

**Question for written answer E-000686/2022
to the Commission**

Rule 138

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Subject: The lack of macroprudential measures in Germany to address vulnerabilities related to housing price overvaluation

According to the European Systemic Risk Board (ESRB) report of February 2022 on vulnerabilities in the residential real estate sectors of EEA countries, the current policy mix in Germany is considered to be only partially appropriate and partially sufficient. Currently, there are no macroprudential measures in place in Germany that would address the vulnerabilities related to house price overvaluation, elevated mortgage credit growth, and potentially loose lending standards. The report proposed formal communication highlighting the current risk situation, the need for lenders to prudently set income-related parameters in loan contracts, reintroducing the countercyclical capital buffer (CCyB) or replacing it with the sectoral systemic risk buffer (SyRB).

1. What is the Commission's assessment of the remedies proposed by the ESRB?
2. Will the Commission engage with the German government within the framework of the European Semester cycle and follow up on these recommendations?
3. What measures can the Commission adopt in case the German government fails to comply with the recommendations?