**PEMPAL: TREASURY COMMUNITY OF PRACTICE**

**TREASURY INTERACTION WITH THE CENTRAL BANK: THE SERVICE LEVEL AGREEMENT**

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## Acronyms

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| AFT | Agence France Trésor [DMO of France] |
| ALM | Asset and Liability Management |
| BdF | Banque de France |
| CB | Central Bank |
| DMO | Debt Management Office |
| GIFMIS | Government Integrated Financial Management Information System |
| MoF | Ministry of Finance |
| MoU | Memorandum of Understanding |
| IT | Information Technology |
| SLA | Service Level Agreement |
| Tbills | Treasury bills |
| TSA | Treasury Single Account |

# TREASURY INTERACTION WITH THE CENTRAL BANK: THE SERVICE LEVEL AGREEMENT

## Introduction

1. This note elaborates on the nature of the Service Level Agreement (SLA) between the Ministry of Finance (MoF) and the Central Bank (CB) that covers the treasury services supplied by the institutions to each other.[[1]](#footnote-1) In this context it is those services that are relevant to government cash management, to government debt management and to monetary policy operations. The note is designed to be of assistance to those countries designing a SLA; although there are some implied recommendations, for the most part the intention is to provide material on which countries could draw in preparing a SLA, taking account of their own needs and circumstances.
2. These services are mostly supplied by the CB to the MoF, although some will be supplied by the MoF to the CB. Although the institutional structure varies in different countries, it will generally be the Treasury function within the MoF that has responsibility for receipt (or supply) of these services, whether the Treasury is organised as a semi-autonomous agency or is simply another directorate within the MoF. The Treasury will also be responsible for drawing up and negotiating the relevant agreements even if they are signed by a Minister or senior MoF official. The MoF counterpart is therefore referred to below as the Treasury.
3. The issues outlined below and in the Annexes that might be covered by a SLA have been informed by examples from other countries. However, many of these examples are drawn from material obtained in the context of technical assistance work with the individual countries, and cannot be quoted directly. Most examples are therefore either anonymised or without quantitative information. SLAs are rarely published, not least because they will include material that is commercially confidential; for example, a CB will not want its service relationship with the Treasury to be disclosed to those commercial banks to which it may also supply services. Confidentiality may also be important to prevent fraud, since the SLA will include information about bank details and signatories.

## The Policy Framework

1. The focus of the SLA is on services supplied, not the policy framework between the MoF and the CB. This policy framework is important and will operate at different levels:[[2]](#footnote-2)
	1. To facilitate high-level policy coherence between monetary policy, fiscal policy and debt and cash management policies.
	2. To ensure that the composition of the CB’s and Government’s balance sheets develop in a way that takes account of respective and collective risk exposures. The debt management strategy, which is increasingly being developed in an asset and liability management (ALM) framework, is relevant in this context.
	3. To identify areas of operational interaction and how both shared objectives and possible conflicts might best be managed.
2. There will be a variety of mechanisms to handle these policy issues, of varying degrees of formality. They may be covered by legislation, by an exchange of letters, or some form of memorandum of understanding (MoU). They may be institutionalised in formal committee structures or rely on custom and practice. The same mechanism might cover more than one of the areas, and indeed an MoU (or MoUs) might often include material that could equally be in a SLA.[[3]](#footnote-3) Box 1 summarises some of the issues that might often be covered by an MoU.[[4]](#footnote-4)

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| **Box 1: Some Issues for the MoU(s) Governing Policy Interaction*** The joint program for the development of the money market, including policies and operations for bill issuance and the respective roles of Central Bank bills and Treasury bills (Tbills),
* The respective roles in handling any unusual market operations.[[5]](#footnote-5)
* The manner in which the central bank should report its perspective on the views of the market and investors regarding the debt and cash management program for the coming period.
* The central bank’s own views on new cash management operations that could have liquidity implications
* The agreement between the central bank and the ministry of finance on a common list of primary dealers or auction counterparties, although more commonly that is left to each institution.
* The payment of interest on government balances at the central bank (the principle of which will usually be agreed at the policy level, but the basis of interest – maturity, relevant market analogues, etc – would also be identified in the SLA)
* Information exchanges – respective responsibilities, the mechanism of communication and issues covered (e.g. the prospective auction schedule, cash flow forecasts, banking information), although the timings and precise requirements would be in the SLA.
* Determinants of e.g. the timing of respective auctions and the associated market announcements and any prior warning
* Where the treasury is able to borrow from the CB, understandings of the limits (sums, maturities, ability to roll over etc.) of such borrowing, although again practical details will often be in the SLA.
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## The Role of the SLA

1. The role and coverage of the SLA is different from that of the MoU or other mechanism to clarify policy interaction. The SLA is not a completely “policy-free” area, although it may be trying to make explicit the policy agreements that are made at a higher level. But the SLA identifies the services that will be supplied, and specifies the requirements, how they will be provided and to what standard, the basis of remuneration, and how any performance shortfalls or conflicts will be handled. The analogy is the private sector contract for services supplied. However, a fully-fledged contract between two organisations that are in effect part of central government will not be appropriate: they have shared objectives and are (or should be) able to draw on a reservoir of mutual trust. They certainly should not be suing each other in the courts for a failure to perform.
2. The purpose of the SLA is rather to manage expectations on both sides, to avoid there being any misunderstanding about respective roles and responsibilities. The process of developing the SLA will itself help unearth areas of potential difficulty or different views of what is implied or required. Even where the current working relationship is strong, an SLA helps to make it robust to future personnel changes. Moreover, one of the purposes of the SLA is to identify who does what when something goes wrong; it is better to develop contingency plans before the contingency crystallises.

## The Services Covered

1. As already noted sometimes the content of a SLA might cover issues that could equally be included in a policy-oriented MoU or vice versa. The dividing line might not always be clear cut: for example, the CB’s willingness to pay interest on the balance of the Treasury Single Account (TSA) may be recognised in the MoU, but the calculation of the interest, with the choice of analogue or day-count convention, may be covered by the SLA. In some cases, the SLA may provide for a schedule that is drawn up separately from the SLA; for example, the list of Treasury bank accounts managed by the CB, or the interaction between them, will frequently change and may best be revised independently of the SLA, although the SLA requires that such a list be established.
2. For the purposes of this note the precise vehicle is irrelevant. There may be one of more than one SLA covering different services; it may or may not be linked directly with an MoU. The discussion that follows assumes that there is a single SLA which identifies the boundaries between it and any MoU(s). But it is equally applicable to any agreements that encapsulate services supplied.
3. The most important, certainly the most common, service that the CB will provide is that of banker. With very few country exceptions, mostly in Latin America, the TSA is located in the CB, and that is assumed here. The CB may also hold other Treasury accounts (e.g. donor-financed project accounts) that are not strictly part of the TSA but will be covered by the SLA. Even where all these accounts are under the policy control of the Treasury, how they are operated and reported on will in practice depend on how the CB’s systems are configured – which will be part of the SLA.
4. The banker role will cover the handling of government payments. What that means in practice will vary greatly by country, depending on whether payments are centralised, or decentralised to spending units, and the extent of reliance on the CB relative to the commercial banks. Centralised payments may be made directly by the Treasury through electronic funds transfer or by the CB on the Treasury’s behalf, and they may be controlled through a Government Integrated Financial Management Information System (GIFMIS) or through limits on bank accounts (which may be in the commercial banks rather than the CB). The actual requirements will depend heavily on the development of information technology (IT) in the CB and Treasury. Also relevant will be the nature and role of any local CB or Treasury offices.
5. The CB will also provide other services that fall under the general heading of debt and cash management. These may include fulfilling the roles of fiscal agent, settlement agent, and registrar or paying agent for government bonds. At the same time, the Treasury will provide services to the central bank, notably passing across cash flow forecasts, but other data provision will often also be important.
6. Some of the specific issues that might be covered under these headings, drawing on examples from other countries, are outlined in Annex A. Also covered are some of the generic issues, in particular in relation to business continuity. Many of the services will vary over time, for example with IT developments, and this may require changes in the SLA(s).[[6]](#footnote-6)
7. The SLA should normally include performance indicators or targets. Many of these will be in terms of deadlines, i.e. meeting the daily timetable, reporting or providing data by so many hours or days after the close of any period, or responding to requests promptly. There may be formal targets that are linked to the fees paid,[[7]](#footnote-7) or they may be structured as a “best endeavours” intention. Performance data should be collected and stored; even if only monitored as indicators, not targets, changes over time may prompt discussion at review meetings, identify areas for improvement, or provide a basis for setting future targets.

## The Structure of the SLA

1. A SLA will need to deal with a number of process and management issues. These includes authorities and signatories, day-to-day interaction, the process for handling disputes, charging and billing arrangements, control assurances and arrangements for review. There is no single template for such issues, but they should be covered in any SLA.
2. In Annex B is outlined a possible structure for an SLA that identifies these various management issues and notes options for their handling. It is intended to be a comprehensive list, but not all countries will cover every item. When an SLA is first established, it may be advisable to avoid too much formality or elaborate specification; it can be firmed up in successive revisions as necessary.
3. There are two issues in Annex B that might need some further discussion. Firstly, the nature of control assurances: increasingly in the financial services sector, a significant supplier of services is required to present external audit evidence of the appropriateness and adequacy of its internal control system to the principal. The service supplier will often be expected to provide the user with a formal audit report,[[8]](#footnote-8) in order to give the user some comfort that its own internal control and delivery arrangements will not be jeopardised by sloppy risk management of the supplier. The nature of the relationship between a Treasury and a CB may make it difficult for the Treasury to insist on a separate audit report of the CB’s internal control arrangements. The Treasury may choose to rely, say, on the material on operational risk management published in the CB’s annual report. However, it is important that the Treasury addresses this matter explicitly; since it will be the Treasury and its Ministers who in practice will be accountable for any control failure by a supplier whoever it is.
4. The second important issue is the nature of fees or charges: whether they should be paid at all and, assuming they are, how they are calculated. In some countries where, in the past at least, the central bank has been seen as an integral part of government structures, the payment of fees is unfamiliar: it may also seem unnecessary if not envisaged by existing legislation. However, it is good practice for the Treasury to pay for the service provided (and the CB should pay interest on balances in the TSA), essentially because that gives the correct economic signals about both use and new investment. If the service is “free” to the Treasury, it has no way of judging the resource costs of extra use or new demands. Neither the CB nor the Treasury will have a mechanism for assessing investment priorities when resources are constrained.
5. The charges paid should be a direct charge on the budget, and not netted off debt interest (unlike receipts from interest paid on TSA balances). That again is a correct reflection of the government’s claim on resources. To the extent that the fees flow through into the CB’s net profits, the budget impact may be reduced by higher dividends from the CB.
6. If they are to give the right economic signals, the charges should reflect the associated costs (ideally long run marginal cost, although this may be difficult to compute). In practice charges will usually be levied per transaction, in a lump sum or a mixture. There are examples of fees calculated simply as a percentage of the value of transactions, but since transactions costs will usually be invariant to the sums involved, this is unlikely to be economically efficient unless used in combination with other formulae.[[9]](#footnote-9) It is also relevant to take into account the costs of setting up new processes to calculate and charge the fees. When the SLA is first developed, it may not be sensible to develop a sophisticated system: it can be fine-tuned subsequently in the light of experience and the requirements of the two institutions.
7. In practice a mixture of a lump sum plus a variable cost may be the best approach, trading off simplicity against the need to reflect costs. Charges for processing auctions might be a lump sum per auction. For calculation of the costs, the Treasury will probably have to rely on the CB, at least in the first instance, which is not ideal. But if the CB has other customers, whether in the private or public sector, it might be possible to use the charges that they pay as an analogue; and the private sector banks’ own charging structure may provide a useful benchmark. It is these kind of comparisons that have led some Treasuries to cease using the CB for e.g. registration services, instead taking advantage of the much lower unit costs of private sector registrars, reflecting their larger transactions volumes.

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# Annex A: the Services Covered by the SLA

1. This annex includes a summary of the provisions that might be included in the SLA depending on the services which it covers and their relevance. It is largely built up from experience of SLAs in practice, although few countries will need the full range.[[10]](#footnote-10) The list is not intended to be prescriptive; it is rather an aggregation of the issues that are or might be covered, for individual countries to draw on as required to best reflect their own particular circumstances. Precise drafting will also reflect local custom and practice. In some cases, the coverage will depend on the level of trust and understanding between the CB and the Treasury, although as noted in the main text, good personal relations should not be used as a reason to avoid setting performance benchmarks or clarifying how problems should be handled.
2. The settlement agent function can apply to debt management transactions (e.g. ensuring that counterparties have settled and securities transferred as expected), but it is likely to be more substantial in relation to cash management, for those Treasuries that manage cash actively or use the repo market.
3. Most of what follows refers to services supplied by the CB to the Treasury – Treasury services are noted at the end. There is nothing listed about the interaction that might be needed to facilitate special monetary proportions, as discussed in the main text. They are used in relatively few countries, and are designed to deal with specific challenges. However, they will often require a specification of procedures that have the characteristic of – or should be added to – a SLA.

## Banking Services

* The structure of bank accounts, and the interaction between them. This might include, linking, sweeping or mirroring. There may be notional or ledger sub-accounts, which may be managed by the CB or by the Treasury from within the GIFMIS. The CB may be asked to manage “credit limits” on spending units.
* Also important is how the balances of sub-accounts are aggregated for the purpose of calculating the balance in the TSA. The SLA might also need to cover other specified Treasury accounts outside the TSA (e.g. donor accounts).
* Agreed procedures for opening and closing bank accounts.
* Handling of foreign currency flows: whether and when inflows are converted into domestic currency and at what exchange rate, and the source of outflows. The CB may be required to share daily exchange rates.
* Supply of bank statements, timing and detail (in a modern environment all the detail will be available to the Treasury online, but that is not yet common practice). Respective reconciliation responsibilities.
* Payments processed by the CB: timing and mode of data transfer from Treasury.
* Deadlines for transaction handling (requests received by [15.00 hours] will be processed same day, etc).
* The rate of interest to be paid on balances in the TSA,[[11]](#footnote-11) including how that interest is calculated and the frequency of its crediting. There may be separate rates for term deposits.
* Arrangements for borrowing from the central bank, where that is allowed (which may be governed by legislation): degree of automaticity, limits, maturities, roll-over capabilities), and the interest to be charged (which may be a spread above the rate paid on balances).
* Additional provisions may be needed where the Treasury is a participant in the payments systems, but the default will be the rules applying to all participants (although not necessarily the same charges; the CB may need to give the Treasury access to intra-day liquidity [where outflows precede inflows across the payments system], but there is no risk to the CB compared to lending to the private sector).

## Fiscal Agency Services

* Arrangements for any prior discussion of borrowing plans or the security chosen at the forthcoming auction, and notice of related decisions (may be in the MoU). (CB input into debt management strategy likely to be covered in MoU or elsewhere).
* Handling of auctions: publication of auction details, collection of bids (paper, telephone and electronic), handling of any cash deposits, processing and internal presentation of results for decision making, publication of results; and deadlines for these activities (some deadlines will also apply to the Treasury, i.e. in terms of the decisions to be made and communicated on the security and amounts, and in signing off the result).
* Respective responsibilities for primary dealer contracts.
* Nature of any secondary market transactions by the CB on behalf of the Treasury, and associated instructions and reporting.
* Market activity reports.

## Settlement and Related Services

* Nature of interaction with settlement system, account structure and respective responsibilities of CB and Treasury in terms of status and format of transaction information and accountability for any errors.
* Transaction and stock reporting, Treasury access to settlement accounts (including for reconciliation purposes).
* Deadlines for handling transactions to meet settlement cut-offs.
* Confirmation of transactions settlement. Handling of fails by the counterparty.
* Access to intra-day liquidity (limits, and who pays any charges – see also above in respect of payments).
* Collateral handling arrangements, including corporate actions.[[12]](#footnote-12)
* Treasury access to the collateral held by the central bank for special repo operations (see main text).

## Registration Services

* Maintenance of the register of all bond holders ensuring that all primary and secondary market transactions are captured accurately.
* Reporting bond ownership in agreed format and frequency.
* Payment of coupons and redemptions by due date (and arrangements for debiting the TSA).
* Handling of unclaimed payments.
* Procedures (timings, information flow) for handling liability management operations (which may be a separate protocol).

## Business Continuity

* Assurances about business continuity; arrangements for reporting a problem and for recovery; and what happens following a business continuity event.[[13]](#footnote-13)
* Compensation in the event of an IT failure.[[14]](#footnote-14)
* Penalties for non-performance.

## Treasury Services to the CB

* Cash flow forecasts: detail, format and frequency.
* Other relevant data (on budget performance, balance of payments, etc) where this is under MoF control.
* Timely information on budget plans, auction timetable, unusual debt or cash operations, and so on.

# Annex B: the Structure of the SLA

1. Outlined below are the sub-headings, with annotations, that might be found in a typical but comprehensive SLA. They identify how the services under the SLA, and the interactions between the two parties, will be managed; the substantive issues, i.e. the services that will be delivered, are those in Annex A.
2. There is nothing prescriptive about the order of headings below; that will depend on local choice, as will the nature and formality of the drafting.

### Background, Purpose and Scope.

* A general statement. May need to identify governing legislation.
* [Relevance of any tax provisions may need to clarified]

### Authorities

* Warranties may be needed that each party has the authority to agree the SLA. That may include intellectual property rights over any IT used.
* Only valid instructions accepted. How are instructions communicated – fax, email, telephone, SWIFT, etc – and whose signatures are required, and in what format.
* How records – of instructions and services supplied – are to be kept and for how long.

### Obligations of CB and Treasury

* Details of services supplied; information flows, formats, performance indicators to be monitored and data collected (see Annex A)
* Contingency and business continuity arrangements (see Annex A)

### Liability

* Force majeure provisions (probably that no party accepts responsibility for events outside its control). Applies symmetrically.
* Arrangements for reimbursement or compensation in the event of error (maybe e.g. identifiable loss of interest, rather than conventional damages); indemnification against any (successful) third party claims.

### Disputes Procedure

* Typically, escalation up respective hierarchies [possibility of using an external arbitrator, but perhaps not advisable]

### Forward Planning

* Agreement to inform each other of changes in requirements, or new products.
* Willingness (“best endeavours”) to meet new requirements assuming due notice.
* Arrangements agreeing design and testing of any new IT (may have to be decided at the time).

### Monitoring and Liaison

* Regular liaison meetings, e.g. quarterly, to review performance; also identify any recurring problem or clarify new proposals. Less frequent meetings at a higher level.
* The SLA may be the document establishing the Cash Coordination Committee or similar, setting out the terms of reference (alternatively it may be in an MoU).
* Both parties should appoint a relationship manager.

### Charging and Billing Arrangements

* The nature of charges (per transaction or a lump sum or a mixture). [See discussion in main text]
* The level of charges may be changed more frequently (potentially every year) than the structure of charges.[[15]](#footnote-15)
* Details will be needed on how often charges are paid and through what means.

### Control Assurances

* How both parties are able to assure each other of the adequacy of their internal control arrangements. If the Treasury’s services to the CB are primarily about data, the assurance will primarily be for the CB to supply (see discussion in main text).

### Confidentiality

* Most SLAs are confidential, partly because they contain commercial sensitive information, but also to reduce the risk of fraudulent transactions.
* It may be possible to publish a summary or redacted version.
* Each party must also respect and safeguard each other’s confidential information.

### Review, Revision and Termination

* Periodic revision and updating
* Willingness to change by mutual agreement.
* Notice period or other arrangements; handling of outstanding debits/credits.
1. This note has been prepared by Mike Williams; it as benefitted from comments on an earlier draft from Lilia Razlog (World Bank), as well as from discussions with colleagues at the UK DMO and elsewhere. [↑](#footnote-ref-1)
2. These issues were discussed more fully at the PEMPAL TCOP workshop in Moscow in April 2017. [↑](#footnote-ref-2)
3. For example, Cabo Verde has an MoU that identifies both high level and operational policy issues, establishes a technical committee to handle them and identifies some of the financial information that should be available to the committee and when it should be circulated (this last having more of the nature of a SLA). The agreement between the CB and MoF in Iceland also covers both high-level policy issues and the services supplied. This agreement is one of the few that are published: see http://www.lanamal.is/Assets/Agreement between MF and Central Bank.pdf [↑](#footnote-ref-3)
4. Taken with modification from: Mario Pessoa and Mike Williams “Government Cash Management: Relationship between the Treasury and the Central Bank” (IMF Technical Notes and Manuals, 2012) www.imf.org/external/pubs/ft/tnm/2012/tnm1202.pdf [↑](#footnote-ref-4)
5. Examples would be the respective roles in handling any “special monetary operations”, such as quantitative easing or the various liquidity support schemes that were developed in the immediate aftermath of the financial crisis, e.g. the creation and lending of Tbills by the Treasury to the CB for on-lending to banks as collateral. Similarly, “special repo operations” may involve the lending of government bonds by the CB to the market at the request of the Treasury or Debt Management Office (DMO). [↑](#footnote-ref-5)
6. The CB of Nigeria has recently developed an electronic payment gateway for execution of payment instructions, schedule delivery, collection of revenue and online reporting. It has in turn prepared extensive MoU/SLAs between itself and the central and provincial governments governing its use. [↑](#footnote-ref-6)
7. One West Indian country includes a provision under which the CB will forfeit 50 percent of the transaction charge if it fails to perform the transaction within the stated period. [↑](#footnote-ref-7)
8. For many years the Statement on Auditing Standards (SAS) No. 70, Service Organizations, was a widely recognized auditing standard, developed by the American Institute of Certified Public Accountants, although also used widely in Europe. It has recently been superseded by the International Standard on Assurance Engagements (ISAE) No. 3402, Assurance Reports on Controls at a Service Organization, issued by the International Auditing and Assurance Standards Board. ISAE 3402 was developed to provide an assurance standard for user organizations and their auditors on the controls at a service organization that are likely to impact on the user’s internal control system. [↑](#footnote-ref-8)
9. One combination is to use a percentage fee, which is subject to a nominal floor and/or ceiling per transaction. [↑](#footnote-ref-9)
10. Romania is one country where the SLA between the Ministry of Public Finance and the CB covers the full range of these services (although not every individual bullet). The services include the operation of the TSA (both domestic and foreign currency accounts including interest paid); the roles of the bank as fiscal agent, government bond registrar, and settlement and paying agent; and the participation of the ministry in the payments systems. It sets out the rights and obligations of both parties, including those relating to operational risk management, and lists the transaction-based fees in detail. [↑](#footnote-ref-10)
11. The benchmark rates used internationally vary. They include the rates available for nonbank deposits at commercial banks (Peru, Belarus, China) or for interbank deposits (Mexico); the rates received on recent Tbill or related tenders (Italy, South Africa, Canada); and the rates on counterpart assets held by the central banks (Brazil, Trinidad & Tobago, countries in the Eastern Caribbean Currency Union). Benchmark rates also include those linked to the CBs’ policy or corridor rates (probably the most common practice and the case for several Eurozone countries, although different rates may be paid according to whether or not the balances exceed target levels. Some other countries operate a similar size-related schedule, such as in Mauritius). There are other examples where the interest paid is at rates below the market’s rates (Philippines, Indonesia, Macedonia, and Vietnam), although currently low international interest rates often make the differential negligible. The use of the rate on counterpart assets when the balances are large helps to protect the central bank’s balance sheet, although, arguably, it is then acting as agent, and the treasury should have a role in identifying the assets. In Brazil, the counterpart assets mirror the outstanding stock of debt in the market which gives the monetary authority a range of instruments to use as collateral, and also remunerates the treasury at a rate that reflects the overall cost of debt. [↑](#footnote-ref-11)
12. Collateral handling is a significant issue where the Treasury is actively managing cash and using the repo market. If the CB is agent it will be expected to value the collateral; to impose agreed initial margin, and confirm its receipt; to calculate variation margin (if agreed), and ensure collateral adjusted accordingly (which may be either way); to handle substitution (of one bond for another) where that possibility has been agreed with the counterparty; to ensure that the second leg settles on time and cash is returned; and to handle coupons paid during term of repo (although it is often easier to never accept collateral close to coupon date). The SLA would specify the tasks, timelines and communication routes. In practice some of these tasks may be handled by the settlement system, depending on its sophistication. [↑](#footnote-ref-12)
13. In France the CB (Banque de France, BdF) has assured the Treasury (Agence France Trésor, AFT) of “uninterrupted availability of account keeping applications” and “implementation of an emergency back-up procedure in the event of an incident that affects the telecommunications link between the AFT and the BdF.” In the UK there is also an agreement with the CB under which the CB may provide short-term facilities in the event of a business continuity event at the UK DMO. There are other examples whereby the CB will take over from the Treasury if the Treasury is unable, say, to carry out its normal payments. [↑](#footnote-ref-13)
14. The BdF/AFT MoU provides for “compensation for investment opportunities that are missed because the BdF is unable to honour its contractual commitments.” This clause refers primarily to incidents that disrupt the flow of information to the Treasury or prevent some transactions. [↑](#footnote-ref-14)
15. In Iceland, the MoU/SLA provides for payments to be indexed to inflation. [↑](#footnote-ref-15)