



EUROPEAN CENTRAL BANK

EUROSYSTEM

16 December 2016

DECISIONS TAKEN BY THE GOVERNING COUNCIL OF THE ECB (IN ADDITION TO DECISIONS SETTING INTEREST RATES)

December 2016

Market operations

Annual review of acceptable non-regulated markets, issuers classified as multilateral development banks or international organisations, and issuers classified as agencies in haircut category II

On 14 October 2016 the Governing Council reviewed the list of acceptable non-regulated markets for assets eligible as collateral for Eurosystem monetary policy operations; the list of issuers classified as multilateral development banks and international organisations; and the list of issuers classified as agencies in haircut category II. The first two lists remain unchanged, while Cassa Depositi e Prestiti will be included in the list of accepted agencies in haircut category II. The lists are published on the ECB's website and will be updated accordingly on 1 January 2017.

Issues related to the expanded asset purchase programme

On 8 December 2016 the Governing Council decided that it would continue its purchases under the expanded asset purchase programme (APP) at a monthly pace of €80 billion until the end of March 2017 and that from April 2017 the net asset purchases were intended to continue at a monthly pace of €60 billion until the end of December 2017, or beyond, if necessary, and in any case until the Governing Council saw a sustained adjustment in the path of inflation consistent with its inflation aim. The Governing Council also approved changes to some of the parameters of the APP to ensure its smooth implementation. Finally, the Governing Council decided to accept cash as collateral for securities lending facilities under the public sector purchase programme, with the aim of enhancing the effectiveness of the securities lending framework. All of these decisions are explained in greater detail in three related press releases available on the ECB's website.

Implementation of the asset-backed securities purchase programme

On 14 December 2016 the Governing Council decided that the asset-backed securities purchase programme (ABSPP) will be fully implemented by the Eurosystem national central

banks, instead of relying on the support of external asset managers, from 1 April 2017. More detailed information can be found in a related press release available on the ECB's website.

Financial stability

Governing Council statement on macroprudential policies

On 14 December 2016 the Governing Council approved its statement on macroprudential policies following the meeting of its Macroprudential Forum held on the same day. This forum includes all members of the ECB's Governing Council and Supervisory Board and meets four times a year. The statement is available on the ECB's website.

Payment systems

2016 update of the correspondent central banking model (CCBM) documentation

On 12 December 2016 the Governing Council approved the updated CCBM Manual of procedures and the updated CCBM Procedures for Eurosystem counterparties. It also endorsed the updates of the related internal Eurosystem/ESCB agreements. Furthermore, the Governing Council approved the publication of the CCBM Procedures for Eurosystem counterparties and its technical annex on CCBM information for counterparties – Summary of legal instruments used in the euro area, on the ECB's website.

Advice on legislation

ECB Opinion on the conferral of powers on the Central Bank of Ireland to assess competition in the market for mortgage loans and to issue lenders with directions on variable interest rates

On 17 November 2016, the Governing Council adopted Opinion CON/2016/54 at the request of the Chairman of the Oireachtas (Irish National Parliament) Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach (Irish Prime Minister).

ECB Opinion on a draft law abolishing the State guarantee provided in connection with emergency liquidity assistance in Belgium

On 17 November 2016 the Governing Council adopted Opinion CON/2016/55 at the request of the Governor of the Nationale Bank van België/Banque Nationale de Belgique.

ECB Opinion on reserve ratios in Hungary

On 18 November 2016 the Governing Council adopted Opinion CON/2016/56 at the request of the Magyar Nemzeti Bank.

ECB Opinion on the reimbursement of the costs for the operation of the central credit register and the register of bank accounts in Bulgaria

On 30 November 2016 the Governing Council adopted Opinion CON/2016/57 at the request of Българска народна банка (Bulgarian National Bank).

ECB Opinion on the transfer of public tasks concerning coins to De Nederlandsche Bank

On 5 December 2016 the Governing Council adopted Opinion CON/2016/58 at the request of the Minister of Finance of the Netherlands.

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

On 13 December 2016 the Governing Council adopted Opinion CON/2016/59 at the request of the Slovenian Ministry of Finance.

Statistics

Confidentiality of statistics information collection – 2015 Annual Report

On 9 December 2016 the Governing Council took note of the 2015 Confidentiality Report that assesses the protection of confidentiality of individual statistical information collected by the European Central Bank assisted by the national central banks, pursuant to Council Regulation (EC) 951/2009 amending Council Regulation (EC) 2533/98. A summary of the report will be published shortly on the ECB's website.

Issuance of banknotes and coins

Approval of the volume of coin issuance

On 30 November 2016 the Governing Council adopted Decision ECB/2016/43 on the approval of the volume of coin issuance in 2017.

Corporate governance

Chair of the ECB's Budget Committee

On 16 November 2016 the Governing Council appointed Ms Sharon Donnery, Deputy Governor of the Central Bank of Ireland, as Chair of the ECB's Budget Committee to replace Mr Pentti Hakkarainen with effect from 1 January 2017.

Triennial review of Eurosystem/ESCB committees

On 14 December 2016, as part of the triennial review of the committees' mandates, the Governing Council extended for a further term, expiring on 31 December 2019, the Eurosystem/ESCB committees established in accordance with Article 9.1 of the Rules of Procedure of the ECB and reappointed their chairs until 31 December 2019. The list of committees can be found in the ECB Annual Report.

Appointment of an ECB member to the Supervisory Board

On 14 December 2016 the Governing Council appointed Mr Pentti Hakkarainen, Deputy Governor of Suomen Pankki – Finlands Bank and Chair of the Finnish Financial Supervisory Authority, as ECB representative to the Supervisory Board of the Single Supervisory Mechanism. Mr Hakkarainen will take up his new role in February 2017. A related press release is available on the ECB's website.

Banking supervision

Public consultation on a draft guidance on leveraged transactions

On 23 November 2016 the Governing Council decided to launch a public consultation on a draft guidance on leveraged transactions. The consultation period runs until 27 January 2017 and includes a technical workshop for banks on 16 December 2016 and a public hearing on 20 January 2017.

Supervisory Examination Programme of on-site inspections and internal model investigations in 2017 and changes to the 2016 programme

On 5 December 2016 the Governing Council did not object to a proposal by the Supervisory Board to approve the Supervisory Examination Programme (SEP) 2017 of on-site inspections (OSI) and internal model investigations (IMI), including the targeted review of internal models (TRIM) in accordance with Article 99 of CRD IV.

Publication of a summary of the SSM supervisory priorities for 2017

On 8 December 2016 the Governing Council did not object to a proposal by the Supervisory Board to publish the summary of the SSM supervisory priorities 2017.

Update of the SREP methodology booklet

On 12 December 2016 the Governing Council did not object to a proposal by the Supervisory Board to approve the SREP methodology booklet – 2016 update. The updated booklet addresses the introduction of Pillar 2 guidance and will be published on the ECB's website.

Recommendation ECB/2016/44 on dividend distribution policies and letters on remuneration policies

On 13 December 2016 the Governing Council did not object to a proposal by the Supervisory Board on an ECB recommendation (ECB/2016/44) on dividend distribution policies and to a letter addressed to banks' Chief Executive Officers regarding variable remuneration policies. The Recommendation and the letter are available on the ECB's website.