

REGULATION (EC) No 690/2002 OF THE EUROPEAN CENTRAL BANK
of 18 April 2002
amending Regulation (EC) No 2818/98 (ECB/1998/15) on the application of minimum reserves
(ECB/2002/3)

THE GOVERNING COUNCIL 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 to Article 19.1 thereof,

Having regard to Council Regulation (EC) No 2531/98 of 23 November 1998 concerning the application of minimum reserves by the European Central Bank ⁽¹⁾, as amended by Regulation (EC) No 134/2002 ⁽²⁾, and in particular to Article 2 thereof,

Whereas:

Regulation (EC) No 2818/98 of the European Central Bank of 1 December 1998 on the application of minimum reserves (ECB/1998/15) ⁽³⁾, as amended by Regulation (EC) No 1921/2000 (ECB/2000/8) ⁽⁴⁾, should be amended for the following reasons:

- (1) Directive 2000/28/EC ⁽⁵⁾ extended the definition of credit institutions contained in Article 1, point 1, first subparagraph, of Directive 2000/12/EC of the European Parliament and of the Council of 20 March 2000 relating to the taking up and pursuit of the business of credit institutions ⁽⁶⁾ to electronic money institutions. In order to clarify that electronic money institutions will be subject to minimum reserve requirements for reasons of equal treatment between the various categories of electronic money issuers, the reference to the definition of credit institutions contained in Article 2(1) of Regulation (EC) No 2818/98 (ECB/1998/15) should be amended accordingly.
- (2) Pursuant to Article 2(2) of Regulation (EC) No 2818/98 (ECB/1998/15), the ECB may exempt institutions which are subject to winding-up proceedings from reserve requirements on a non-discriminatory basis.
- (3) It is appropriate for reasons of efficiency to establish a general rule according to which credit institutions will be automatically exempted from reserve requirements for the whole maintenance period within which they cease to exist as such.
- (4) The rules regarding withdrawal or lapse of the authorisation to carry on the business of a credit institution

have been harmonised by Article 14 of Directive 2000/12/EC.

- (5) It is necessary for the automatic exemption procedure in the event of winding-up proceedings to apply without prejudice to the possibility of applying for an exemption under Article 2(2) of Regulation (EC) No 2818/98 (ECB/1998/15) for the purposes of specific features of national procedures.
- (6) It is necessary to expressly clarify the obligation to include in the reserve base the liabilities of an institution vis-à-vis a branch of the same entity, or vis-à-vis the head office or registered office of the same entity, which are located outside participating Member States.
- (7) The possibility of the Eurosystem conducting in parallel more than one main refinancing operation, with such operations having different maturities, requires an amendment to the formula concerning the calculation of the remuneration of holdings of required reserves,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 2818/98 (ECB/1998/15) is amended as follows:

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

'1. The following categories of institutions shall be subject to reserve requirements:

- (a) credit institutions as defined in Article 1, point 1, first subparagraph, of Directive 2000/12/EC of the European Parliament and of the Council ^(*) relating to the taking-up and pursuit of the business of credit institutions, other than participating NCBs;
- (b) branches of credit institutions as defined in Article 1, point 1, first subparagraph, of Directive 2000/12/EC, other than participating NCBs; these include branches of credit institutions which have neither their registered nor their head office in a participating Member State.

Branches of credit institutions established in participating Member States which are located outside participating Member States shall not be subject to reserve requirements.

⁽¹⁾ OJ L 318, 27.11.1998, p. 1.

⁽²⁾ OJ L 24, 26.1.2002, p. 1.

⁽³⁾ OJ L 356, 30.12.1998, p. 1.

⁽⁴⁾ OJ L 229, 9.9.2000, p. 34.

⁽⁵⁾ OJ L 275, 27.10.2000, p. 37.

⁽⁶⁾ OJ L 126, 26.5.2000, p. 1.

^(*) OJ L 126, 26.5.2000, p. 1.'

2. Article 2 is amended as follows:

(a) The following subparagraph is inserted at the beginning of paragraph 2:

'2. Without being under an obligation to submit any request, an institution shall be exempted from reserve requirements from the start of the maintenance period within which its authorisation is withdrawn or renounced, or within which a decision to submit the institution to winding-up proceedings is taken by a judicial authority or any other competent authority of a participating Member State.'

(b) In paragraph 2(a), the words 'winding-up proceedings or' are deleted.

3. The following sentence is inserted at the end of paragraph 1 of Article 3:

'If an institution has liabilities vis-à-vis a branch of the same entity, or vis-à-vis the head office or registered office of the same entity, which are located outside participating Member States, it shall include such liabilities in the reserve base.'

4. Article 8(1) is replaced by the following:

'1. Holdings of required reserves are remunerated at the average, taken over the maintenance period, of the ESCB's rate (weighted according to the number of calendar days) for the main refinancing operations according to the following formula (whereby the result is rounded to the nearest cent):

$$R_t = \frac{H_t \cdot n_t \cdot r_t}{100 \cdot 360_t}$$

$$r_t = \sum_{i=1}^{n_t} \frac{MR_i}{n_t}$$

Where:

R_t = remuneration to be paid on holdings of required reserves for the maintenance period t

H_t = average daily holdings of required reserves for the maintenance period t

n_t = number of calendar days in the maintenance period t

r_t = rate of remuneration on holdings of required reserves for the maintenance period t . Standard rounding of the rate of remuneration to two decimals will be applied

i = i th calendar day of the maintenance period t

MR_i = marginal interest rate for the most recent main refinancing operation settled on or before calendar day i . Where more than one main refinancing operation is conducted for settlement on the same day, a simple average of the marginal rates of the operations conducted in parallel is used.'

Article 2

Entry into force

This Regulation shall enter into force at the beginning of the maintenance period starting during the month following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Frankfurt am Main, 18 April 2002.

On behalf of the Governing Council of the
ECB

Willem F. DUISENBERG