GUIDELINES

GUIDELINE (EU) 2019/1265 OF THE EUROPEAN CENTRAL BANK
of 10 July 2019
on the euro short-term rate (€STR) (ECB/2019/19)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 127(2) and (5) thereof,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Articles 12.1 and 14.3 thereof,

Whereas:

(1) Interest rate benchmarks are important for the functioning of financial markets and the transmission of monetary policy. First, financial markets rely heavily on such benchmarks as a reference in financial contracts, for example mortgages, money market contracts, floating rate securities and derivative instruments. Second, these benchmarks are the basis for the daily valuation of a number of financial instruments. Third, the transmission of monetary policy starts with changes in benchmarks in money markets as a response to changes in European Central Bank (ECB) interest rates. The absence of robust and reliable benchmarks might therefore trigger financial market disruptions with a possible significant adverse impact on the transmission of ECB monetary policy decisions and on the Eurosystem’s ability to contribute to the smooth conduct of policies pursued by the competent authorities relating to stability of the financial system, tasks that have been conferred on the Eurosystem pursuant to Article 127(2) and (5) of the Treaty on the Functioning of the European Union. One of the overnight benchmarks widely used in the Union, the euro overnight index average (EONIA), may not be recognised as compliant with the requirements introduced by Regulation (EU) 2016/1011 of the European Parliament and of the Council (1). As a result, there is a risk that the use of this benchmark in new financial instruments or contracts may not be permitted in the future. In order for the Eurosystem to fulfil the abovementioned tasks, it is important that the Eurosystem provides a euro short-term rate (€STR) for the euro area, which could complement existing benchmarks and serve as a backstop reference rate in the event of discontinuation of EONIA.

(2) In order to undertake its tasks, the Eurosystem uses granular money market statistical information collected under Regulation (EU) No 1333/2014 of the European Central Bank (ECB/2014/48) (2). That Regulation requires reporting agents to comply with certain statistical reporting requirements and imposes obligations on NCBs with regard to the collection of statistical information and quality assurance. Furthermore, reporting agents are subject to the Eurosystem’s statistical non-compliance framework. The statistical information is reported on the next TARGET2 business day after the trade date by a set of credit institutions identified by the Governing Council pursuant to Article 2 of Regulation (EU) No 1333/2014 (ECB/2014/48).

(3) The ECB and the NCBs are responsible for the collection and quality processing of the statistical information necessary for determining the euro short-term rate. The ECB as administrator of the euro short-term rate and the NCBs having responsibilities and tasks with regard to the euro short-term rate determination process rely on reporting agents to fulfil the minimum standards to meet the ECB’s statistical reporting requirements in relation to the statistical information collected pursuant to Regulation (EU) No 1333/2014 (ECB/2014/48) and identified for use in the euro short-term rate determination process.

(4) With regard to the collection of statistical information under Regulation (EU) No 1333/2014 (ECB/2014/48), Article 3(3) of that Regulation allows NCBs to decide to transfer their responsibilities to the ECB. NCBs taking such a decision will not, for that reason, operate a local collection platform under this Guideline. In particular, such a decision taken by an NCB should not relieve that NCB of responsibility for the reliability and integrity of the input statistical information submitted as provided in this Guideline, as one or more reporting agents will still be resident in its Member State. The substantive and procedural rules governing the euro short-term rate determination process need to be adopted at the level of the Eurosystem.

(5) A Guideline is necessary to govern the euro short-term rate and to establish the ECB’s responsibility for its administration and the oversight of the euro short-term rate determination process. The Guideline should also establish the tasks and responsibilities of the ECB and the NCBs with respect to their contribution to the euro short-term rate determination process and other business procedures.

(6) A clear, sound and comprehensive legal framework on the determination, administration and oversight of the euro short-term rate enhances the clarity and transparency of the euro short-term rate determination process and contributes to protecting the confidentiality of the statistical information collected from the reporting agents.

(7) It is recognised that central banks already meet principles, standards and procedures which ensure that they can exercise their activities with integrity and in an independent manner. Nevertheless, it is appropriate that, where possible, this legal framework is in line with international best practice for the provision of financial benchmarks and transparency, in particular the IOSCO Principles for Financial Benchmarks (1) (hereinafter the ‘IOSCO Principles’). Thus, although neither the IOSCO Principles nor Regulation (EU) 2016/1011 apply to central banks, in determining the euro short-term rate under this Guideline, the ECB as administrator of the euro short-term rate will endeavour to transpose the intention of the IOSCO Principles, where relevant and appropriate. The measures to be applied should be proportional to the risks posed to the euro short-term rate and the euro short-term rate determination process.

(8) The ECB should ensure that an appropriate and transparent control framework in line with international best practice is in place in order to protect the integrity and independence of the euro short-term rate determination process and to deal with any existing or potential conflicts of interest identified. The control framework includes adherence to Guideline (EU) 2015/855 of the European Central Bank (ECB/2015/11) (2) which sets out the ethical principles to be adhered to in the performance of Eurosystem tasks. The control framework may also rely on existing policies and procedures of the ECB and NCBs to ensure that staff members with the relevant levels of expertise are involved in the euro short-term rate determination process and that they receive appropriate training and their competency is reviewed.

(9) In view of the very high criticality of the information technology (IT) services necessary to support the provision of the euro short-term rate, the ECB and the NCBs operating a local collection platform should provide these services in accordance with high availability and IT service level requirements to be established and maintained by the ECB,

HAS ADOPTED THIS GUIDELINE:

Article 1

Subject matter

This Guideline governs the euro short-term rate and establishes the ECB’s responsibility for its administration and the oversight of the euro short-term rate determination process. The Guideline also establishes the tasks and responsibilities of the ECB and the NCBs with respect to their contribution to the euro short-term rate determination process and other business procedures.

Article 2

Definitions

For the purposes of this Guideline, the following definitions apply:

(1) ‘NCB’ means the national central bank of a Member State whose currency is the euro;

(2) ‘euro short-term rate’ means the interest rate representing the wholesale euro unsecured overnight borrowing costs of banks located in the euro area;

(3) ‘euro short-term rate system’ means the system owned and developed by the ECB for receiving input statistical information, performing validations of the input statistical information, reporting on its quality and calculating the euro short-term rate;

(4) ‘local collection platform’ means a system of an NCB with one or more reporting agents resident in its Member State which has not decided to transfer its responsibilities to the ECB under Regulation (EU) No 1333/2014 (ECB/2014/48), or of the ECB, used for collecting input statistical information, performing validations of the input statistical information, reporting on its quality and submitting input statistical information to the euro short-term rate system;

(5) ‘input statistical information’ means the unsecured market segment statistical information that is reported by reporting agents to the NCBs or the ECB under Regulation (EU) No 1333/2014 (ECB/2014/48);

(6) ‘quality processing’ means the execution of a range of quality checks and analyses on the input statistical information, which are necessary for the determination of the euro short-term rate and aim to assure the completeness, validity, accuracy, consistency, availability and timeliness of the input statistical information submitted to and received in the euro short-term rate system;

(7) ‘eligible transaction’ means a transaction that meets the eligibility criteria defined as part of the euro short-term rate methodology and is selected to be used in the calculation of the euro short-term rate;

(8) ‘transaction’ means a transaction which forms part of the input statistical information;

(9) ‘TARGET2 business day’ means a TARGET2 business day as defined in Article 1 of Annex I to Decision ECB/2007/7 (1);

(10) ‘euro short-term rate determination process’ means the process by which the euro short-term rate is determined and comprises the actions listed in Article 4(1);

(11) ‘euro short-term rate methodology’ means the methodology to determine the euro short-term rate defined by the ECB as administrator of the euro short-term rate;

(12) ‘user requirements’ means the business, technical, operational and transitional capabilities, restrictions and features to be provided by the IT systems of the respective NCB or of the ECB and which can be grouped under two main categories, i.e. functional requirements (user, legal and regulatory) and non-functional requirements (architecture, security, operational and technical);

(13) ‘system architecture’ means a description of the overall system architecture for the euro short-term rate in terms of hardware and software components, their relationships as well as the interfaces with other systems;

(14) ‘reporting agent’ means a reporting agent that has been identified as such by the Governing Council and forms part of the actual reporting population pursuant to Article 2 of Regulation (EU) No 1333/2014 (ECB/2014/48);

(15) ‘stakeholders’ means reporting agents and users of the euro short-term rate;

(16) ‘at arm’s length’ means a transaction between two parties that is not an intragroup transaction and is concluded on terms that are not influenced by a conflict of interest of either party (e.g. conflicts of interest that arise from a relationship such as a transaction between affiliates);

(17) ‘Eurosystem Ethics Framework’ means the principles set out in Guideline (EU) 2015/855 (ECB/2015/11);

(18) ‘conflict of interest’ means a situation where a member of a body or a staff member of the ECB or an NCB has a personal interest which may influence or appear to influence the impartial and objective performance of their duties;

(19) ‘contingency procedure’ means the procedure to be implemented to ensure the euro short-term rate can be published in the event of insufficient input statistical information, which may be caused by factors including market stress or disruption, failure of critical infrastructure, or other relevant factors;

(20) ‘staff member’ means a person who has an employment relationship with the ECB or an NCB, with the exception of those that are solely entrusted with tasks not related to the performance of Eurosystem tasks;

(21) ‘member of a body’ means a member of a decision-making or other internal body of the ECB or an NCB other than a staff member;

(22) ‘ECB Statistical Data Warehouse’ means the ECB's online data delivery service for statistics;

(23) ‘Market Information Dissemination platform’ means a system designed to be open and that is used by the ECB to publish information and data which are structured and suitable for automatic processing;

(24) ‘material change’ means a change to the euro short-term rate methodology or the euro short-term rate determination process which could have an impact on the interests of stakeholders;


(26) ‘ESA 2010’ means the European System of Accounts set up by Regulation (EU) No 549/2013 of the European Parliament and of the Council (5);

(27) ‘post-production procedures’ means the actions taken after the publication and/or re-publication of the euro short-term rate for the purpose of monitoring the accuracy and completeness of the input statistical information and preparing for the actions to be taken on the next TARGET2 business day. Such actions and procedures do not include the actions comprised in the euro short-term rate determination process.

Article 3

Underlying interest represented by the euro short-term rate

The euro short-term rate shall reflect the wholesale euro unsecured overnight borrowing costs of banks located in the euro area. The euro short-term rate shall be published for each TARGET2 business day based on transactions conducted and settled on the previous TARGET2 business day (reporting date ‘T’) with a maturity date of T + 1 and which are deemed to be executed at arm’s length and thereby reflect market rates in an unbiased way.

Article 4

Tasks and responsibilities of the ECB as administrator of the euro short-term rate

1. The ECB shall be responsible for the euro short-term rate determination process, which shall comprise the following actions:

(a) establishing and maintaining arrangements for submission of input statistical information to and reception of input statistical information in the euro short-term rate system;

(b) quality processing, including data filtering, data enriching and selection of eligible transactions;

(c) calculation of the euro short-term rate.

2. As administrator of the euro short-term rate, the ECB shall have the following tasks and responsibilities:

(a) the definition of the underlying interest which the euro short-term rate represents and the euro short-term rate methodology;


(b) the implementation of the euro short-term rate determination process, including ensuring the following:

(i) the euro short-term rate determination process functions efficiently and reliably;

(ii) any matter within the ECB’s control that adversely affects or has the potential to adversely affect the euro short-term rate determination process and its proper functioning is resolved promptly;

(iii) publication of the matters, policies and procedures concerning the euro short-term rate and the euro short-term rate determination process where required in accordance with this Guideline;

(iv) the euro short-term rate system, the user requirements, the quality processing and the system architecture are appropriate, fit for purpose and duly and properly maintained;

(v) there is no exercise of expert judgment by the ECB or NCBs with respect to the use of input statistical information to determine the euro short-term rate, except in accordance with clear guidelines established in the euro short-term rate methodology or business procedures.

(c) the governance of the euro short-term rate determination process, including of the control framework and the internal oversight function set out in Articles 8 and 9, as well as of the complaints and audit procedures set out in Articles 11 and 12;

(d) the publication and, if necessary in accordance with the euro short-term rate methodology, revision and re-publication of the euro short-term rate.

Notwithstanding the above, the ECB and, in so far as they contribute to the euro short-term rate determination process, the NCBs shall not be responsible for the use of or reliance on the euro short-term rate by a stakeholder or other third party in any financial instrument, contract, trade or any other commercial activity or investment decision.

3. The ECB shall publish the euro short-term rate on its website to three decimal places no later than 9.00 Central European Time (CET) (1) on each TARGET2 business day, starting on 2 October 2019. If one or more errors are detected following publication that affect the published euro short-term rate by more than a certain threshold of basis points set out in the euro short-term rate methodology, the ECB shall revise and re-publish the euro short-term rate on the same day by 11.00 CET. No changes shall be made to the euro short-term rate after that time. The euro short-term rate shall be published together with related information as specified in the euro short-term rate methodology.

4. The ECB shall publish a disclaimer of responsibility on its website in respect of the use of or reliance on the euro short-term rate by a stakeholder or other third party in any financial instrument, contract, trade or any other commercial activity or investment decision. The disclaimer shall cover the ECB and NCBs in so far as they contribute to the euro short-term rate determination process.

5. The euro short-term rate shall also be made available through the Market Information Dissemination platform and the ECB Statistical Data Warehouse.

6. Notwithstanding paragraph 1, responsibility for the quality and integrity of the input statistical information and its timely transmission shall be as specified in Regulation (EU) No 1333/2014 (ECB/2014/48) and the statistical non-compliance framework.

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**Article 5**

Tasks and responsibilities of the ECB, the NCBs operating a local collection platform, and NCBs with one or more reporting agents resident in their respective Member State

1. The ECB and the NCBs operating a local collection platform shall have the following tasks and responsibilities:

(a) to ensure the input statistical information is submitted to the euro short-term rate system by 7.00 CET on each TARGET2 business day;

(b) to have staff members available for a period starting no later than 6.30 CET until 11.00 CET to address potential issues that could occur with regard to the collection process and the submission of the input statistical information to the euro short-term rate system and to carry out quality processing.

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(1) CET takes into account the change to Central European Summer Time.
2. The ECB, the NCBs operating a local collection platform and the NCBs which have one or more reporting agents resident in their respective Member State shall carry out the euro short-term rate determination process and post-production procedures in accordance with the business procedures referred to in Article 6(3). For this purpose, they shall have staff members available on a daily basis for a period starting no later than 7.00 CET until 11.00 CET in order to interact with their reporting agents and to carry out quality processing.

3. The ECB and the NCBs operating a local collection platform shall also comply with certain high availability and IT service level requirements in respect of the local collection platforms. These requirements shall be established and maintained by the ECB.

Article 6
The euro short-term rate methodology

1. The euro short-term rate methodology shall include the rationale for its adoption, the definition of the underlying interest which the euro short-term rate represents, the sources of the input statistical information, the method of calculation, the arrangements for publication and re-publication of the euro short-term rate, a transparency policy concerning the periodic publication of errors, the conditions for triggering the contingency procedure and the calculation of the contingency rate.

2. The euro short-term rate methodology and any changes made to it shall be published on the ECB’s website.

3. In addition to the euro short-term rate methodology, the ECB shall establish and maintain certain business procedures describing the actions to be taken by the ECB and by NCBs to carry out the euro short-term rate determination process, the publication and re-publication of the euro short-term rate as well as post-production procedures.

Article 7
Outsourcing of tasks and responsibilities

1. The tasks and responsibilities set out in Articles 4 and 5 shall not be outsourced to a third party.

2. The ECB and NCBs may outsource to a third-party service provider the maintenance and development of IT infrastructure or other services that are ancillary or preparatory to the performance of the tasks and responsibilities set out in Articles 4 or 5, subject to the following conditions:

   (a) a permanent and effective oversight framework is established over such third party;

   (b) the outsourcing central bank retains legal responsibility and control over the relevant activities pursuant to the outsourcing agreement;

   (c) the rules on protection and use of confidential statistical information set out in Article 8 of Regulation (EC) No 2533/98 are complied with;

   (d) the Governing Council approves the written contractual arrangements for outsourcing such tasks.

3. The ECB and each NCB shall be responsible for monitoring compliance by their contractors with the outsourcing agreements and shall ensure that the ECB and the NCBs are kept duly informed thereof.

Article 8
Control framework

1. The euro short-term rate determination process shall be subject to a control framework.

2. In addition to the Eurosystem Ethics Framework and the Code of Conduct for high-level European Central Bank Officials (1), the control framework shall comprise:

   (a) business procedures, as referred to in Article 6(3), for ensuring the integrity and quality of the euro short-term rate and the euro short-term rate determination process;

   (b) arrangements to ensure that the complaints and audit procedures set out in Articles 11 and 12 are effective for the management of risks to the euro short-term rate and the euro short-term rate determination process.

3. As regards conflicts of interest that may arise with respect to the involvement of a member of a body or a staff member in the euro short-term rate determination process, the ECB and the NCBs shall abide by the Eurosystem Ethics Framework or, where relevant, the Code of Conduct for high-level European Central Bank Officials.

4. As regards the integrity and quality of the euro short-term rate and of the euro short-term rate determination process, the ECB shall ensure the business procedures referred to in Article 6(3) include the steps for quality processing as described in the euro short-term rate methodology to determine which transactions are eligible transactions. Quality processing in the euro short-term rate system shall include the following multiple level quality controls on the input statistical information:

(a) performing validation checks to ensure that the files submitted to the euro short-term rate system comply with the required technical standards to identify transactions with missing and/or possible erroneous statistical information;

(b) performing targeted quality checks of the statistical information according to pre-defined algorithms to detect outlying or unusual transactions;

(c) requesting confirmation of the accuracy of transactions from reporting agents in order to determine which transactions are eligible transactions.

5. The input statistical information shall be enriched by the ECB in the euro short-term rate system using reference data describing an individual entity and its ESA 2010 institutional sector classification.

Article 9

Internal oversight

1. The ECB establishes an internal Oversight Committee to review, challenge and report on all aspects of the euro short-term rate determination process, including the high availability and IT service level requirements and the business procedures referred to in Articles 5(3) and 6(3). The Oversight Committee shall act as an advisory body to the Executive Board and the Governing Council.

2. The Oversight Committee shall comprise five members, of which (a) three members, including the Chair, shall be selected on the basis of nomination by the ECB and (b) two members shall be selected on the basis of nomination by the NCBs operating a local collection platform, in each case upon a proposal from the Executive Board approved by decision of the Governing Council. With regard to the members referred to in point (b) above, there shall be a rotation every two years among the NCBs operating a local collection platform. The Chair shall be a member of the Executive Board. Members of the Oversight Committee should have an appropriate combination of technical skills, knowledge and professional experience both in the production of interest rate benchmarks and of the financial market in general to enable them to fulfil their roles and responsibilities. Staff members involved in the euro short-term rate determination process shall not be members of the Oversight Committee; however, they may support the work of the Oversight Committee and attend Oversight Committee meetings as observers.

3. The Oversight Committee shall meet as and when the Chair considers it necessary or appropriate, but at least every four months. Prior to the inaugural meeting of the Oversight Committee, the Governing Council shall approve the list of members and the criteria for the future selection and replacement of members. Members shall be required to submit declarations of any conflicts of interest both upon their appointment and upon any event which to their knowledge may give rise to a conflict of interest. These documents, as well as a summary of each meeting of the Oversight Committee, shall be published on the ECB’s website.

4. The Oversight Committee shall be established within one month of the date on which this Guideline takes effect.

5. The Oversight Committee shall have the following responsibilities:

(a) to periodically review the definition of the underlying interest which the euro short-term rate represents and the euro short-term rate methodology;

(b) to keep itself duly informed of any risks to the euro short-term rate determination process, by activities such as commissioning external reviews;

(c) to oversee any material changes to the euro short-term rate methodology, including assessing whether it continues to appropriately measure the underlying interest as stated in the euro short-term rate methodology;

(d) to review proposed and implemented material changes and proposed policies and procedures on the possible cessation of the euro short-term rate, and request the ECB to consult with stakeholders prior to implementing such material changes or adopting such policies or procedures in accordance with Article 14;
(e) to assess the need for additional safeguards in respect of any conflicts of interest beyond those safeguards required under Article 8(3);

(f) if necessary, to investigate complaints made pursuant to Article 11;

(g) to propose amendments to the control framework to the Executive Board and the Governing Council;

(h) to oversee the integrity of the euro short-term rate determination process and the control framework by activities such as overseeing the administration and operation of the euro short-term rate; considering the results of internal and external audits; following up on the implementation of remedial actions highlighted by audits carried out pursuant to Article 12; and ensuring the euro short-term rate methodology has been followed;

(i) to investigate and report to the Executive Board and the Governing Council on alleged breaches of obligations under the high availability and IT service level requirements and the business procedures referred to in Articles 5(3) and 6(3);

(j) to propose any measure, when deemed necessary, to protect the integrity, robustness and accuracy of the euro short-term rate.

6. The members of the Oversight Committee shall be subject to the Eurosystem Ethics Framework and to the internal rules established by their respective NCBs in implementation of that framework.

7. The quorum shall be three members, present or by video/teleconference, including at least one NCB member.

8. The members of the Oversight Committee shall take decisions by way of consensus. The minutes shall include any recommendations to the Executive Board and the Governing Council arising as a result of the Committee carrying out its responsibilities under paragraph (5). Where a consensus cannot be reached, the minutes shall record the members’ different views.

**Article 10**

**Cessation of the euro short-term rate**

The ECB shall adopt clear written policies and procedures on the possible cessation of the euro short-term rate owing to a situation, or any other condition, which makes the euro short-term rate no longer representative of the underlying interest. The policies and procedures shall be published on the ECB’s website.

**Article 11**

**Complaints procedure**

1. Any person may submit to the ECB a written complaint about any aspect of the euro short-term rate determination process that they reasonably consider has significantly affected their interests. The complaint may be submitted by post to European Central Bank, 60640 Frankfurt am Main, Germany.

2. The ECB is committed to responding fairly, consistently and in a timely manner to all reasonable complaints submitted pursuant to paragraph 1. In deciding whether to investigate a complaint, the ECB shall take into account its gravity and significance based on the information contained in the written complaint, including any additional information the ECB may ask the complainant to provide. If the ECB considers it necessary, the ECB may require the Oversight Committee to investigate the complaint. The initial assessment and investigation of the complaint shall be carried out independently of the staff members involved in the subject matter of the complaint. A decision to investigate a complaint or the outcome of such investigation shall not in any way imply any assurance by the ECB as to the accuracy of the published rate.

3. If the complaint concerns an NCB’s tasks and responsibilities with respect to its contribution to the euro short-term rate determination process pursuant to this Guideline, the ECB shall collaborate with the NCB to resolve questions that arise in investigating the complaint. For this purpose, the ECB shall inform the NCB of the complaint in a timely manner and request that the NCB provides the information that the ECB considers necessary for the investigation of the complaint.

4. If an NCB becomes aware that an oral or written complaint has been made, it shall request the person who made the complaint to forward it in writing without delay to the ECB. An NCB shall cooperate with the investigation of the complaint by ensuring that timely and fair responses to the ECB’s requests for information are provided by staff members who are independent of those involved in the subject matter of the complaint.
5. The ECB shall register and acknowledge receipt of all complaints and shall inform the complainant whether the complaint will be investigated. The ECB shall retain the records relating to a complaint, including those submitted by the complainant and the ECB’s own records, for a minimum period of five years from the date of receipt of the complaint. The ECB shall advise the complainant, and any stakeholders directly concerned by the complaint, in writing of the outcome of its investigation.

6. Paragraphs 1 to 4 are without prejudice to any national laws or regulations that may apply to a complaint and to communications concerning a complaint.

Article 12

Audits and audit trail

1. The euro short-term rate determination process shall be audited in accordance with the relevant audit charter, namely the ECB Audit Charter or the Audit Charter for the Eurosystem/ESCB and the Single Supervisory Mechanism.

2. The ECB shall appoint an external auditor to independently assess the framework used by the ECB to administer the euro short-term rate for compliance with the IOSCO Principles. The external auditor’s report shall be published on the ECB’s website.

3. The ECB and the NCBs shall hold all documentation, statistical information, reports, other information (including information relating to any exclusions of transactions), analyses and complaints relevant to the euro short-term rate determination process, as well as the identities of the reporting agents, for at least five years.

Article 13

Compliance statement

1. The ECB shall publish a statement assessing the compliance of the framework used by the ECB to administer the euro short-term rate with the IOSCO Principles (hereinafter the ‘compliance statement’) within 12 months of the first publication date of the euro short-term rate.

2. The compliance statement shall be periodically reviewed by the ECB and by an external auditor appointed pursuant to Article 12(2).

Article 14

Consultation with stakeholders

1. Prior to implementation of any material change, or the adoption of policies or procedures on the possible cessation of the euro short-term rate pursuant to Article 10, and following review thereof by the Oversight Committee pursuant to Article 9(5)(d), the ECB shall consult with stakeholders to the extent it is possible or practicable.

2. The ECB shall publish the launch of a consultation procedure and hold it reasonably in advance of the implementation of the material change, or the adoption of such policies or procedures.

Article 15

Periodic reporting and review

1. The NCBs which have one or more reporting agents resident in their respective Member State shall report to the ECB 12 months after the Guideline takes effect and every year thereafter on the performance of their tasks and responsibilities pursuant to this Guideline.

2. The ECB shall review at least annually whether changes in the underlying market for the euro short-term rate require changes to the euro short-term rate and the euro short-term rate methodology.
Article 16

Taking effect and implementation

1. This Guideline shall take effect on the day of its notification to the NCBs.

2. The NCBs shall comply with this Guideline at the latest from 1 October 2019.

Article 17

Addressees

This Guideline is addressed to all Eurosystem central banks.

Done at Frankfurt am Main, 10 July 2019.

For the Governing Council of the ECB

The President of the ECB

Mario DRAGHI