



EUROPEAN CENTRAL BANK
EUROSYSTEM

EN

GUIDELINE (EU) 2024/[XX] OF THE EUROPEAN CENTRAL BANK

of 8 February 2024

**amending Guideline ECB/2014/31 on additional temporary measures relating to Eurosystem
refinancing operations and eligibility of collateral**

(ECB/2024/6)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

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

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular the first indent of Article 3.1, and Articles 5.1, 12.1, 14.3 and 18.2 thereof,

Whereas:

- (1) In accordance with Article 18.1 of the Statute of the European System of Central Banks and of the European Central Bank, the European Central Bank (ECB) and the national central banks of the Member States whose currency is the euro (hereinafter the 'NCBs') may, in order to achieve the objectives of the European System of Central Banks, conduct credit operations with credit institutions and other market participants, with lending being based on adequate collateral. The general conditions under which the ECB and the NCBs stand ready to enter into credit operations, including the criteria determining the eligibility of collateral for the purposes of Eurosystem credit operations, are laid down in Guideline (EU) 2015/510 of the European Central Bank (ECB/2014/60)¹. Additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral are laid down in Guideline ECB/2014/31 of the European Central Bank².
- (2) Guideline ECB/2014/31 provides that NCBs may accept as collateral for Eurosystem monetary policy operations certain short-term debt instruments issued by non-financial corporations that do not satisfy the Eurosystem eligibility criteria for marketable assets, provided they comply with eligibility criteria and risk control measures that meet the minimum standards specified by the Governing Council. The Governing Council decided on 30 November 2023 to discontinue the acceptance of such short-term debt instruments as collateral for Eurosystem monetary policy

¹ Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (General Documentation Guideline) (ECB/2014/60) (OJ L 91, 2.4.2015, p. 3).

² Guideline ECB/2014/31 of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral and amending Guideline ECB/2007/9 (OJ L 240, 13.8.2014, p. 28).

operations. In making its decision, the Governing Council took into account the following in relation to these instruments: their negligible contribution over time to the total amount of collateral mobilised by Eurosystem counterparties; and their idiosyncratic nature, which was not considered to be in line with the principles of consistency and simplicity underpinning the design of the Eurosystem's collateral framework.

- (3) Some further clarification on the treatment of interest rate benchmarks in the context of collateral eligibility for the purposes of Eurosystem monetary policy operations is required.
- (4) On 8 September 2023 the issuer rating of the Hellenic Republic was upgraded to credit quality step 3 in the Eurosystem's harmonised rating scale. As a result of that upgrade, marketable debt instruments issued by the central government of the Hellenic Republic became compliant with the Eurosystem's credit quality requirements and should be subject to the valuation haircuts laid down in Guideline (EU) 2016/65 of the European Central Bank (ECB/2015/35)³. Therefore the provisions in Guideline ECB/2014/31 allowing NCBs to accept as eligible collateral for the purposes of Eurosystem credit operations marketable debt instruments issued by the central government of the Hellenic Republic that do not satisfy the Eurosystem's credit quality requirements for marketable assets but fulfil all other eligibility criteria applicable to marketable assets, subject to a specific haircut schedule, have become obsolete and should be removed from that Guideline.
- (5) Therefore, Guideline ECB/2014/31 should be amended accordingly,

HAS ADOPTED THIS GUIDELINE:

Article 1

Amendments

Guideline ECB/2014/31 is amended as follows:

1. Article 5 is deleted;
2. In Article 7, paragraph 3 is replaced by the following:

'3. Marketable debt instruments described in paragraph 1, which have coupons linked to a single money market rate the use of which is permitted in the Union in accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council (*) in their currency of denomination or to an inflation index containing no discrete range, range accrual, ratchet or similar complex structures for the respective country, shall also constitute eligible collateral for the purposes of Eurosystem monetary policy operations.

(*) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the

³ Guideline (EU) 2016/65 of the European Central Bank of 18 November 2015 on the valuation haircuts applied in the implementation of the Eurosystem monetary policy framework (ECB/2015/35) (OJ L 14, 21.1.2016, p. 30).

performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).';

3. Article 8a is deleted;
4. Annex IIb is deleted.

Article 2

Taking effect and implementation

1. This Guideline shall take effect on the day of its notification to the NCBs.
2. The NCBs shall take the necessary measures to comply with this Guideline and apply them from 6 May 2024. They shall notify the ECB of the texts and means relating to those measures by 22 March 2024 at the latest.

Article 3

Addressees

This Guideline is addressed to all Eurosystem central banks.

Done at Frankfurt am Main, 8 February 2024.

For the Governing Council of the ECB

[signed]

The President of the ECB

Christine LAGARDE