

GUIDELINES

GUIDELINE OF THE EUROPEAN CENTRAL BANK

of 17 March 2011

amending Guideline ECB/2007/2 on a Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET2)

(ECB/2011/2)

(2011/205/EU)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

TARGET2-ECB (*). Intraday credit granted by the ECB shall remain limited to the day in question with no possibility of an extension to overnight credit.

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 127(2) thereof,

(*) OJ L 237, 8.9.2007, p. 71.;

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Article 3.1 and Articles 17, 18 and 22 thereof,

2. in Annex III, paragraph 3, the following subparagraphs are added:

Whereas:

- (1) The Governing Council of the European Central Bank (ECB) adopted Guideline ECB/2007/2 of 26 April 2007 on a Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET2) ⁽¹⁾ governing TARGET2, which is characterised by a single technical platform called the Single Shared Platform.
- (2) Amendments should be made to Guideline ECB/2007/2 to allow the Governing Council to decide whether, as a precautionary measure, overnight credit may need to be made available in TARGET2 to certain eligible CCPs that are not licensed as credit institutions,

'By way of derogation, the Governing Council may decide to exempt, by means of a reasoned prior decision, certain eligible central counterparties (CCPs) from the prohibition on overnight credit extension. Such eligible CCPs are those that, at all relevant times:

- (a) are eligible entities for the purposes of paragraph 2(e), provided also that those eligible entities are authorised as CCPs in accordance with the applicable Union or national legislation;
- (b) are established in the euro area;
- (c) are subject to supervision and/or oversight by competent authorities;
- (d) comply with the oversight requirements for the location of infrastructures offering services in euro, as amended from time to time and published on the ECB's website (*);
- (e) have accounts in the Payments Module (PM) of TARGET2;
- (f) have access to intraday credit.

HAS ADOPTED THIS GUIDELINE:

Article 1

Amendments to Guideline ECB/2007/2

Guideline ECB/2007/2 is amended as follows:

1. Article 7(2) is replaced by the following text:

'2. The eligibility criteria for intraday credit of ECB counterparties are defined in Decision ECB/2007/7 of 24 July 2007 concerning the terms and conditions of

All overnight credit granted to eligible CCPs shall be subject to the terms of this Annex (including, for the avoidance of doubt, the provisions in relation to eligible collateral).

⁽¹⁾ OJ L 237, 8.9.2007, p. 1.

For the avoidance of doubt, the sanctions provided for in paragraphs 10 and 11 of this Annex shall apply in cases of non reimbursement by eligible CCPs of the overnight credit extended to them by their NCB.

(*) The Eurosystem's current policy for the location of infrastructures is set out in the following statements, which are all published on the ECB's website at www.ecb.europa.eu: (a) the "Policy statement on euro payment and settlement systems located outside the euro area" of 3 November 1998; (b) "The Eurosystem's policy line with regard to consolidation in central counterparty clearing" of 27 September 2001; (c) "The Eurosystem policy principles on the location and operation of infrastructures settling in euro-denominated payment transactions" of 19 July 2007; and (d) "The Eurosystem policy principles on the location and operation of infrastructures settling euro-denominated payment transactions: specification of 'legally and operationally located in the euro area'" of 20 November 2008.

Article 2

Guarantee Fund Accounts and Remuneration

1. To the extent that a CCP is required by regulation, including on oversight grounds, to hold a Guarantee Fund Account, funds credited to such an account of a CCP shall be remunerated at the main refinancing operations rate minus 15 basis points.

2. Funds otherwise credited to a Guarantee Fund Account of a CCP shall be remunerated at the deposit rate.

Article 3

Entry into force

This Guideline shall enter into force 2 days after its adoption. It shall apply from 11 April 2011.

Article 4

Addressees and implementing measures

1. This Guideline is addressed to all Eurosystem central banks.

2. The participating NCBs shall by 1 April 2011 send to the ECB the measures by which they intend to comply with this Guideline.

Done at Frankfurt am Main, 17 March 2011.

For the Governing Council of the ECB

The President of the ECB

Jean-Claude TRICHET