

Pursuant to Article 43, paragraph (2), item (9) of the Act on the Croatian National Bank (Official Gazette 75/2008 and 54/2013), Article 4, paragraph (1), item (3) and Article 11, paragraph (2) of the Credit Institutions Act (Official Gazette 159/2013, 19/2015, 102/2015 and 15/2018), Article 458, paragraph (5) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013), Article 3, paragraph (2) of the Decision on the reciprocity of macroprudential policy measures adopted by relevant authorities of other European Union Member States and assessment of cross-border effects of macroprudential policy measures (Official Gazette 60/2017) and the Recommendation of the European Systemic Risk Board of 16 July 2018 amending Recommendation ESRB/2015/2 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (ESRB/2018/5), the Governor of the Croatian National Bank hereby issues the

**Decision on the reciprocity of the macroprudential policy measure referred to in the Recommendation of the European Systemic Risk Board of 16 July 2018 amending Recommendation ESRB 2015/2 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (ESRB/2018/5)**

## **1 GENERAL PROVISIONS**

### **Subject matter**

#### **Article 1**

(1) This Decision prescribes the reciprocation of the macroprudential policy measure adopted by the relevant authority of Belgium, as recommended by the European Systemic Risk Board (hereinafter referred to as 'ESRB').

## **2 RECIPROCATION**

### **Reciprocation of measure**

#### **Article 2**

(1) The Croatian National Bank acknowledges and prescribes the reciprocation of a risk weight add-on for retail exposures secured by residential immovable property located in Belgium imposed on credit institutions using the internal ratings-based approach (hereinafter referred to as 'the IRB approach'). The risk weight add-on consists of:

- a) a flat risk weight add-on of five percentage points and
- b) a proportionate risk weight add-on consisting of a 33-percent of the exposure-weighted average of the risk weights applied to the portfolio of retail exposures secured by residential immovable property located in Belgium.

(2) By way of derogation from paragraph (1) of this Article, a *de minimis* exemption shall apply to credit institutions using the IRB approach retail whose exposures secured by residential immovable property in Belgium do not exceed EUR 2bn.

### **3 TRANSITIONAL AND FINAL PROVISIONS**

#### **Entry into force**

#### **Article 3**

(1) On the date of entry into force of this Decision, the Decision on the reciprocity of the macroprudential policy measure referred to in the Recommendation of the European Systemic Risk Board of 24 March 2016 amending Recommendation ESRB/2015/2 on the assessment of cross-border effects of and voluntary reciprocity for macroprudential policy measures (ESRB/2016/3) of 26 July 2017 (Official Gazette 73/2017) shall cease to have effect.

(2) This Decision shall enter into force on the eight day after the day of its publication in the Official Gazette.

Croatian National Bank

Governor

Boris Vujčić

No.: 83-020/04-19/BV

Zagreb, 12 April 2019