Decision (EU) 2020/1264 of the European Central Bank of 8 September 2020 amending Decision (EU) 2019/1743 of the European Central Bank on the remuneration of holdings of excess reserves and of certain deposits (ECB/2020/38)

DECISION (EU) 2020/1264 OF THE EUROPEAN CENTRAL BANK

of 8 September 2020

amending Decision (EU) 2019/1743 of the European Central Bank on the remuneration of holdings of excess reserves and of certain deposits (ECB/2020/38)

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 17 to 19 thereof,

Whereas:

(1) The Governing Council considers that the funds mandatorily deposited with the ECB for the purpose of repaying financial assistance under Council Regulation (EU) 2020/672[(1)] should be exempt from negative interest rates.

(2) Therefore, Decision (EU) 2019/1743 (ECB/2019/31)[(2)] should be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Amendment

Article 2 of Decision (EU) 2019/1743 (ECB/2019/31) is replaced as follows:

Article 2

Remuneration of certain deposits held with the ECB

Accounts maintained with the ECB in accordance with Decision ECB/2003/14 of the European Central Bank[(3)], Decision ECB/2010/31 of the European Central Bank[(4)], Decision ECB/2010/17 of the European Central Bank[(5)] and Council Regulation (EU) 2020/672[(6)] shall continue to be remunerated at the deposit facility rate. However, when 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 deposit facility rate, whichever is higher.

***Changes to legislation:** There are currently no known outstanding effects for the Decision (EU) 2020/1264 of the European Central Bank. (See end of Document for details)*

Article 2

Entry into force

This Decision shall enter into force on the fifth day following that of its publication in the Official Journal of the European Union. It shall apply from the sixth reserve maintenance period of 2020 starting on 16 September 2020.

Done at Frankfurt am Main, 8 September 2020.

For the Governing Council

The President of the ECB

Christine LAGARDE