

OPINION

Macroprudential measure adopted by the Banco de España to reciprocate a systemic risk buffer in Italy

Background

On 2 September 2024 the Banco de España informed AMCESFI of its intention to reciprocate a [macroprudential measure announced by the Banca d'Italia on 26 April 2024](#) activating a systemic risk buffer for credit exposures in Italy.¹ This decision by the Banco de España, adopted to comply with European Systemic Risk Board (ESRB) [Recommendation ESRB/2024/2](#) of 11 June 2024, falls under the macroprudential policy powers conferred upon the Banco de España by the applicable legislation.²

The voluntary reciprocity framework of the European Union (EU) is implemented in [Recommendation ESRB/2015/2](#) on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures. The aim is to bolster the effectiveness of national macroprudential measures and ensure that a particular risk receives equivalent treatment within the EU, irrespective of the Member State where the affected institutions are located, thereby strengthening the resilience of the EU financial system overall. To coordinate this process, the ESRB issues recommendations to guide the relevant authorities in their decisions on implementing macroprudential measures reciprocating those introduced by other Member States.

Under Article 11 of [Royal Decree 102/2019](#) of 1 March 2019 creating the Spanish macroprudential authority (AMCESFI), establishing its legal regime and implementing certain aspects relating to macroprudential tools, AMCESFI shall issue opinions on proposed macroprudential measures notified by the sectoral supervisory authorities.

AMCESFI has resolved to issue this opinion, as the proposal entails applying a new macroprudential measure that would affect two Spanish banks.

¹For further information, see Gennaro Catapano, Leonardo del Vecchio, Maddalena Galardo, Giulio Guerra and Ilaria Petrarca. (2024). ["Increasing macroprudential space in Italy by activating a systemic risk buffer"](#), Occasional Papers, 848, Banca d'Italia.

² Law 10/2014 of 26 June 2014 on the regulation, supervision and solvency of credit institutions; Royal Decree 84/2015 of 13 February 2015 implementing Law 10/2014; and Banco de España Circular 2/2016 of 2 February 2016 to credit institutions on supervision and solvency, which completes the adaptation of Spanish law to Directive 2013/36/EU and to Regulation (EU) No 575/2013.

Overview and assessment of the measure

The Banca d'Italia notified the ESRB of its intention to set a systemic risk buffer (SyRB) rate applicable to all credit institutions authorised in Italy, both on an individual basis and on a consolidated basis. A SyRB rate of 0.5% will apply from 31 December 2024 to 29 June 2025 to all credit risk exposures and counterparty credit risk exposures in Italy. The rate will increase to 1% from 30 June 2025. The Banca d'Italia will review this SyRB rate at least every two years, taking into account credit risk and counterparty credit risk developments.

The Banca d'Italia submitted a request to the ESRB to recommend the reciprocation of the measure by other Member States. After assessing the request, the ESRB issued Recommendation ESRB/2024/2, in which it invited the other EU Member States to apply reciprocating measures on an individual basis and on a consolidated basis, recommending, in accordance with the principle of proportionality, an institution-specific materiality threshold of €25 billion to inform the reciprocity decision.

In compliance with the ESRB Recommendation, the Banco de España has decided to reciprocate the macroprudential measure adopted in Italy and apply it, on an individual basis and on a consolidated basis, to two Spanish banks with material exposures within the scope of the measure (see Table 1). Both banks exceed the recommended materiality threshold established by the ESRB. In its assessment, the Banco de España has also taken into consideration the grounds for contributing to the measure's effectiveness in Italy and ensuring that the risks it targets receive equivalent treatment across the EU, irrespective of the Member State where the credit institutions concerned are located, with the aim of strengthening the resilience of the EU financial system overall.

Table 1: Banks subject to the Banco de España’s proposed reciprocating measure

LEI	Bank
5493006QMFDDMYWIAM13	Banco Santander, S.A.
K8MS7FD7N5Z2WQ51AZ71	Banco Bilbao Vizcaya Argentaria, S.A.

Source: Banco de España.
Note: LEI = Legal Entity Identifier.

Conclusion

The AMCESFI Council welcomes the Banco de España’s proposal to reciprocate the measure introduced by Italy and considers that its application will make the Spanish banks more resilient to the systemic risk identified in Italy and will contribute to financial stability in that country and in the EU as a whole.

In accordance with Article 14 of Royal Decree 102/2019, this opinion will be published on the AMCESFI website on the same date that the Banco de España announces the measure.

Approved by the Council of AMCESFI on 4 October 2024.