



BANCA D'ITALIA
EUROSISTEMA

Press Release

BY THE COMMUNICATIONS DIRECTORATE

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Decision not to reciprocate a Portuguese macroprudential measure pursuant to Recommendation ESRB/2023/13 of the European Systemic Risk Board (ESRB)

In October 2023, the Central Bank of Portugal (Banco de Portugal) announced its intention to introduce a systemic risk buffer (SyRB) on retail exposures to natural persons secured by residential real estate located in Portugal and owned by banks using internal ratings-based (IRB) models for credit risk assessment.

The SyRB is set at 4 per cent of the risk-weighted assets related to the exposures to which the measure refers and will enter into force on the 1st of October 2024.

Recommendation ESRB/2023/13 asks the authorities of EEA member states to apply a similar measure to banks in their respective jurisdictions that use IRB models and have exposures to the Portuguese real estate market.

The Recommendation allows for the exemption of institutions for which the exposures concerned are below €1 billion, and for the measure not to be introduced if all domestic intermediaries have exposures below this threshold.

The overall exposures of Italian banks to the risks outlined by the Portuguese authority are well below this threshold. The Bank of Italy has therefore decided not to reciprocate the measure; however, it will continue to carry out periodic assessments on Italian intermediaries' exposures to Portugal and may modify this decision if circumstances so require.