

26 March 2021

Decisions taken by the Governing Council of the ECB (in addition to decisions setting interest rates)

March 2021

External communication

ECB's Annual Report 2020

On 24 March 2021 the Governing Council adopted the ECB's Annual Report 2020, which will be presented to the Committee on Economic and Monetary Affairs of the European Parliament and made available on the ECB's website in 22 official languages of the European Union on 14 April 2021.

Monetary policy

Central bank compliance with prohibitions on monetary financing and privileged access

On 24 March 2021, in accordance with the Treaty on the Functioning of the European Union (TFEU), which assigns to the ECB the task of monitoring the compliance of EU central banks with the prohibitions referred to in Articles 123 and 124 of the TFEU and the related regulations, the Governing Council approved the compliance report covering the year 2020. Further information on this matter will be available in a dedicated section of the ECB's Annual Report 2020, which will be published on the ECB's website on 14 April 2021.

Market operations

Clarification of collateral eligibility criteria applied to sustainability-linked bonds

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On 17 February 2021 the Governing Council clarified that the Eurosystem applies an issuer group approach and allows sustainability targets to be met by one or multiple entities provided all entities belong to a single sustainability-linked bond issuer group. This clarification was reflected in the [FAQ on sustainability-linked bonds](#) on the ECB's website.

Recast of the guideline on the Eurosystem's provision of reserve management services

On 17 March 2021 the Governing Council adopted Guideline ECB/2021/9 on the Eurosystem's provision of reserve management services in euro to central banks and countries located outside the euro area and to international organisations and repealing Guideline (EU) 2020/1284 of the European Central Bank. The repealed Guideline (EU) 2020/1284 (ECB/2020/34) provided that Eurosystem central banks had to comply with its provisions which aimed at further increasing transparency in reporting and information sharing within the Eurosystem from 1 April 2021. The recast Guideline sets a new deadline for compliance with effect from 1 July 2021 and aims to ensure, inter alia, that Eurosystem reserve management services are provided on a standardised basis under harmonised terms and conditions.

Advice on legislation

ECB Opinion on a proposal for a regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937

On 19 February 2021 the Governing council adopted Opinion [CON/2021/4](#) at the request of the Council of the European Union and the European Parliament.

ECB Opinion on the protection of the euro against counterfeiting in Ireland

On 23 February 2021 the Governing council adopted Opinion [CON/2021/5](#) at the request of the Irish Minister for Finance.

ECB Opinion on the participation of the Hellenic Financial Stability Fund in increases in the capital of credit institutions for purposes other than precautionary recapitalisation or resolution

On 25 February 2021 the Governing council adopted Opinion [CON/2021/6](#) at the request of the Greek Ministry of Finance.

ECB Opinion on the liability and audit of the national supervisory authority, the establishment of small credit institutions and requirements on key function holders of credit institutions in Estonia

On 26 February 2021 the Governing Council adopted Opinion [CON/2021/7](#) at the request of the Ministry of Finance of the Republic of Estonia.

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ECB Opinion on the supervision of outsourcing arrangements entered into by credit institutions in Germany

On 26 February 2021 the Governing Council adopted Opinion [CON/2021/8](#) at the request of the German Ministry of Finance.

ECB Opinion on the reform of Latvijas Banka

On 26 February 2021 the Governing Council adopted Opinion [CON/2021/9](#) at the request of the Latvian Ministry of Finance.

ECB Opinion on the auditing of data from multinational enterprise groups to ensure the quality of national accounts and economic statistics in Germany

On 12 March 2021 the Governing Council adopted Opinion [CON/2021/10](#) at the request of the German Federal Ministry for Economy and Energy.

ECB Opinion on the operating and technical requirements and the general terms and conditions for payment system operators in Hungary

On 17 March 2021 the Governing Council adopted Opinion [CON/2021/11](#) at the request of the Magyar Nemzeti Bank.

ECB Opinion on the mandate and tasks of the Magyar Nemzeti Bank relating to environmental sustainability

On 19 March 2021 the Governing Council adopted Opinion [CON/2021/12](#) at the request of the Hungarian Ministry of Finance.

ECB Opinion on the creation of a transparency framework for contracts and related documents involving the use of public funds in Portugal

On 23 March 2021 the Governing Council adopted Opinion [CON/2021/13](#) at the request of the Portuguese Assembly of the Republic.

Corporate governance

Handover of the secretariat of the working group on euro risk-free rates

On 4 March 2021 the Governing Council took note of the handover of the secretariat of the working group on euro risk-free rates to the European Securities and Markets Authority (ESMA). The ECB, which

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has provided the secretariat up to now, is to remain an observer. The working group was established in 2018 by the ECB, the ESMA, the European Commission and the Belgian Financial Services and Markets Authority to steer benchmarks reform efforts in line with the EU Benchmarks Regulation and the recommendations of the Financial Stability Board. In view of the completion of the working group's mandate and with regard to ESMA's competences under the EU Benchmarks Regulation and its role as EURIBOR supervisor as of 1 January 2022, ESMA will take over the secretariat in the course of the second quarter of 2021.

New member of the Market Infrastructure Board

On 12 March 2021 the Governing Council appointed Ms Petia Niederländer, Director of Payments, Risk Management and Financial Literacy at the Oesterreichische Nationalbank (OeNB), as a member of the Market Infrastructure Board, with immediate effect until 31 May 2022. Ms Niederländer replaces Mr Stefan Augustin, who is retiring from the OeNB.

Statistics

Publication of compounded rates and index based on historical euro short-term rate values

On 17 March 2021 the Governing Council adopted Guideline ECB/2021/10 amending Guideline (EU) 2019/1265 on the euro short-term rate (€STR) and approved the daily publication of the compounded €STR average rates and index on each TARGET2 business day at 9:15 a.m. CET from 15 April 2021. The Governing Council furthermore decided to publish the calculation and publication rules of the compounded €STR average rates and index, and the related amendment of the €STR methodology and policies. The publication of compounded rates based on historical €STR values contributes to mitigating systemic risk in scenarios of benchmark discontinuation, whilst promoting a wider use of the €STR and fostering consistency across major currency areas in the fallback options available to market participants. The related [press release](#) with further details is available on the ECB's website.

Banking supervision

Public guide to the method of setting administrative pecuniary penalties

On 22 February 2021 the Governing Council did not object to a proposal by the Supervisory Board to publish a guide to the method of setting administrative pecuniary penalties. The document outlines the principles and methods for calculating the penalties used to sanction banks for breaches of prudential requirements and marks a further step forward in the transparency of the ECB's supervisory policies and

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practices. The [guide](#) and the related [press release](#) are available on the ECB's banking supervision website.

ECB Decision on reporting of funding plans of credit institutions

On 1 March 2021 the Governing Council did not object to a proposal by the Supervisory Board to adopt [Decision \(EU\) 2021/432 \(ECB/2021/7\)](#) which amends Decision EU/2017/1198 of the European Central Bank of 27 June 2017 on the reporting of funding plans of credit institutions by national competent authorities to the European Central Bank. The amendments align the reporting to the ECB by national competent authorities and ensure compliance with the most recent harmonised definitions and templates included in the related guidelines of the European Banking Authority.

ECB Annual Report on supervisory activities 2020

On 9 March 2021 the Governing Council adopted the ECB Annual Report on supervisory activities 2020 and authorised its publication and transmission to the European Parliament, the Council, the European Commission, the Eurogroup and the national parliaments of the participating Member States. The [report](#) was published on the ECB's banking supervision website on 23 March 2021, the day on which it was presented to the European Parliament by the Chair of the Supervisory Board.

ECB Decision on the total amount to be levied for supervisory tasks for 2020

On 12 March 2021 the Governing Council did not object to a proposal by the Supervisory Board to adopt [Decision \(EU\) 2021/490 \(ECB/2021/8\)](#) on the total amount of annual supervisory fees for 2020. Beginning with the 2020 fee period, the ECB no longer requires advance payment of the annual supervisory fees. These are levied only after the end of the relevant fee period when the actual annual costs have been determined. The total amount of annual supervisory fees for 2020 are EUR 514 314 706. The decision and the related [press release](#) are available on the ECB's banking supervision website.

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