

DECISION OF THE EUROPEAN CENTRAL BANK**of 28 June 2013****repealing Decision ECB/2013/13 on temporary measures relating to the eligibility of marketable debt instruments issued or fully guaranteed by the Republic of Cyprus****(ECB/2013/21)**

(2013/376/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 Article 12.1 and the second indent of Article 34.1, in conjunction with the first indent of Article 3.1 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 (hereinafter the 'Statute of the ESCB'), the European Central Bank (ECB) and the national central banks of Member States whose currency is the euro may conduct credit operations with credit institutions and other market participants, with lending being based on adequate collateral. The criteria determining the eligibility of collateral for the purposes of Eurosystem monetary policy 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⁽¹⁾ (hereinafter referred to as the 'General Documentation').

(2) Pursuant to Section 1.6 of the General Documentation, the Governing Council of the ECB may, at any time, change the instruments, conditions, criteria and procedures for the execution of Eurosystem monetary policy operations. Pursuant to Section 6.3.1 of the General Documentation, the Eurosystem reserves the right to determine whether an issue, issuer, debtor or guarantor fulfils its requirements for high credit standards on the basis of any information it may consider relevant.

(3) Decision ECB/2013/13 of 2 May 2013 on temporary measures relating to the eligibility of marketable debt instruments issued or fully guaranteed by the Republic of Cyprus⁽²⁾ temporarily suspended, as an exceptional measure, the Eurosystem's minimum requirements for credit quality thresholds applicable to marketable debt instruments issued or fully guaranteed by the Republic of Cyprus.

(4) The Republic of Cyprus has decided to launch a debt management exercise involving marketable debt instruments that it has issued.

(5) The adequacy as collateral for Eurosystem operations of the marketable debt instruments issued or fully guaranteed by the Republic of Cyprus has been further negatively affected by the decision to launch a debt management exercise.

(6) Decision ECB/2013/13 should be repealed,

HAS ADOPTED THIS DECISION:

*Article 1***Repeal of Decision ECB/2013/13**

Decision ECB/2013/13 is repealed.

*Article 2***Entry into force**

This Decision shall enter into force on 28 June 2013.

Done at Frankfurt am Main, 28 June 2013.

The President of the ECB
Mario DRAGHI

⁽¹⁾ OJ L 331, 14.12.2011, p. 1.

⁽²⁾ OJ L 133, 17.5.2013, p. 26.