

**DECISION OF THE EUROPEAN CENTRAL BANK****of 20 March 2013****on the rules concerning the use as collateral for Eurosystem monetary policy operations of own-use uncovered government-guaranteed bank bonds****(ECB/2013/6)**

(2013/169/EU)

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 12.1, 14.3 and Article 18.2 thereof,

Whereas:

- (1) Pursuant to 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 Member States whose currency is the euro (hereinafter the 'NCBs') may conduct credit operations with credit institutions and other market participants, with lending being based on adequate collateral. The standard 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 Annex I to Guideline ECB/2011/14 of 20 September 2011 on monetary policy instruments and procedures of the Eurosystem<sup>(1)</sup>.
- (2) Pursuant to Section 1.6 of Annex I to Guideline ECB/2011/14, the Governing Council may, at any time, change the instruments, conditions, criteria and procedures for the execution of Eurosystem monetary policy operations.
- (3) The direct use of own-use uncovered government-guaranteed bank bonds and the indirect use of such bonds where they are included in the pool of covered bonds issued by the same counterparty that issued the uncovered bank bonds or by entities closely linked to that counterparty should be completely excluded as collateral for Eurosystem monetary policy operations from 1 March 2015. In exceptional circumstances, counterparties participating in Eurosystem monetary policy operations could be granted by the Governing Council temporary derogations from this prohibition.
- (4) The terms of this exclusion should be laid down in an ECB Decision,

HAS ADOPTED THIS DECISION:

*Article 1***Changes in the rules concerning the use as collateral of own-use uncovered government-guaranteed bank bonds**

1. From 1 March 2015, uncovered bank bonds issued by the counterparty using them or by entities closely linked to the counterparty and fully guaranteed by one or several European Economic Area (EEA) public sector entities which have the right to levy taxes may no longer be used as collateral for Eurosystem monetary policy operations by such counterparty either: (a) directly; or (b) indirectly where they are included in the pool of covered bonds issued by the same counterparty that issued the uncovered bank bonds or by entities closely linked to that counterparty.

2. In exceptional cases, the Governing Council may decide on temporary derogations from the prohibition laid down in paragraph 1 for a maximum of three years. A request for a derogation shall be accompanied by a funding plan that indicates how the own use of uncovered government-guaranteed bank bonds by the requesting counterparty will be phased out by no later than three years following the granting of the derogation.

3. In the event of any discrepancy between this Decision, Guideline ECB/2011/14 and Guideline ECB/2013/4 of 20 March 2013 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral<sup>(2)</sup>, in each case as implemented at national level by the NCBs, this Decision shall prevail.

*Article 2***Entry into force**

This Decision shall enter into force on 22 March 2013.

Done at Frankfurt am Main, 20 March 2013.

*The President of the ECB*  
Mario DRAGHI

<sup>(1)</sup> OJ L 331, 14.12.2011, p. 1.

<sup>(2)</sup> See page 23 of this Official Journal.