

Rome, 14 January 2022

**Decision not to reciprocate a macroprudential measure adopted by Haut Conseil de stabilité
financière in France,
pursuant to Recommendation ESRB/2021/6 of the European Systemic Risk Board**

Recommendation ESRB/2021/6 of the European Systemic Risk Board (ESRB) invites the relevant European Economic Area authorities to reciprocate the macroprudential measure that entered into force on 1 July 2018 in France and was recently extended until July 2023.

The measure limits the exposures of systemically important institutions to highly indebted large non-financial corporations or to groups of connected non-financial corporations resident in France to 5 per cent of Tier1 capital, calculated at the highest level of prudential consolidation.

The ESRB Recommendation asks the European Economic Area authorities to reciprocate the measure by applying similar requirements to systemically important credit institutions established in their respective jurisdictions for exposures in France. The Recommendation allows the national authorities to exempt credit institutions with exposures below the material thresholds indicated and to not reciprocate the measure at all if all the banks have exposures below this threshold.

Exposures of Italian banks to the risks indicated by the French authority are below the specified threshold. The Bank of Italy has therefore decided not to reciprocate the measure, although it will continue to periodically review the relevant exposures of Italian banks and will change its decision if circumstances so require.