

PRESS RELEASE

ECB to accept sustainability-linked bonds as collateral

22 September 2020

- › Bonds with coupons linked to sustainability performance targets to become eligible as central bank collateral
- › Potential eligibility also for asset purchases under the APP and the PEPP subject to compliance with programme-specific eligibility criteria
- › Decision applicable from 1 January 2021

The European Central Bank (ECB) has decided that bonds with coupon structures linked to certain sustainability performance targets will become eligible as collateral for Eurosystem credit operations and also for Eurosystem outright purchases for monetary policy purposes, provided they comply with all other eligibility criteria.

The coupons must be linked to a performance target referring to one or more of the environmental objectives set out in the EU Taxonomy Regulation and/or to one or more of the United Nations Sustainable Development Goals relating to climate change or environmental degradation. This further broadens the universe of Eurosystem-eligible marketable assets and signals the Eurosystem's support for innovation in the area of sustainable finance.

Non-marketable assets with comparable coupon structures are already eligible. The decision aligns the treatment of marketable and non-marketable collateral assets with such coupon structures.

The decision applies from 1 January 2021.

For media queries, please contact [✉ Eva Taylor](mailto:Eva.Taylor@ecb.europa.eu), tel.: +49 69 1344 7162.

Notes

- › [🔗 Regulation \(EU\) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation \(EU\) 2019/2088 \(OJ L 198, 22.6.2020, p. 13\).](#)
- › [🔗 United Nations Sustainable Development Goals](#)

Related topics

[Asset purchase programme \(APP\)](#)
[Collateral](#) [Monetary policy](#)

[Pandemic emergency purchase programme \(PEPP\)](#)
[Banking sector](#) [Climate change](#) [Policies](#)

Disclaimer

Please note that related topic tags are currently available for selected content only.

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu

Website: www.ecb.europa.eu

Reproduction is permitted provided that the source is acknowledged.

