

**DECISION OF THE EUROPEAN CENTRAL BANK**

**of 20 December 2010**

**concerning the opening of accounts for the processing of payments in connection with EFSF loans to Member States whose currency is the euro**

**(ECB/2010/31)**

(2011/15/EU)

THE EXECUTIVE BOARD OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Articles 17 and 21 thereof,

Whereas:

(1) Pursuant to Article 17 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter the 'Statute of the ESCB'), in order to conduct its operations, the European Central Bank (ECB) may open accounts for credit institutions, public entities and other market participants.

(2) Pursuant to Article 21.1 and 21.2 of the Statute of the ESCB, the ECB may act as fiscal agent for Union institutions, bodies, offices or agencies, central governments, regional, local or other public authorities, other bodies governed by public law, or public undertakings of Member States.

(3) Pursuant to Article 1(2) of Decision ECB/2007/7 of 24 July 2007 concerning the terms and conditions of TARGET2-ECB <sup>(1)</sup>, the ECB may accept central banks as customers.

(4) Reference is made to the EFSF Framework Agreement between the Member States whose currency is the euro and European Financial Stability Facility, Société Anonyme (EFSF), a public limited liability company incorporated in Luxembourg, with the Member States whose currency is the euro as its shareholders. The EFSF Framework Agreement entered into force and became binding on 4 August 2010.

(5) Pursuant to the EFSF Framework Agreement and in accordance with EFSF's by-laws, EFSF is to provide financing in the form of loan facility agreements (hereinafter the 'Loan Facility Agreements') to Member States whose currency is the euro where such Member States are in financial difficulties and have entered into a memorandum of understanding with the European Commission containing policy conditionality.

(6) Article 3(5) of the EFSF Framework Agreement provides that the disbursement of the loan made available by EFSF to a Member State whose currency is the euro will be made through the accounts of EFSF and the relevant borrower Member State which have been opened with the ECB for the purpose of the Loan Facility Agreements. Decision ECB/2010/15 of 21 September 2010 concerning the administration of EFSF loans to Member States whose currency is the euro <sup>(2)</sup> lays down provisions concerning the opening of a cash account in the name of EFSF with the ECB for the operation of the Loan Facility Agreements.

(7) The repayment under the Loan Facility Agreements will be made through cash accounts opened with the ECB in the name of the national central bank (NCB) of the relevant borrower Member State.

(8) It is necessary to lay down provisions concerning the cash accounts that are to be opened with the ECB in the name of the NCB of the relevant borrower Member State for the operation of the Loan Facility Agreements,

HAS ADOPTED THIS DECISION:

*Article 1*

**Opening of cash accounts**

The ECB may, upon request of the NCB of a borrower Member State, open cash accounts in the name of such NCB for the processing of payments in connection with a Loan Facility Agreement (hereinafter an 'NCB cash account').

*Article 2*

**Acceptance of payments on the cash accounts**

An NCB cash account shall only be used to process payments in connection with a Loan Facility Agreement.

*Article 3*

**Acceptance of instructions**

The ECB shall, in relation to an NCB cash account, only accept instructions from the NCB holding the account.

<sup>(1)</sup> OJ L 237, 8.9.2007, p. 71.

<sup>(2)</sup> OJ L 253, 28.9.2010, p. 58.

*Article 4***Balance of cash accounts**

No amount shall be standing to the debit of an NCB cash account at any time. Therefore, no payments shall be effected from such accounts beyond the amount standing to the credit of these accounts.

*Article 5***Remuneration**

The ECB shall pay interest on the balance standing overnight to the credit of an NCB cash account in an amount equal to the applicable ECB deposit facility rate on an actual/360 basis.

*Article 6***Entry into force**

This Decision shall enter into force on the day following its publication in the *Official Journal of the European Union*.

Done at Frankfurt am Main, 20 December 2010.

*The President of the ECB*

Jean-Claude TRICHET

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