

Reciprocity of the macroprudential measure applied by the Haut Conseil de Stabilité Financière



30 April 2019

By deliberation of the Board of Directors adopted on 23 April 2019, Banco de Portugal, in the exercise of its competences as the national macroprudential authority and in compliance with the Recommendation of the European Systemic Risk Board (ESRB/2015/2) of 15 December 2015 as amended by Recommendation of the European Systemic Risk Board (ESRB/2018/8) of 5 December 2018, published in the Official Journal of the European Union on 1 February 2019, has decided to not reciprocate the macroprudential measure imposed by the Haut Conseil de Stabilité Financière under Article 458(2) of Regulation No 575/2013 on prudential requirements for credit institutions and investment firms (CRR).

Banco de Portugal will monitor annually the materiality of the exposures of each Portuguese Other Systemically Important Institution (O-SII), at the highest level of consolidation, to the French non-financial corporations sector, taking into account the materiality thresholds defined in the Annex of Recommendation of the European Systemic Risk Board (ESRB/2018/8) of 5 December 2018, published in the Official Journal of the European Union on 1 February 2019.

This Decision enters into force on the date of its publication, and will remain in force for as long as the measure applied by the Haut Conseil de Stabilité Financière is in place, including any reviews under the terms of Article 458(9) of the CRR, and as long the materiality of the exposures of each Portuguese O-SII is maintained.

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