



EU-LIMITE

Mr Olivier Guersent
Director-General Departments of Financial Stability, Financial
Services and Capital Markets Union European Commission
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium

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Francesco Mazzaferro
Head of the ESRB Secretariat

ESRB Opinion regarding Estonian notification of a stricter national measure based on Article 458 of the CRR

Dear Olivier,

Thank you for your letter dated 27 June 2019, which requested the European Systemic Risk Board (ESRB) to either revise or confirm its Opinion ESRB/2019/2 of 13 May, concerning a notification by the Eesti Pank to the European Commission in the framework of Article 458 of Regulation (EU) No 575/2013 (CRR). Herewith I would like to inform you about the reactions of the ESRB.

The ESRB takes note of the additional information provided by the Eesti Pank to the European Commission. This information certainly enriches the description of the systemic risks, clarifies the intention of Eesti Pank and further explains the reasons why it was decided to apply a stricter national measure under Article 458 of the CRR.

The main contribution of the additional information by the Eesti Pank is two-fold. First, the Eesti Pank clarifies that its intention is exclusively macroprudential, and therefore amends its notification by suppressing any reference to idiosyncratic factors. The ESRB welcomes this clarification. Second, the Eesti Pank adds information about the division of tasks among micro and macroprudential authorities in this case, which confirms that institutions have been in contact. This is also very much welcomed by the ESRB, which – thanks to its diverse membership – has always been a common table of dialogue between the functions of macroprudential oversight and microprudential supervision. Also, as a result of this clarification the reference to idiosyncratic factors is no longer needed in the notification.

On the first point, the ESRB exclusively took into account a macroprudential angle during the preparations for its Opinion, in line with its own mandate. As to the second point, the contacts between institutions at national and European level, while not literally referred to in the original notification by the Eesti Pank, were already reflected in the Opinion, because these contacts have been discussed during the assessment-phase preceding the Opinion.

Address
ESRB
Sonnemannstrasse 20
60314 Frankfurt am Main
Germany

Postal address
ESRB
60640 Frankfurt am Main
Germany


Tel.: +49 69 1344 0
Fax: +49 69 1344 6000
E-mail: info@esrb.europa.eu
Website: www.esrb.europa.eu

Given that the additional information reinforces the reasoning supporting its Opinion, the ESRB General Board has decided to confirm it without any need for amendments.

Therefore, I would like to inform you that the ESRB Opinion ESRB/2019/2 of 13 May, which was sent to your attention on 15 May 2019, is confirmed and remains the contribution from the ESRB in this case.

For your information, the General Board has been consulted and has approved the text of this letter.

Yours sincerely,



Francesco Mazzaferro
Head of the ESRB Secretariat