank of the Republic of Kosovo*. For Bosnia and Herzegovina, the two supervisory agencies (the Federal Banking Agency of the Federation of Bosnia and Herzegovina and the Banking Agency of Republika Srpska) will also be included. This third phase of the programme will be implemented over three years, starting in 2026.

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

**This designation is without prejudice to positions on status and is in line with UN Security Council Resolution 1244/1999 and the International Court of Justice Opinion on the Kosovo declaration of independence.*

ESCB cooperation programme with African central banks to strengthen financial stability, resilience and governance

On 3 December 2025 the Governing Council endorsed the programme documentation for a two-year extension of the ESCB cooperation programme with African central banks to strengthen financial stability resilience and governance. This programme, coordinated by the Deutsche Bundesbank and financed by the European Commission under its Neighbourhood, Development and International Cooperation Instrument, involves nine ESCB national central banks and will benefit 12 central banks (the National Bank of Angola, the Central Bank of West African States (BCEAO), the Bank of Central African States (BEAC), the Central Bank of Egypt, the Bank of Ghana, the Central Bank of Kenya, Bank Al-Maghrib (Central Bank of Morocco), the Bank of Mozambique, the Bank of Namibia, the South African Reserve Bank, the Bank of Tanzania and the Bank of Tunisia) serving a total of 24 countries.

ECB Banking Supervision

Frequently asked questions (FAQs) on the application of environmental, social and governance (ESG) disclosure requirements

On 20 November 2025 the Governing Council did not object to a proposal by the Supervisory Board to publish a set of FAQs on the application of ESG disclosure requirements following the issuance of an EBA Opinion in the form of a no-action letter (see [EBA/Op/2025/11](#)). The FAQs aim to address queries from supervised institutions and national competent authorities about the ECB's stance on the EBA's no-action letter on Pillar 3 ESG disclosure requirements and clarify that the ECB will follow the EBA's recommendations. The [FAQs](#) are available on the ECB's banking supervision website.

Publication of the TIBER-EU SSM Implementation Guide

On 20 November 2025 the Governing Council did not object to a proposal by the Supervisory Board to publish the TIBER-EU SSM Implementation Guide, which adopts and implements the framework for Threat Intelligence-Based Ethical Red teaming (TIBER-EU) for the mandatory threat-led penetration

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

testing of significant institutions under the Digital Operational Resilience Act. The [Implementation Guide](#) is available on the ECB's banking supervision website.

Supervisory Examination Programme for on-site inspections and internal model investigations in 2026

On 21 November 2025 the Governing Council did not object to a proposal by the Supervisory Board to approve the 2026 Supervisory Examination Programme for on-site inspections and internal model investigations at significant institutions under European banking supervision. The on-site Supervisory Examination Programme is based on the [supervisory priorities for 2026-28](#), which were published on the ECB's banking supervision website in November 2025.

Asset quality review of Raiffeisen-Holding Niederösterreich-Wien

On 25 November 2025 the Governing Council did not object to a proposal by the Supervisory Board to disclose the final results of the asset quality review for Raiffeisen-Holding Niederösterreich-Wien. The results and a related [press release](#) are available on the ECB's banking supervision website.

Publication of ECB Guideline on non-performing loan exposures of less significant institutions

On 10 December 2025 the Governing Council did not object to a proposal by the Supervisory Board to adopt Guideline ECB/2025/40 on the supervisory approach by national competent authorities to coverage of non-performing exposures held by less significant supervised entities. This follows a [public consultation](#) on the initial draft. The Guideline, together with a press release and a feedback statement prepared in response to the comments received as part of the public consultation, is available on the ECB's banking supervision website.

Stress test on geopolitical risk

On 12 December 2025 the ECB announced that it will conduct a geopolitical risk reverse stress test in 2026 on the 110 banks under its direct supervision. This reverse stress test will complement the 2025 EBA stress test, which assumed a common scenario for all banks and led to differences in their capital depletion. The 2026 thematic stress test will ask banks to assess how geopolitical risk could affect their business model. More detailed information is available in a related [press release](#) on the ECB's banking supervision website.

Updated ECB guide on the notification of significant risk transfer and implicit support for securitisations

On 15 December 2025 the Governing Council did not object to a proposal by the Supervisory Board to publish an updated ECB guide for significant institutions on the notification of significant risk transfer

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

and implicit support for securitisations. The guide lays down the notification process that significant institutions acting as originator institutions of securitisation transactions are advised to follow with regard to the recognition of significant risk transfer for a given securitisation. The [guide](#), together with a related [press release](#), is available on the ECB's banking supervision website.

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu