

Press Release

By the Communications Directorate

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Decision not to reciprocate a macroprudential measure adopted by Denmark pursuant to Recommendation ESRB/2024/3 of the European Systemic Risk Board (ESRB)

Recommendation ESRB/2024/3 of the European Systemic Risk Board (ESRB) invites the relevant European Economic Area authorities to reciprocate a macroprudential measure adopted by Denmark to limit risks stemming from the real estate market of that country.

The measure introduces a systemic risk buffer (SyRB) equal to 7 per cent of risk-weighted assets relating to exposures, both guaranteed and non-guaranteed, to Danish non-financial corporations operating in the real estate sector and in real estate development projects.

The recommendation asks the authorities of European Economic Area countries to adopt similar measures for banks in their respective jurisdictions and permits exemptions for institutions whose relevant exposures are below €200 million or allows countries not to adopt the measure if all banks have exposures below this threshold.

The exposures of Italian banks to the risks outlined by the Danish macroprudential authority are negligible. Therefore, the Bank of Italy has decided not to reciprocate the measure; however, it will continue to carry out periodic assessments on Italian banks' exposures to Denmark and may modify this decision if circumstances so require.