

# Increase in the countercyclical capital buffer in selected European countries\*

as at Q3 2019

Country	Time of change in the CCyB	Change in the CCyB from ...% to ...%		Buffer guide <sup>1</sup> , %	Reason for change in the CCyB
Belgium	Q2 2019	0	0.50	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Preventive measure</li> <li>– Gradual build-up of capital</li> </ul>
Bulgaria	Q1 2019	0.50	1.00	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Preventive measure</li> </ul>
Czech Republic	Q4 2018 Q2 2019	1.50 1.75	1.75 2.00	0 0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Risk in the real estate sector</li> </ul>
Denmark <sup>2</sup>	Q3 2019	1.00	1.50	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Gradual build-up of capital to achieve announced target</li> </ul>
France	Q3 2019	0.25	0.50	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Risk of a revaluation of assets in the financial markets</li> <li>– Preventive measure</li> </ul>
Iceland	Q3 2019	1.75	2.00	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Risk in the real estate sector</li> <li>– Preventive measure</li> </ul>
Luxembourg	Q4 2018	0	0.25	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Preventive measure</li> </ul>
Norway	Q4 2018	2.00	2.50	0	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Risk in the real estate sector</li> <li>– Preventive measure</li> </ul>
Slovakia	Q3 2019	1.50	2.00	2.00	<ul style="list-style-type: none"> <li>– Private non-financial sector debt</li> <li>– Greater risk-taking in the banking sector</li> </ul>

Sources: ESRB and national authorities. \* Changes in countercyclical capital buffer (CCyB) since Q4 2018. The reference date for the change in the CCyB is the day on which the decision is published. Following the announcement, banks generally have 12 months to build up the buffer. <sup>1</sup> The buffer guide is derived from the credit-to-GDP gap. This shows, from a historical perspective, how much faster loans are increasing than a country's economic output. A positive gap may indicate an excessive growth in credit. From a positive credit-to-GDP gap of 2 percentage points upwards, a buffer guide derived from this suggests a possible need for macroprudential action (rules-based component). In arriving at their decision, the macroprudential supervisory authorities also take other indicators into consideration (discretionary component). For more details, see also Deutsche Bundesbank, Financial Stability Review 2015, pp. 76-79. <sup>2</sup> In October 2019, Denmark raised the CCyB by a further 0.5 percentage point to 2.00%, effective as at 30 December 2020.