

Press release

18 June 2021

ECB's Governing Council confirms that exceptional circumstances continue to justify leverage ratio relief

- ECB's Governing Council issues opinion confirming that exceptional circumstances warranting leverage ratio relief still exist
- Opinion instrumental in ECB Banking Supervision's decision to allow banks to exclude certain central bank exposures from leverage ratio
- ECB Banking Supervision also publishes announcement on leverage ratio

The Governing Council of the European Central Bank (ECB) has decided that it concurs with ECB Banking Supervision in that there continue to be “exceptional circumstances” allowing for the extension of the temporary exclusion of certain central bank exposures from the leverage ratio in order to support the transmission of the ECB's monetary policy. The Governing Council is of the view that the condition of exceptional circumstances warranting this temporary exclusion from the calculation of banks' total exposure measure continues to be met for the euro area as a whole. The Governing Council concurs that on a quarterly basis the date on which the exceptional circumstances are deemed to have started is 31 December 2019. Euro area national competent authorities intending to exercise the discretion provided for under Article 429a of the Capital Requirements Regulation in relation to less significant institutions may rely upon this opinion issued by the ECB as monetary authority of the euro area.

The opinion of the Governing Council is a precondition for ECB Banking Supervision to allow significant banks in the euro area, which it supervises directly, [to exclude certain central bank exposures from the calculation of the leverage ratio](#).

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