

RECIPROCITY OF THE MACROPRUDENTIAL MEASURE APPLIED BY LIETUVOS BANKAS



28 JUL. 2022

On 19 July 2022, the Board of Directors of the Banco de Portugal decided to exempt Portuguese credit institutions from reciprocating the macroprudential measure introduced by the macroprudential authority of the Republic of Lithuania. This measure introduces a 2% systemic risk buffer rate for all retail exposures to natural persons resident in the Republic of Lithuania that are secured by residential property, in accordance with Article 133 of Directive 2013/36/EU.

This decision, adopted under the *de minimis* principle,¹ provided for in point 15 of Recommendation ESRB/2015/2 of the European Systemic Risk Board (ESRB) of 15 December 2015, as amended by Recommendation ESRB/2022/1 of 16 February 2022, published in the Official Journal of the European Union on 28 April 2022, enters into force as of the date of its publication. The exemption will remain in force for as long as the measure applied by Lietuvos Bankas is in place and the materiality of the exposures of each of the Portuguese credit institutions targeted by this measure is maintained.

For further details, an analysis was published simultaneously with this decision, describing the Lithuanian macroprudential authority's rationale for imposing the measure, as well as the Banco de Portugal's analysis.

¹ Competent authorities may exempt institutions with non-material exposure to the identified macroprudential risk in the activating Member State.