

II

(Non-legislative acts)

DECISIONS

DECISION (EU) 2022/1521 OF THE EUROPEAN CENTRAL BANK

of 12 September 2022

on temporary adjustments to the remuneration of certain non-monetary policy deposits held with national central banks and the European Central Bank (ECB/2022/30)

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, Articles 12.1 and 14.3, and Articles 17 and 18 thereof,

Having regard to Guideline (EU) 2019/671 of the European Central Bank of 9 April 2019 on domestic assets and liability management operations by the national central banks (ECB/2019/7) ⁽¹⁾,

Having regard to Decision (EU) 2019/1743 of the European Central Bank of 15 October 2019 on the remuneration of holdings of excess reserves and of certain deposits (ECB/2019/31) ⁽²⁾,

Having regard to Decision 2010/275/EU of the European Central Bank of 10 May 2010 concerning the management of pooled bilateral loans for the benefit of the Hellenic Republic and amending Decision ECB/2007/7 (ECB/2010/4) ⁽³⁾,

Whereas:

- (1) The Governing Council decided on certain remuneration rules to be applied to: (a) government deposits held with national central banks of Member States whose currency is the euro (hereinafter 'NCBs') acting as fiscal agents pursuant to Article 21.2 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter the 'Statute of the ESCB') as specified in Guideline (EU) 2019/671 (ECB/2019/7); and (b) certain deposits held with the European Central Bank (ECB) acting as fiscal agent for Union institutions, bodies, offices or agencies, central governments, regional, local or other public authorities, other bodies governed by public law, or public undertakings of Member States pursuant to Article 21.1 and 21.2 of the Statute of the ESCB as specified in Decision (EU) 2019/1743 (ECB/2019/31) and Decision 2010/275/EU (ECB/2010/4). The remuneration applicable to each of these deposits currently differs depending on whether the deposit facility rate on the relevant calendar day is negative, or if it is zero per cent or higher.

⁽¹⁾ Guideline (EU) 2019/671 of the European Central Bank of 9 April 2019 on domestic asset and liability management operations by the national central banks (ECB/2019/7) (OJ L 113, 29.4.2019, p. 11).

⁽²⁾ Decision (EU) 2019/1743 of the European Central Bank of 15 October 2019 on the remuneration of holdings of excess reserves and of certain deposits (ECB/2019/31) (OJ L 267, 21.10.2019, p. 12).

⁽³⁾ Decision 2010/275/EU of the European Central Bank of 10 May 2010 concerning the management of pooled bilateral loans for the benefit of the Hellenic Republic and amending Decision ECB/2007/7 (ECB/2010/4) (OJ L 119, 13.5.2010, p. 24).

- (2) On 8 September 2022, the Governing Council decided to raise the deposit facility rate by 75 basis points. Accordingly, the deposit facility rate stands at 0,75 % with effect from 14 September 2022.
- (3) The Governing Council considers that the remuneration of: (a) government deposits held with NCBs applied in accordance with Article 4(1) of Guideline (EU) 2019/671 (ECB/2019/7); and (b) deposits held with the ECB applied in accordance with Article 2 of Decision (EU) 2019/1743 (ECB/2019/31) and Article 5 of Decision 2010/275/EU (ECB/2010/4) should be adjusted temporarily as set out in this Decision to prevent unwarranted abrupt outflows of these deposits from Eurosystem accounts into money markets and thereby preserve the effectiveness of monetary policy transmission and safeguard orderly market functioning in a positive interest rate environment.
- (4) In order to achieve these objectives, this Decision should enter into force concurrently with the increased deposit facility rate which is effective from 14 September 2022. This Decision should therefore enter into force without delay on 14 September 2022 and remain in force until 30 April 2023,

HAS ADOPTED THIS DECISION:

Article 1

Government deposits held with NCBs and remunerated in accordance with Article 4(1) of Guideline (EU) 2019/671 (ECB/2019/7)

1. The remuneration of government deposits shall be subject to the following ceilings.
 - (a) For overnight deposits, the unsecured overnight market rate; for fixed term deposits, the secured market rate with a comparable maturity or if that is not available the unsecured overnight market rate.
 - (b) On any calendar day, the total amount of all government deposits, other than government deposits related to an adjustment programme, held with an NCB exceeding the higher of either:
 - (i) the equivalent of EUR 200 million; or
 - (ii) 0,04 % of the gross domestic product of the Member State in which the NCB is domiciledshall be remunerated up to the following level:
 - (1) in the case of deposits denominated in euro, the deposit facility rate or the euro short-term rate (€STR), whichever is lower;
 - (2) in the case of deposits denominated in other currencies, an approach comparable for the concerned currency to the approach set out for deposits denominated in euro, as set out in point (1) above, shall be applied.For the purpose of determining the threshold referred to in point (b)(ii) above, the gross domestic product shall be based on the annual autumn economic forecast published by the European Commission in the year before. Each NCB shall decide on the allocation of the different government deposits below and above the threshold.
 - (c) Government deposits related to an adjustment programme shall be subject to the remuneration rates referred in point (a) or remunerated at zero per cent, whichever is higher, but shall not count towards the threshold mentioned in point (b).
2. For the purposes of this Article, the definitions in Article 2 of Guideline (EU) 2019/671 (ECB/2019/7) apply.

*Article 2***Certain deposits held with the ECB and remunerated in accordance with Article 2 of Decision (EU) 2019/1743 (ECB/2019/31) and with Article 5 of Decision 2010/275/EU (ECB/2010/4)**

1. The following accounts maintained with the ECB shall be remunerated at the deposit facility rate or the euro short-term rate (€STR), whichever is lower:
 - (a) accounts maintained in accordance with Decision 2003/797/EC (ECB/2003/14) of the European Central Bank ⁽⁴⁾, Decision 2011/15/EU (ECB/2010/31) of the European Central Bank ⁽⁵⁾, Decision 2010/624/EU (ECB/2010/17) of the European Central Bank ⁽⁶⁾ and Council Regulation (EU) 2020/672 ⁽⁷⁾;
 - (b) accounts maintained in accordance with Decision 2010/275/EU (ECB/2010/4).
2. For the purposes of paragraph (1)(a), where the deposits need to be held in those accounts in advance of the date on which a payment must be made in accordance with the legal or contractual rules applicable to the relevant facility, such deposits shall be remunerated during this advance period at zero per cent or the euro short-term rate (€STR), whichever is higher.
3. The dedicated account maintained with the ECB in accordance with Article 13(2) of Commission Implementing Decision of 14 April 2021 establishing the necessary arrangements for the administration of the borrowing operations under Council Decision (EU, Euratom) 2020/2053 and for the lending operations related to loans granted in accordance with Article 15 of Regulation (EU) 2021/241 of the European Parliament and of the Council ⁽⁸⁾ for the purposes of prudential cash holdings as referred to in that Article shall be remunerated at zero per cent or the euro short-term rate (€STR), whichever is higher, except where the aggregate amount of deposits held in that dedicated account exceeds EUR 20 billion, in which case the amount in excess of EUR 20 billion shall be remunerated at the deposit facility rate or the euro short-term rate (€STR), whichever is lower.

*Article 3***Temporary derogation**

In the event of a conflict between this Decision and Article 4(1) of Guideline (EU) 2019/671 (ECB/2019/7), Article 2 of Decision (EU) 2019/1743 (ECB/2019/31) or Article 5 of Decision 2010/275/EU (ECB/2010/4), this Decision shall prevail.

*Article 4***Entry into force**

This Decision shall enter into force on 14 September 2022 and shall remain in force until 30 April 2023.

Done at Frankfurt am Main, 12 September 2022.

The President of the ECB
Christine LAGARDE

⁽⁴⁾ Decision 2003/797/EC ECB/2003/14 of the European Central Bank of 7 November 2003 concerning the administration of the borrowing-and-lending operations concluded by the European Community under the medium-term financial assistance facility (ECB/2003/14) (OJ L 297, 15.11.2003, p. 35).

⁽⁵⁾ Decision 2011/15/EU ECB/2010/31 of the European Central Bank of 20 December 2010 concerning the opening of accounts for the processing of payments in connection with EFSF loans to Member States whose currency is the euro (ECB/2010/31) (OJ L 10, 14.1.2011, p. 7).

⁽⁶⁾ Decision 2010/624/EU of the European Central Bank of 14 October 2010 concerning the administration of the borrowing and lending operations concluded by the Union under the European financial stabilisation mechanism (ECB/2010/17) (OJ L 275, 20.10.2010, p. 10).

⁽⁷⁾ Council Regulation (EU) 2020/672 of 19 May 2020 on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak (OJ L 159, 20.5.2020, p. 1).

⁽⁸⁾ C(2021) 2502 final.