Official Journal
of the European Union

EN
C series

C/2025/5111

22.9.2025

RECOMMENDATION OF THE EUROPEAN SYSTEMIC RISK BOARD

of 27 June 2025

amending Recommendation ESRB/2015/2 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures

(ESRB/2025/4)

(C/2025/5111)

THE GENERAL BOARD OF THE EUROPEAN SYSTEMIC RISK BOARD,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board [1], and in particular Articles 3 and 16 to 18 thereof,

Having regard to Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC [2], and in particular Section I of Chapter 4 of Title VII thereof,

Having regard to Decision ESRB/2011/1 of the European Systemic Risk Board of 20 January 2011 adopting the Rules of Procedure of the European Systemic Risk Board [3], and in particular Articles 18 to 20 thereof,

Whereas:

(1) In order to ensure effective and consistent national macroprudential policy measures, it is important to complement the recognition required under Union law with voluntary reciprocity.

(2) The framework on voluntary reciprocity for macroprudential policy measures set out in Recommendation ESRB/2015/2 of the European Systemic Risk Board [4] aims to ensure that all exposure-based macroprudential policy measures activated in one Member State are reciprocated in other Member States.

(3) On 10 March 2022 [5], the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), acting as the German designated authority for the purpose of Article 133(3) of Directive 2013/36/EU, notified the European Systemic Risk Board (ESRB) of its intention to activate a sectoral systemic risk buffer (sSyRB) of 2 % to address all exposures, both retail and non-retail, to natural persons and all exposures to legal persons which are both secured by residential property located in Germany and for which that collateral is considered to reduce supervisory own funds requirements, applicable from 1 February 2023, pursuant to Article 133 of Directive No 2013/36/EU. BaFin also submitted to the ESRB a request for reciprocation of the sSyRB under Article 134(5) of Directive 2013/36/EU.

(4) On 27 July 2022, the ESRB adopted Recommendation ESRB/2022/4 of the European Systemic Risk Board [6] to include the sSyRB activated by BaFin in the list of macroprudential policy measures which are recommended to be reciprocated under Recommendation ESRB/2015/2.

[1] OJ L 331, 15.12.2010, p. 1, ELI: http://data.europa.eu/eli/reg/2010/1092/oj.
[2] OJ L 176, 27.6.2013, p. 338, ELI: http://data.europa.eu/eli/dir/2013/36/oj.
[3] OJ C 58, 24.2.2011, p. 4.
[4] Recommendation ESRB/2015/2 of the European Systemic Risk Board of 15 December 2015 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (OJ C 97, 12.3.2016, p. 9).
[5] A first notification was submitted to the ESRB on 24 February 2022. An updated version of the notification was submitted to the ESRB on 10 March 2022.
[6] Recommendation ESRB/2022/4 of the European Systemic Risk Board of 2 June 2022 amending Recommendation ESRB/2015/2 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (OJ C 286, 27.7.2022, p. 1).

(5) On 31 March 2025 [7], BaFin, acting as the designated authority for the purpose of Article 133 of Directive 2013/36/EU, notified the ESRB that it had recalibrated the sSyRB, changing the level of the existing sSyRB to 1 % for all exposures, both retail and non-retail, to natural persons and all exposures to legal persons which are both secured by residential property located in Germany and for which that collateral is considered to reduce supervisory own funds requirements. BaFin also submitted to the ESRB a request for the ESRB to recommend the reciprocation of the aforementioned macroprudential policy measure on a consolidated, sub-consolidated, and individual basis, pursuant to Article 134(5) of Directive 2013/36/EU.

(6) The reciprocation of macroprudential capital requirements activated by authorities of other Member States, on a consolidated, sub-consolidated, and individual basis, irrespective of whether the exposures concerned are held through subsidiaries or branches, or result from direct cross-border lending, limits leakages and regulatory arbitrage, tackles systemic risks and thus promotes the overall effectiveness of macroprudential policy by ensuring that increased risks are addressed not only in the Member State that has introduced the SyRB but also in other Member States where banking groups are exposed to those increased risks. Recognition should therefore also aim to ensure that banking groups exposed to those systemic risks are sufficiently resilient. Therefore, macroprudential capital requirements stemming from a decision to recognise other Member States' macroprudential measures should in general be applied on a consolidated, sub-consolidated, and individual basis.

(7) To recognise the German sSyRB rate as requested by BaFin, the relevant competent and/or designated authorities of another Member State may set a SyRB rate in accordance with Articles 133(4) and 134(1) of Directive 2013/36/EU.

(8) In accordance with Article 134(1) of Directive 2013/36/EU, the recognition of the notified change to the German sSyRB rate by other Member States would apply to exposures located in Germany of institutions authorised in the reciprocating Member States.

(9) In accordance with Article 133(4) of Directive 2013/36/EU, a SyRB rate may be applied on an individual, sub-consolidated, or consolidated basis. Therefore, recognition of a SyRB rate set by another Member State entails the possibility to apply a SyRB rate to all exposures on a consolidated basis (including exposures held through subsidiaries located in another Member State).

(10) Deviation from the general approach of applying the recognised German macroprudential policy measure on an individual, sub-consolidated, and consolidated basis may be justified in certain cases, for instance where the reciprocating authorities deem that those systemic risks are already adequately and appropriately mitigated by existing requirements applied in the Member State where the measure is recognised.

(11) Recommendation ESRB/2015/2 of the ESRB, as amended by Recommendation ESRB/2017/4 [8], recommends that the relevant authority activating a macroprudential policy measure should, when submitting a request for reciprocation to the ESRB, propose a materiality threshold below which an individual financial service provider's exposure to the identified macroprudential risk in the jurisdiction where the macroprudential policy measure is applied by the activating authority can be considered non-material. The ESRB may recommend a different threshold if deemed necessary.

(12) Following the German request received on 31 March 2025 for the reciprocation of the measure by other Member States and in order to prevent the materialisation of negative cross-border effects in the form of leakages and regulatory arbitrage that could result from the implementation of the macroprudential policy measure that will become applicable in Germany, the General Board of the ESRB decided to continue to include the measure notified on 10 March 2022, hereby amended following the notification from BaFin on 31 March 2025, in the list of macroprudential policy measures that it recommends to be reciprocated under Recommendation ESRB/2015/2, and to recommend the reciprocation of the aforementioned macroprudential policy measure, on a consolidated, sub-consolidated, and individual basis in accordance with the request for reciprocation from BaFin. The General Board of the ESRB also decided to continue to recommend an institution-specific materiality threshold of EUR 10 billion. The relevant authorities reciprocating the measure may exempt institutions from the systemic risk buffer requirement

[7] A first notification was submitted to the ESRB on 31 March 2025. An updated version of the notification was submitted to the ESRB on 16 May 2025.

[8] Recommendation ESRB/2017/4 of the European Systemic Risk Board of 20 October 2017 amending Recommendation ESRB/2015/2 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (OJ C 431, 15.12.2017, p. 1).

provided that their relevant exposures do not exceed EUR 10 billion. In line with the recommendation to apply reciprocity on a consolidated, sub-consolidated, and individual basis, the assessment of materiality should likewise be conducted at each of these levels. For the consolidated and sub-consolidated assessment, total exposures (including those arising from branches, direct cross-border lending, and subsidiaries) should be measured against the applicable materiality threshold.

(13) Therefore, Recommendation ESRB/2015/2 should be amended accordingly,

HAS ADOPTED THIS RECOMMENDATION:

AMENDMENTS

Recommendation ESRB/2015/2 is amended as follows:

(1) in Section 1, sub-recommendation C(1), the measure under Germany is replaced by the following:

'— a 1 % systemic risk buffer rate on all exposures, both retail and non-retail, to natural persons and all exposures to legal persons which are both secured by residential property located in Germany and for which that collateral is considered to reduce supervisory own funds requirements.';

(2) the Annex is amended in accordance with the Annex to this Recommendation.

Done at Frankfurt am Main, 27 June 2025.

The Head of the ESRB Secretariat,
on behalf of the General Board of the ESRB
Francesco MAZZAFERRO

ANNEX

The Annex to Recommendation ESRB/2015/2 is amended as follows:

(1) under Germany, the section headed 'I Description of the measure' is replaced by the following:

'I. Description of the measure

1. The German measure, applied in accordance with Article 133 of Directive 2013/36/EU, imposes a 1 % systemic risk buffer rate on all exposures, both retail and non-retail, to natural and legal persons that are secured by residential real estate located in Germany.

1a. The measure applies on a consolidated, sub-consolidated and individual basis.';

(2) under Germany, the section headed 'II Reciprocation' is replaced by the following:

'II. Reciprocation

2. Relevant authorities are recommended to reciprocate the German measure by applying it to domestically authorised credit institutions.

3. If the same macroprudential policy measure is not available in their jurisdiction, the relevant authorities are recommended to apply, following consultation with the ESRB, a macroprudential policy measure available in their jurisdiction that has the most equivalent effect to the above measure recommended for reciprocation, including adopting supervisory measures and powers laid down in Title VII, Chapter 2, Section IV of Directive 2013/36/EU. Relevant authorities are recommended to adopt the equivalent measure as soon as possible and by no later than three months following the publication of this Recommendation in the *Official Journal of the European Union*.

4a. Following the request by BaFin, relevant authorities are recommended to reciprocate the German measure by applying it on an individual, sub-consolidated and consolidated basis, subject to the outcome of the assessment referred to in paragraph 5a.';

(3) under Germany, the section headed 'III. Materiality Threshold' is replaced by the following:

'III. Materiality Threshold

5. The measure is complemented by an institution-specific materiality threshold to steer the potential application of the de minimis principle by the relevant authorities reciprocating the measure. Credit institutions may be exempted from the systemic risk buffer requirement if their relevant sectoral exposures do not exceed EUR 10 billion. Therefore, reciprocation is only requested when the institution-specific threshold is exceeded.

5a. The materiality threshold shall be assessed on a consolidated, sub-consolidated and individual basis. When assessing it on a consolidated basis, all exposures held through branches and direct cross-border lending and through subsidiaries shall be included in the calculation of exposures assessed against the materiality threshold.

6. Relevant authorities should monitor the materiality of exposures. In line with Section 2.2.1 of Recommendation ESRB/2015/2, the materiality threshold of EUR 10 billion is a recommended maximum threshold level. Reciprocating relevant authorities may therefore, instead of applying the recommended threshold, set a lower threshold for their jurisdictions where appropriate, or reciprocate the measure without any materiality threshold.

7. Where there are no credit institutions authorised in the Member States having material exposures in Germany, relevant authorities of the Member States concerned may, pursuant to Section 2.2.1 of Recommendation ESRB/2015/2, decide not to reciprocate the German measure. In this case, the relevant authorities should monitor the materiality of the exposures and are recommended to reciprocate the German measure when a credit institution exceeds the recommended materiality threshold.'.