Question for written answer Z-031/2019
to the Chair of the ECB Supervisory Board
Rule 131a
Sven Giegold (Verts/ALE)

Subject: Risks stemming from non-eligibility of unsecured UK bank bonds after Brexit

On 8 February 2018, the ECB amended its guidelines relating to the implementation of the Eurosystem monetary policy. The revised eligibility criteria for unsecured debt instruments set out in Article 81a of Guideline (EU) 2018/570 no longer allow unsecured debt instruments issued by credit institutions or investment firms or their closely linked entities established outside the EU to be used as collateral for ECB refinancing operations.

As of 18 April 2019, the ECB's eligible asset database shows that 468 unsecured bank bonds (UBBs) expiring after 31 October 2019 issued by entities established in the United Kingdom are currently accepted by the ECB as collateral for refinancing operations. These 468 UBBs will become ineligible if the United Kingdom leaves the EU on 1 November 2019.

What is the total nominal value of these 468 UBBs, which are currently being used as collateral for financial transactions with the ECB, but will become ineligible on the day that the United Kingdom leaves the EU?

What was the total nominal value of British UBBs submitted to the ECB for refinancing operations each quarter since the Brexit referendum was held on 23 June 2016?

What are the SSM measures ensuring that the ineligibility of UBBs does not endanger the resilience of specific banks and financial stability in the EU?