

EUROPEAN CENTRAL BANK

GUIDELINE OF THE EUROPEAN CENTRAL BANK

of 3 August 2006

amending Guideline ECB/2005/16 on a Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET)

(ECB/2006/11)

(2006/562/EC)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

HAS ADOPTED THIS GUIDELINE:

Having regard to the Treaty establishing the European Community and in particular to the first and fourth indents of Article 105(2) thereof and to Articles 3.1, 12.1, 14.3, 17, 18 and 22 of the Statute of the European System of Central Banks and of the European Central Bank,

Article 1

Guideline ECB/2005/16 is amended as follows:

Whereas:

1. The following definitions are inserted in Article 1:

(1) The fourth indent of Article 105(2) of the Treaty and the fourth indent of Article 3.1 of the Statute state that one of the basic tasks to be carried out through the European System of Central Banks (ESCB) is to promote the smooth operation of payment systems.

— “remote NCB” shall mean an NCB which does not operate its own RTGS system but remotely participates in the RTGS system of another NCB in accordance with the provisions of Article 2(3);

(2) Article 22 of the Statute states that the European Central Bank (ECB) and national central banks (NCBs) may provide facilities to ensure efficient and sound clearing and payment systems within the Community and with other countries.

— “host NCB” shall mean the NCB that permits a remote NCB to participate in its RTGS system in accordance with Article 2(3);

(3) In addition to connection via interlinking or through a bilateral link, a third form of connection to TARGET should be made available as a transitional measure in view of the future set-up of TARGET2. An NCB without its own RTGS system should be given access to the current TARGET infrastructure by remote participation in another NCB's RTGS system.

2. The following Article 2(3) is inserted:

‘3. When a remote NCB and credit institutions and other entities in its Member State remotely participate in a host NCB's RTGS system in accordance with that RTGS system's RTGS rules, the following specific additional provisions shall apply:

(4) Guideline ECB/2005/16 of 30 December 2005 on a Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET)⁽¹⁾ should be amended to include specific provisions regulating remote participation,

— the host NCB shall grant the remote NCB unlimited and uncollateralised credit,

— the host NCB and the remote NCB may agree on terms and conditions that complement the RTGS rules of the host NCB's RTGS system,

⁽¹⁾ OJ L 18, 23.1.2006, p. 1.

- the remote NCB shall grant intraday credit to entities in its Member State participating in the host NCB's RTGS system in accordance with the requirements of Article 3(f),
- payments between entities in the remote NCB's Member State and between such entities and other participants in the host NCB's RTGS system shall be considered as domestic payments for the purposes of pricing and other relevant matters, while payments between entities in the remote NCB's Member State and participants in an RTGS system other than the host NCB's RTGS system shall be considered as cross-border payments for such purposes,
- the remote NCB may appoint its representatives to the bodies referred to in Article 7(2) and may nominate a person or persons to undertake the functions specified in Article 7(3).'

Article 2

Final provisions

1. This Guideline is addressed to the NCBs of participating Member States.
2. This Guideline shall enter into force on 15 August 2006. It shall apply from 1 January 2007.

Done at Frankfurt am Main, 3 August 2006.

For the Governing Council of the ECB
The President of the ECB
Jean-Claude TRICHET
