



EUROPEAN CENTRAL BANK

EUROSYSTEM

Additional credit claims (ACCs) as Eurosystem collateral



MMCG 22/09/2020

Isabel Kerner
DG-M/MOA/FMCO

Additional credit claims (ACCs) in the collateral framework - background

- The concept of ACCs was **introduced in December 2011**;
- The purpose is to increase collateral availability and thus contribute to a **smooth transmission of monetary policy** in the euro area;
- The ACC framework allows Eurosystem NCBs to accept additional performing credit claims as collateral, which are **beyond the scope of the credit claims accepted under the regular collateral framework**;
- In this way, NCBs can **address specific collateral needs** in their jurisdiction by taking into account the **country-specific legal, operational and market situation around credit claims**. Each ACC framework needs to be approved by the Governing Council and is subject to a common minimum risk control framework.

Additional credit claims (ACCs) in the collateral framework – recent developments

- **Collateral easing package of 7 April 2020** contained relevant elements related to ACCs:
- Eurosystem **supports pandemic-related public-sector guarantee schemes** which are being developed in several member states;
- **Loans benefiting from such guarantees may be eligible as ACCs**, even if the guarantee does not fulfil all the strict Eurosystem requirements that apply under normal circumstances.

Additional credit claims (ACCs) in the collateral framework – recent developments

- Increased availability of **credit assessment systems** that can be used for the ACC framework:
 - **internal-ratings based systems** authorised by supervisors for the calculation of regulatory capital ratios can now be accepted on a fast-track procedure for monetary policy collateral purposes.
 - NCBs can now set up purely **statistical in-house credit assessment systems** to assess a larger number of non-financial corporates, in particular SMEs.
- Certain **reporting requirements** for ACCs are reduced: no loan-level data is required for the first three months of mobilisation, and thereafter only quarterly instead of monthly data submission.

Additional credit claims (ACCs) in the collateral framework – recent developments

- After the 7 April decision on the collateral easing package, the Governing Council already has taken several decisions related to the implementation of the ACC related measures. So far:
 - **New ACC frameworks** accepted for five NCBs (BE, LT, EE, SK and FI).
 - **Expansions of ACC frameworks** accepted for nine NCBs.
 - **COVID-19 related government guarantee schemes** accepted for six NCBs.

Credit claims (incl. ACCs) in the collateral framework – recent developments

