Monetary and Financial Code

STATUTES OF THE BANQUE DE FRANCE
As at 1 June 2015

Chapter I: Tasks

Section 1: Key tasks

Article L. 141-1
The Banque de France is an integral part of the European System of Central Banks instituted by Article 8 of the Treaty establishing the European Community and as such shall perform the tasks and comply with the objectives assigned to it by the Treaty.

Within this framework, and without prejudice to the primary objective of price stability, the Banque de France shall contribute to the government's general economic policy.

In carrying out the tasks it performs in the framework of its participation in the European System of Central Banks, the Banque de France, in the person of its Governor or its Deputy Governors may neither solicit nor accept instructions from the Government or from any person.

As amended by Law 2007-212 of 20 February 2007 Art.1
As amended by Law 2008-776 of 4 August 2008 Art. 174

Article L. 141-2
Under the conditions determined in the Statute of the European System of Central Banks, and Article 30 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank, relating to the transfer of exchange reserve assets to the European Central Bank, and Article 31 of the said Protocol relating to the management of the exchange reserve assets held by the national central banks, the Banque de France shall hold and manage the State's gold and currency reserves and shall enter them on the asset side of its balance sheet pursuant to the terms and conditions of an agreement it enters into with the State.

Consistent with the provisions of Article 111 of the Treaty establishing the European Community, and with particular reference to the international organisations within which the Member States may negotiate and to the international agreements they may enter into, and likewise, consistent with Article 6, paragraph 2, of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank relating to the international monetary institutions in which the European Central Bank and, subject to its agreement, the national central banks, are authorised to participate, the Banque de France may, with the consent of the Minister for the Economy, participate in international monetary agreements.

As amended by Law 2008-776 of 4 August 2008 Art. 174

Article L. 141-3
The Banque de France shall be prohibited from authorising overdrafts or granting any other type of credit facility to the Trésor Public (French Treasury) or to any other public body or undertaking. The direct purchase of their debt instruments by the Banque de France is also prohibited.
The agreements entered into between the State and the Banque de France shall determine, when necessary, the terms of repayment of the advances granted to the Trésor Public by the Banque de France prior to 1 January 1994.

The provisions of the first paragraph shall not apply to publicly owned credit institutions enjoying the same treatment as private credit institutions in regard to the provision of liquid assets by the Banque de France.

Article L. 141-4

I - The Banque de France shall ensure that the payment systems used in connection with its participation in the European System of Central Banks function correctly and securely, consistent with the smooth functioning of payment systems as set out in Article 105, paragraph 2, of the Treaty establishing the European Community.

The enforceability against third parties and implementation of the rights of the national central banks that are members of the European System of Central Banks and of the European Central Bank in regard to financial instruments, bills, receivables or sums of money pledged, assigned or otherwise provided as a guarantee in their favour shall not be affected by the initiation of the legal proceedings referred to in Book VI of the Commercial Code or any equivalent formal or out-of-court proceedings based on a foreign legal system, or any civil enforcement proceedings initiated on the basis of French law or a foreign legal system, or the exercise of a right of opposition.

The Banque de France shall ensure that the means of payment as defined in Article L. 311-3, other than currency, are secure and that the regulations applicable thereto are appropriate. If it considers that any such means of payment offers insufficient guarantees of security, it may recommend that its issuer take all appropriate measures to remedy the situation. If such recommendations are not followed, it may, having obtained the issuer's observations, decide to issue a negative opinion for publication in the Official Journal.

In performing these tasks, the Banque de France shall carry out the necessary inspections and obtain from the issuer or another party involved the relevant information concerning the means of payment and the terminals or other associated technical devices.

An Observatory for Payment Card Security was set up. It comprises members of Parliament, representatives of the relevant authorities, issuers of payment cards as well as retail and consumer organisations. In particular, the Observatory for Payment Card Security shall monitor the data protection measures taken by the issuers and the merchants, the compilation of fraud statistics and payment card technology watch with the aim of providing a means of combating technical attacks on the security of payment cards. The Observatory's secretariat shall be provided by the Banque de France. The President shall be appointed from among its members. A decree issued following consultation with the Conseil d'Etat shall stipulate its composition and its powers.

The Observatory shall draw up an annual report that shall be sent to the Minister for the Economy, Finance and Industry and submitted to Parliament.

II. - In the framework of the tasks of the European System of Central Banks, and without prejudice to the powers of the Autorité des Marchés Financiers and the Autorité de contrôle prudentiel et de résolution, the Banque de France shall oversee the security of the clearing houses defined in Article 440-1 and of the financial instrument settlement and delivery systems.

III. - The Banque de France shall perform on and off-site inspections as part of the tasks mentioned in first paragraph of Sections I and II. It shall conduct assessments and request all information and documents useful for the conduct of its tasks from clearing houses and operators of payment and securities settlement systems.
In the event of a report being drawn up, the draft report shall be brought to the attention of clearing house managers or the operator of the inspected system, who may make observations to be included in the final report. The recommendations made by the Banque de France, as well as any other information given to clearing house managers or the operator of the inspected system, may not be communicated to third parties, except in cases expressly provided for by law, without the prior consent of the Banque de France.

As amended by Law 2001-420 of 15 May 2001 Art. 30
As amended by Law 2001-1062 of 15 November 2001 Art. 39
As amended by Law 2001-1168 of 11 December 2001 Art. 27
As amended by Law 2003-706 of 1st August 2003 Art.46
As amended by Law 2005-171 of 24 February 2005 Art. 3
As amended by Law 2013-672 of 26 July 2013 Art. 45

Article L. 141-5

Pursuant to Article 106, paragraph I, of the Treaty establishing the European Community, which gives the European Central Bank the exclusive right to authorise the issue of banknotes in the Community, the Banque de France alone shall be authorised to issue banknotes with legal tender in Metropolitan France and the overseas départements as well as in the territory of Saint Barthélemy and Saint Martin.

This issuance monopoly shall also apply in Saint Pierre and Miquelon.

The Banque de France shall pay the State the balance of franc banknotes withdrawn from circulation and not presented at its counters.

The Banque de France shall be responsible for ensuring the quality and smooth circulation of banknotes and coins in France.

As amended by Order 2005-429 Art. 86
As amended by Order 2008-698 of 11 July 2008 Art.1
As amended by Order 2013-79 of 25 January 2013 Art.1

Article L141-5-1

The Banque de France shall monitor, in cooperation with the Haut Conseil de stabilité financière (HCSF - High Council for Financial Stability), the stability of the financial system. It shall contribute to the implementation of the decisions of this high council.

As inserted by Law 2013-672 of 26 July Art.27

Article L. 141-6

I - The Banque de France shall be authorised to obtain from credit institutions, financing companies, electronic money institutions, crowd-funding intermediaries, companies referred to in II of Article L.511-7 and Articles L.521-3, L.525-4, L.525-5, payment institutions, investment firms, undertakings for collective investment in transferable securities, equity funds referred to in paragraph 1, 2 and 6 of sub-section 3 and sub-section 4 of section 2 of Chapter IV of Title I of Book II, financial holding companies, insurance and reinsurance companies governed by the Insurance Code and industrial and commercial undertakings any document and information necessary for the accomplishment of its key tasks.
II. The Banque de France shall establish the balance of payments and the external position of France. It shall contribute to the establishment of the balance of payments and to the overall external position of the euro area in the framework of its membership in the European System of Central Banks as well as to the establishment of the statistics of the European Union in the area of balance of payments, international trade in services and foreign direct investments.

III. A decree shall stipulate the sanctions applicable in the event of a failure to meet reporting obligations referred to in I and II.

IV. The Banque de France, the French National Institute for Statistics and Economic Research and ministerial statistics departments shall exchange, in accordance with applicable legal provisions, the data necessary for the accomplishment of their respective tasks. The terms and conditions of these exchanges shall be set out in agreements.

Tax administration officers may communicate to the Banque de France the data in their possession necessary for the accomplishment of the tasks referred to in II.

Reestablished in section 1 by Law 2007-212 of 20 February 2007 Art.3
As inserted by Order 2009-866 of 15 July 2009 Art.2
As amended by Law 2013-100 of 28 January 2013 Art.3
As amended by Order 2013-544 of 27 June 2013 Art.1
As amended by Order 2013-676 of 25 July 2013 Art.36
As amended by Order 2014-158 of 20 February 2014 Art.1 and 5
As amended by Order 2014-559 of 30 May 2014 Art.18

Article L.141-6-1
If the Banque de France becomes aware, in the conduct of its tasks, of an emergency situation as defined in Article L. 613-20-5, it shall alert as soon as possible the Autorité de contrôle prudentiel et de résolution and, where necessary, the relevant competent authorities as per point 40 of paragraph 1 of Article 4 of Regulation (EU) No.575/2013 of the European Parliament and of the Council of 26 June 2013, as well as the European Banking Authority.

As inserted by Order 2014-158 of 20 February 2014 Art.1

Section 2: Other public interest missions and other activities

Article L. 141-7
The Banque de France shall also perform other public interest missions.

In this context, the Banque de France shall provide services that are requested by the State or carried out for third parties with the agreement of the State.

At the request of the State or with its agreement, the Banque de France may also provide services for the State or for third parties. The Bank shall be paid for such services in order to cover its costs.

The nature of the services referred to above and their reimbursement shall be determined in agreements entered into by the Banque de France and, where relevant, the State or interested third parties.

As amended by Law 2007-212 of 20 February 2007 Art.3

Article L. 141-8
The following may hold accounts with the Banque de France:
1. Institutions governed by the provisions of Article L. 511-1

2. The Trésor Public, the Institut d’Émission des Départements d’Outre-mer, the Institut d’Émission d’Outre-mer and the Caisse des Dépôts et Consignations

3. Investment service providers governed by Part III of Book V

4. Foreign central banks and foreign credit institutions

5. International financial institutions and international organisations

6. Under conditions set out by the General Council, Banque de France staff and any other person holding customer accounts at the Banque de France as at 6 August 1993

7. Any other institution or person expressly authorised to open an account with the Banque de France by a decision of the General Council

8. Payment institutions governed by Chapter II of Part II of Book V

9. Electronic money institutions governed by Chapter VI of Part II of Book V.

As amended by Law 2005-516 of 20 May 2005 Art.16
As amended by Order 2009-866 of 15 July 2009 Art.2
As amended by Law 2013-100 of 28 January 2013 Art.3
As amended by Order 2013-544 of 27 June 2013 Art.1

Article L. 141-9

The Banque de France may carry out, for its own account and for third parties, any transaction relating to gold, means of payment or securities denominated in foreign currencies or defined by reference to a weight in gold.

The Banque de France may lend or borrow sums in euro or in foreign currency to and from foreign banks and foreign or international monetary institutions or bodies.

When such transactions are executed, the Banque de France shall request or provide the guarantees that it considers appropriate.

Chapter II Organisation of the Banque

Section I Status of the Banque de France

Article L. 142-1 - The capital of the Banque de France shall be held by the State.

Section 2: The General Council

Title of Section as amended by Law 2007-212 Art.1

Article L. 142-2. - The Banque de France shall be administered by a General Council.

It shall decide on issues relating to the management of the Bank’s activities that do not fall within the remit of the European System of Central Banks.

It shall decide on issues relating to the terms of employment of the Bank’s staff. These terms shall be submitted to the appropriate ministers by the Governor of the Banque de France for approval.

The General Council shall also decide on the use of the Bank’s own funds and prepare the preliminary budget and expense amendments, while ensuring that the Bank has the resources it requires to perform
the tasks with which it has been entrusted in the framework of its participation in the European System of Central Banks. It shall also sign off the Bank’s annual accounts and makes proposals for the allocation of profits and the State’s share of the dividends.

The General Council shall appoint two auditors entrusted with auditing the accounts of the Banque de France. They shall be invited to attend the General Council meeting which approves the accounts for the previous year.

*Replaced by Law 2007-212 of 20 February 2007 Art.1*

*As amended by Law 2008-776 of 4 August 2008 Art.174*

Article L. 142-3

I. - The General Council of the Banque de France shall comprise:

1° The Governor and two Deputy Governors of the Banque de France

2° Two members appointed by the President of the National Assembly and two members appointed by the President of the Senate on the basis of their competence and their professional experience in the areas of finance or economics.

3° Two members appointed by a Cabinet decree upon proposal made by the Minister for the Economy, on the basis of their competence and their professional experience in the areas of finance or economics.

4° An elected representative of the Bank's employees.

5° The Vice-Chairman of the *Autorité de contrôle prudentiel et de résolution*.

The duration of tenure of General Council members listed in points 1° to 4° shall be six years without prejudice to the provisions of the ninth paragraph. They shall be bound by professional secrecy.

As at 1 January 2009, half of the members appointed under the provisions of point 2° shall be replaced every three years. For each triennial renewal, one member shall be appointed by the President of the National Assembly and one member by the President of the Senate.

The members appointed under the provisions of point 2° shall be replaced at least eight days before their tenure expires. If one of these members is unable to complete his/her tenure, he/she shall be immediately replaced in accordance with the provisions of the previous paragraph and shall only fulfil these functions for the unexpired portion of the tenure of the person he/she replaces.

The functions of the members appointed under points 2°, 3° and 5° above shall not prevent them from engaging in a private professional activity, after approval by the majority of members of the General Council other than the person concerned. The Council shall ensure that there are no conflicts of interest and that the principle of independence of the Banque de France is respected. In order to ensure that there are no conflicts of interest, members may not perform any function or have any interest in the service providers referred to in Parts I to V of Book V. Said members may not hold a parliamentary mandate.

II. - The approval of decisions shall be subject to the presence of at least six members.

Decisions shall be taken on the basis of a majority of the members present. In the event of a tie, the chairman shall have the casting vote.

The General Council may delegate powers to the Governor of the Banque de France, who may sub-delegate them under conditions set out by the Council.

A censor, or his/her deputy, appointed by the Minister for the Economy, shall attend the meetings of the General Council. He/she may submit proposals for consideration by the Council.
The decisions adopted by the General Council shall be final unless the censor or his/her deputy opposes them.

As amended by Law 2002-1576 of 30 December 2002 Art.85

Replaced by Law 2007-212 of 20 February 2007 Art.1

As amended by Law 2008-776 of 4 August 2008 Art.173

As amended by Law 2010-1249 of 22 October 2010 Art.12

As amended by Law 2013-672 of 26 July 2013 Art.65

Section 3: repealed by Law 2008-776 Art.173

Section 4: The Governor and the Deputy Governors

Article L. 142-8

The Banque de France shall be managed by the Governor of the Banque de France.

The Governor shall chair the General Council of the Banque de France.

He shall prepare and implement the decisions of the General Council.

He shall represent the Bank in its dealings with third parties; he alone shall sign all agreements on behalf of the Bank.

He shall be responsible for appointing all employees within the Bank, without prejudice to the provisions of Article L.142-3. He shall adopt the measures necessary for the transposition and implementation of the guidelines, decisions and legal acts of the European Central Bank adopted in the framework of the tasks of the European System of Central Banks.

The Governor shall be assisted by a first and a second Deputy Governor. The Deputy Governors shall perform the duties which are delegated to them by the Governor. In the event of the Governor being absent or unable to perform his functions, the General Council shall be chaired by one of the Deputy Governors, appointed specifically for that purpose by the Governor.

The Governor and the two Deputy Governors shall be appointed by decree by the Council of Ministers for a term of six years, renewable once. The age limit applicable to the exercise of these functions is set at 65 years. If the Governor or the Deputy Governors reach this age, they shall complete the tenure underway.

They may only be removed from office before the end of their tenure if they become incapable of performing their duties or are found guilty of serious misconduct. Such removal shall be subject to a reasoned request by the General Council, based on a majority decision, excluding the member concerned.

The Governor and the Deputy Governors shall not conduct any other public or private professional activity, salaried or otherwise, except, where relevant, with the consent of the General council, teaching activities or functions performed in international organisations. They may not assume elective office. If they have civil servant status, they shall be placed on secondment and may not be promoted on merit.

A Governor or Deputy Governor who stands down for any reason other than removal from office for serious misconduct shall continue to receive his salary for three years. During that period, they may not engage in professional activities without the consent of the General Council, with the exception of elective public functions or the functions of a member of the Government. In the event of the General Council authorising professional activities, or of their assuming elective public functions that are not
national, the Council shall determine the conditions under which all or part of their salary may continue to be paid to them.

As amended by Law 2007-212 of 20 February 2007 Art.1
As amended by Law 2008-776 of 4 August 2008 Art.174
As amended by Law 2010-1249 of 22 October 2010 Art.76
As amended by Order 2014-1332 of 6 November 2014 Art.1
As amended by Law 2014-1662 of 30 December 2014 Art.24

Section 5: The Banque de France staff

Article L. 142-9
The staff of the Banque de France shall be bound by professional secrecy.
They shall be prohibited from taking or accepting any holding or any interest in, or remuneration, whether in an active or advisory capacity, from any public or private enterprise of an industrial, commercial or financial nature, unless dispensation is granted by the Governor. These provisions shall not apply to the production of scientific, literary or artistic works.
The General Council of the Banque de France shall determine, in accordance with the conditions set out in the third paragraph of Article L. 142-2, the rules applicable to the staff of the Banque of France in the areas where the provisions of the French Labour Code are incompatible with the statutes or with the public service duties entrusted to it.


Apart from those listed in the previous paragraph, the provisions of Chapter II of Part III of Book IV of the Labour Code shall apply to the Banque de France only with regard to the duties and other activities which, under Article L. 142-2 of the present Code, fall within the competence of the General Council.

The Central Works Council and, where applicable, the local Works Committees of the Banque de France may call upon the expert referred to in Article L. 2325-35 of the Labour Code only after the procedure provided for in Articles L. 1233-29 and L. 1233-30 of that code has been followed.
The conditions under which Articles L. 2323-83 and L. 2323-87 of that code shall apply to the Banque de France shall be determined by a decree issued following consultation with the Conseil d'Etat.

As amended by Law 2007-212 of 20 February 2007 Art.7
As amended by Order 2007-329 of 12 March 2007
As amended by Law 2013-672 of 26 July 2013 Art.65

Section 6: Branches

Article L. 142-10. - The Branches of the Banque de France shall participate in the implementation of the Bank’s assignments. They shall contribute to maintaining banknotes and coins and to executing
cashless payments. They shall play a part in garnering knowledge of the local economic fabric, and in disseminating financial and monetary information. They shall follow up applications to the household debt commission in accordance with the provisions of Article L. 141-7.

For the execution of their tasks, they shall maintain relations with banks, companies, chambers of commerce and industry, local authorities and the government departments in their sphere of activity.

As amended by Law 2008-776 of 4 August 2008 Art.174

Chapter III : Reporting to the President of the Republic – Parliamentary Oversight

Article L. 143-1

The Governor of the Banque de France shall submit to the President of the Republic and Parliament a report at least once each year on the Banque de France's activities, the monetary policy it implements within the framework of the European System of Central Banks and the outlook for this policy.

Pursuant to the provisions of Article 108 of the Treaty establishing the European Community and the rules of confidentiality of the European Central Bank, the Governor of the Banque de France shall appear before the finance committees of the National Assembly and Senate when so requested, and may ask to appear before them.

The accounts of the Banque de France and the auditors' report shall be sent to the finance committees of the National Assembly and Senate.

As amended by Law 2007-212 of 20 February 2007 Art.1

As amended by Law 2008-776 of 4 August 2008 Art.174

Chapter IV: Miscellaneous Provisions

Article L. 144-1. - The Banque de France may make direct contact with undertakings and professional groupings that agree to participate in its interviews. These undertakings and professional groupings may communicate to the Banque de France any information on their financial position.

The Banque de France may pass on some or all of the information that it has concerning the financial position of undertakings to the other central banks, other institutions with similar assignments to those entrusted to it in France, credit institutions and other financial institutions, in particular financing companies and to crowdfunding intermediaries if they conduct intermediation activities in the meaning of Article L. 548-1 for interest-bearing and non-interest bearing lending activities.

Under the conditions set forth in the French Insurance Code, the Banque de France may also pass on this information to insurance firms authorised to carry out in France credit insurance and surety activities, provided that their actions involve companies.

The Bank shall determine beforehand how this information is to be communicated and establish the reporting requirements of these firms.

The methods and models used for risk rating by these firms shall be transmitted to the Autorité de contrôle prudentiel et de résolution.

As amended by Law 2003-706 of 1st August 2003 Art.79

As amended by Law 2007-212 of 20 February 2007 Art.3 and 5

As amended by Law 2010-1249 of 22 October 2010 Art.59
As amended by Order 2013-544 of 27 June 2013 Art.1
As amended by Law 2013-672 of 26 July 2013 Art.24
As amended by Order 2014-559 of 30 May 2014 Art.18

Article L. 144-2

The Banque de France's transactions and the activities referred to in the second paragraph of Article L. 142-2 shall be governed by civil and commercial law.

As amended by Law 2008-776 of 4 August 2008 Art.174

Article L. 144-2-1

The real estate belonging to the Banque de France shall be subject to the provisions of the General Code of Public Property applicable to State public entities.

The movables belonging to the Banque de France are immune from attachment.

As inserted by Order 2006-460 of 21 April 2006 Art.3

Article L. 144-3

The administrative courts shall be competent for disputes relating to the Banque de France's internal administration or between the Bank and members of the General Council or its staff.

Replaced by Law 2007-212 of 20 February 2007 Art.1

Article L. 144-4

A decree issued following consultation with the Conseil d'Etat shall establish the implementing regulations of this Part.

It shall determine the amount of the Banque de France's capital, the procedures for establishing its annual budget, for financing its investments, for presenting and approving the accounts, for allocating the annual profits and for remuneration of the members of the General Council, as well as the procedures for electing the employees' representative of the Banque de France on the General Council.

As amended by Law 2007-212 of 20 February 2007 Art.1

Article L. 144-5

A decree shall establish the maximum period during which the information held by the Banque de France regarding company directors and entrepreneurs may be communicated to third parties.

As inserted by Law 2008-776 of 4 August 2008 Art.75