

Reciprocity of the macroprudential measure imposed by Eesti Pank



BANCO DE PORTUGAL
EUROSYSTEM

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By deliberation of the Board of Directors adopted on 31 October 2016, Banco de Portugal, in the exercise of its powers as the national macroprudential authority, has decided, in compliance with the Recommendation of the European Systemic Risk Board No 2015/2 of 15 December 2015 as amended by Recommendation of the European Systemic Risk Board No 2016/4 of 24 June 2016, to reciprocate the macroprudential measure imposed by Eesti Pank, pursuant to article 133 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 (CRD IV).

Considering that the measure imposed by the Estonian macroprudential authority is provided for in CRD IV, transposed into Portuguese law by Decree-Law No 157/2014 of 24 October 2014, amending the Legal Framework of Credit Institutions and Financial Companies, the application of the reciprocity shall be through the same measure, that is, by imposing a buffer for systemic risk of 1% applicable to Portuguese credit institutions with risk positions in Estonia, either directly or indirectly through branches operating in the aforementioned Member State.

This decision enters into force from the date of its publication and will remain in force as long as the measure applied by Eesti Pank is in effect, including any amendments under the terms of Article 133 (10) of CRD IV.

For further detail, simultaneously with the disclosure of this decision, an analysis is published describing the rationale presented by Eesti Pank regarding the application of the measure, as well as the analysis made by Banco de Portugal.