



Ministero dell'Economia e delle Finanze

PRESS RELEASE

A new framework for managing the cash balance held on the Treasury account is to go live soon

New methods for the management of the cash balance available on the "Treasury Account held for treasury purposes" and on similar accounts are to go live soon together with a new selection of the counterparties with which the cash management transactions will be carried out, as provided by the Decree n.1416 of January 10, 2022 (Decree) of the Minister of Economy and Finance (MEF), published in the Official Gazette on February 3, 2022.

The new Decree introduces important innovations in the management of the cash balance available on the Account held by the MEF at the Bank of Italy. Non-collateralised lending or borrowing cash management operations can be executed directly by the MEF through bilateral transactions both over-the-counter and on trading venues.

Lending or borrowing cash management operations, executed through auction at the Bank of Italy, typically with overnight maturity, will no longer be carried out. Therefore, all the technical-IT and conventional tools related to the execution of these activities (so-called OPTES operations) will be discontinued. The back-office activity and the settlement of transactions will remain in charge of Bank of Italy through procedures in line with current regulations and standards.

The counterparties eligible to participate to the above mentioned transactions will continue to be: Specialists in Government bonds, authorities or public entities that manage the liquidity of European Union Member States and other counterparties selected by the Ministry on the basis of their structure and other reliability criteria.

Thanks to these regulatory and technical-operational changes, the MEF simplifies for all the actors involved the execution of lending or borrowing cash management operations with the Treasury,

as far as the interaction with the market and the administrative and settlement procedures are concerned. This simplification aims to attract a wider range of counterparties in order to make the cash management activity carried out by the MEF even more effective and efficient.

With the entry into force of the new Decree, the entire previous regulatory framework constituted by the decree of the Minister of Economy and Finance No. 25391 of October 25, 2011¹ and by the directorial decree No. 95450 of November 28, 2011² has been repealed.

Counterparties interested in participating in the mentioned transactions are invited to send to the MEF the form loaded on the Public Debt website section dedicated to cash management transactions https://www.dt.mef.gov.it/en/debito_pubblico/gestione_liquidita/ in order to be registered in the public List³ managed by the Ministry. These new methods for the management of the cash balance will be introduced in the coming weeks, once the subscriptions have been collected using the aforementioned form.

For further information is possible to refer to the text of the new Decree at https://www.dt.mef.gov.it/en/debito_pubblico/gestione_liquidita/normativa_comunicati/index.html and to contact the competent offices at the following e-mail address: cashmanagement.dt@mef.gov.it.

Rome, 2 May 2022

¹ containing “Regulations for the management of the liquidity available on the Treasury Account held at Bank of Italy for treasury purposes and similar accounts and for the selection of the counterparties participating in the operations”.

² that defines the technical details regarding the procedures for the management and participation of the counterparties in the liquidity operations held on the Account.

³ pursuant to Article 4, paragraphs 2 and 3 of the Decree.