

DECISION OF THE EUROPEAN CENTRAL BANK

of 14 December 2009

amending Decision ECB/2001/16 on the allocation of monetary income of the national central banks of participating Member States from the financial year 2002

(ECB/2009/27)

(2009/998/EU)

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 Article 32 thereof,

Whereas:

- (1) Decision ECB/2009/16 of 2 July 2009 on the implementation of the covered bond purchase programme⁽¹⁾ provides for the establishment of a programme for the purchase of covered bonds for monetary policy purposes.
- (2) Guideline ECB/2009/10 of 7 May 2009 amending Guideline ECB/2000/7 on monetary policy instruments and procedures of the Eurosystem⁽²⁾ allows access to Eurosystem open market operations and standing facilities by credit institutions which, in view of their specific institutional nature under Community law, are subject to scrutiny of a standard comparable to supervision by competent national authorities.
- (3) Experience has shown that it is necessary to specify the treatment of outstanding claims arising from defaults by Eurosystem counterparties in the context of Eurosystem credit operations, and of related financial assets.
- (4) Decision ECB/2001/16 of 6 December 2001 on the allocation of monetary income of the national central banks of participating Member States from the financial year 2002⁽³⁾ needs to be amended in order to reflect these developments in the calculation and allocation of monetary income,

HAS DECIDED AS FOLLOWS:

Article 1

Decision ECB/2001/16 is amended as follows:

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

‘(g) “credit institution” shall mean either: (a) a credit institution within the meaning of Articles 2 and 4(1)(a) of Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions^(*), as implemented in national law, that is subject to supervision by a competent authority; or (b) another credit institution within the meaning of Article 123(2) of the Treaty on the Functioning of the European Union that is subject to scrutiny of a standard comparable to supervision by a competent authority.

(*) OJ L 177, 30.6.2006, p. 1.’

2. Article 3(2) is replaced by the following:

‘2. From 2003 the amount of each NCB’s monetary income shall be determined by measuring the actual income that derives from the earmarkable assets recorded in its books. As exceptions thereto, gold shall be considered to generate no income, and securities held for monetary policy purposes shall be considered to generate income at the reference rate.’

3. Annexes I and II to Decision ECB/2001/16 are amended in accordance with the Annex to this Decision.

Article 2

Final provision

This Decision shall enter into force on 31 December 2009.

Done at Frankfurt am Main, 14 December 2009.

The President of the ECB
Jean-Claude TRICHET

⁽¹⁾ OJ L 175, 4.7.2009, p. 18.

⁽²⁾ OJ L 123, 19.5.2009, p. 99.

⁽³⁾ OJ L 337, 20.12.2001, p. 55.

ANNEX

1. Annex I to Decision ECB/2001/16 is replaced by the following:

'ANNEX I

COMPOSITION OF THE LIABILITY BASE

A. The liability base includes, to the exclusion of any other item:

1. Banknotes in circulation

For the purposes of this Annex, in the cash changeover year for each new Eurosystem NCB "banknotes in circulation":

- (a) includes banknotes issued by the NCB and denominated in its national currency unit; and
- (b) must be reduced by the value of the non-remunerated loans related to frontloaded euro banknotes that have not been yet debited (part of asset item 6 of the HBS).

After the relevant cash changeover year, for each NCB "banknotes in circulation" means banknotes denominated in euro, to the exclusion of any other banknotes.

If the cash changeover date is a day on which TARGET2 is closed, the liability of a new Eurosystem NCB which results from euro banknotes that have been frontloaded pursuant to Guideline ECB/2006/9 of 14 July 2006 on certain preparations for the euro cash changeover and on frontloading and sub-frontloading of euro banknotes and coins outside the euro area (*) and have entered into circulation before the cash changeover date forms part of the liability base (as part of the correspondent accounts under liability item 10.4 of the HBS) until the liability becomes part of the intra-Eurosystem liabilities resulting from TARGET2 transactions.

2. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro, including:

- (a) current accounts including minimum reserve requirements under Article 19.1 of the Statute (liability item 2.1 of the HBS);
- (b) amounts in deposit under the Eurosystem deposit facility (liability item 2.2 of the HBS);
- (c) fixed-term deposits (liability item 2.3 of the HBS);
- (d) liabilities arising from fine-tuning reverse operations (liability item 2.4 of the HBS);
- (e) deposits related to margin calls (liability item 2.5 of the HBS).

3. Deposit liabilities to defaulted Eurosystem counterparties which have been reclassified from liability item 2.1 of the HBS.

4. Intra-Eurosystem liabilities of NCBs arising from the issue to the ECB of promissory notes backing the issuance of ECB debt certificates under Chapter 3.3 of Annex I to Guideline ECB/2000/7 (liability item 10.2 of the HBS).

5. Net intra-Eurosystem liabilities on euro banknotes in circulation, including those resulting from the application of Article 4 of this Decision (part of liability item 10.3 of the HBS).

6. Net intra-Eurosystem liabilities resulting from TARGET2 transactions remunerated at the reference rate (part of liability item 10.4 of the HBS).

B. The amount of each NCB's liability base shall be calculated in accordance with the harmonised accounting principles and rules laid down in Guideline ECB/2006/16 of 10 November 2006 on the legal framework for accounting and financial reporting in the European System of Central Banks (**).

(*) OJ L 207, 28.7.2006, p. 39.

(**) OJ L 348 11.12.2006, p. 1.

2. Annex II to Decision ECB/2001/16 is replaced by the following:

'ANNEX II

EARMARKABLE ASSETS

A. Earmarkable assets shall include, with the exclusion of any other item:

1. Lending to euro area credit institutions related to monetary policy operations denominated in euro (asset item 5 of the HBS).
2. Securities held for monetary policy purposes (asset item 7.1 of the HBS).
3. Intra-Eurosystem claims equivalent to the transfer of foreign reserve assets other than gold to the ECB under Article 30 of the Statute (part of asset item 9.2 of the HBS).
4. Net intra-Eurosystem claims on euro banknotes in circulation including those resulting from the application of Article 4 of this Decision (part of asset item 9.4 of the HBS).
5. Net intra-Eurosystem claims resulting from TARGET2 transactions remunerated at the reference rate (part of asset item 9.5 of the HBS).

6. Gold, including claims in respect of gold transferred to the ECB, in an amount permitting each NCB to earmark a proportion of its gold that corresponds to the application of its share in the subscribed capital key to the total amount of gold earmarked by all NCBs (asset item 1 and part of asset item 9.2 of the HBS).

For the purposes of this Decision, and at least until the calculation of monetary income for the financial year 2007, gold shall be valued on the basis of the gold price in euro per fine ounce as at 31 December 2002.

7. Claims resulting from euro banknotes that have been frontloaded pursuant to Guideline ECB/2006/9 and have then entered into circulation before the cash changeover date (part of asset item 4.1 of the HBS until the cash changeover date and thereafter part of the correspondent accounts under asset item 9.5 of the HBS), but only until such claims become part of the intra-Eurosystem claims resulting from TARGET2 transactions.
 8. Outstanding claims arising from default by Eurosystem counterparties in the context of Eurosystem credit operations, and/or financial assets or claims (*vis-à-vis* third parties) appropriated and/or acquired in the context of the realisation of collateral submitted by defaulted Eurosystem counterparties in the context of Eurosystem credit operations reclassified from asset item 5 of the HBS (part of asset item 11.6 of the HBS).
- B. The value of each NCB's earmarkable assets shall be calculated in accordance with the harmonised accounting principles and rules laid down in Guideline ECB/2006/16.'
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