



NATIONAL BANK OF SLOVAKIA AND ITS LEGISLATIVE ACTIVITY

The National Bank of Slovakia, as the central bank of the Slovak Republic, was established on 1st January, 1993 on the basis of the Act of the National Council of the Slovak Republic no. 566/1992 Zb. on the National Bank of Slovakia (the "NBS Act"). It is a classic central bank, having the position of a public-legal institution. On the basis of the NBS Act it performs all the basic functions of a state central bank. This means that it is an issuing bank, the bank of banks, the bank for the state and is the administrator of the foreign exchange reserves of the Slovak Republic. Part of its role is also banking supervision over commercial banks operating on the basis of a banking licence granted by the National Bank of Slovakia pursuant to Act no. 483/2001 Z.z. on banks and on the amendment of certain acts as amended.

Given the fact that the main and fundamental aim of the National Bank of Slovakia is to main-

tain price stability, the National Bank of Slovakia in its activities has substantial independence from state bodies codified in the NBS Act. The fulfilment of its tasks is ensured independently of government instructions, where, however, it supports the economic policy of the government. A fact confirming the National Bank of Slovakia's independence is also its management according to a budget approved exclusively by the Banking Board of the National Bank of Slovakia without the intervention of other state bodies. As regards the control of its activity the National Bank of Slovakia is obliged to submit to the National Council of the Slovak Republic a twice-yearly report on monetary development in the Slovak Republic and an annual report on the result of its budgetary management. Its closing of accounts is verified by an auditor appointed by the Supreme Control Authority of the Slovak Republic.

The special standing of the National Bank of Slovakia in the field of banking, foreign exchange management, currency and money circulation is highlighted also by the fact that in these fields the NBS Act is charged also with legislative competence.

According to the NBS Act it submits draft acts to the government in the field of currency and money circulation. The National Bank of Slovakia together with the Ministry of Finance of the Slovak Republic also submits to the Government draft acts in the field of foreign exchange management and banking. A further legislative activity of the National Bank of Slovakia is the preparation and issuing of other generally binding legal regulations such as decrees and provisions of the National Bank of Slovakia. The National Bank of Slovakia can however issue these generally binding legal regulations only on the basis of the powers granted in the Act.

These competences and the position of the National Bank of Slovakia ensue primarily from the NBS Act.

Decrees of the National Bank of Slovakia are published and issued in their full wording in the Digest of Laws of the Slovak Republic similarly as acts.

Provisions of the National Bank of Slovakia are published by the National Bank of Slovakia in the form of a notification in the Collection of Laws of the Slovak Republic, where the complete wording is published in the official bulletin of the National Bank of Slovakia, which may be viewed at all organisational units of the National Bank of Slovakia.

In the scope of its legislative competences the National Bank of Slovakia has throughout its existence cooperated with the Ministry of Finance of the Slovak Republic in preparing various acts and issued a number of generally binding legal regulations.

The last list of these acts and other generally binding legal regulations was published in the BIATEC Journal no. 3/2003 and was compiled with effect with effect as at 28.2.2003. In this issue we present the updated list including changes valid as at 20.4.2004.

ACTS

Acts in force as at 20.4.2004, the preparation and amendment of which fall within the legislative competence of the National Bank of Slovakia.



1. Act of the National Council of the Slovak Republic no. 566/1992 Zb. on the National Bank of Slovakia as amended (**last amendment Act no. 602/2003 Z.z.**),

2. Act no. 483/2001 Z.z. on banks and on the amendment of certain acts as amended (**last amendment Act no. 603/2003 Z.z.**),

3. Act of the Slovak National Council no. 310/1992 Zb. on savings banks as amended (**last amendment Act no. 165/2003 Z.z.**),

4. Act of the National Council of the Slovak Republic no. 202/1995 Z.z. the Foreign Exchange Act and the Act by which is amended the Act of the Slovak National Council no. 372/1990 Zb. on violations as amended as amended (**last amendment Act no. 602/2003 Z.z.**),

5. Act of the National Council of the Slovak Republic no. 118/1996 Z.z. on deposit protection and on the amendment of certain acts as amended (**last amendment Act no. 186/2004 Z.z.**),

6. Act no. 510/2002 Z.z. on the system of payments and on the amendment of certain acts as amended (**last amendment Act no. 604/2003 Z.z.**).

Other generally binding legal regulations are issued by the National Bank of Slovakia on the basis of powers given in these stated acts. This concerns in particular measures of the National Bank of Slovakia directing commercial banks in the performance of their banking activity, or arranging the rules of the foreign exchange regime and regulations arranging in more detail the issuing of banknotes and coins.

Decrees and Provisions of the National Bank of Slovakia in force as at 20. 2. 2004 issued in the legislative competence of the National Bank of Slovakia:

DECREES

1. Decree no. 456/2001 Z.z., by which are arranged details on the conditions under which there may be issued and used reproductions of banknotes, commemorative banknotes, coins, commemorative coins, business coinage and securities issued by the National Bank of Slovakia, as well as objects that through their design resemble these, including lists of them in electronic form,

2. Decree no. 464/2001 Z.z., by which are arranged the conditions under which business subjects may administer banknotes and coins for other entities, the procedure of banks and business subjects in administering banknotes and coins,

3. Decree no. 465/2001 Z.z., by which are arranged details on the procedure in the receipt and handling of legal tender and details on the provision of replacements for incomplete banknotes or otherwise damaged banknotes and coins,

4. Decree no. 600/2001 Z.z. on the register of mortgage loans and on the details on the position and activity of the mortgage administrator and his representative.

PROVISIONS

1. NBS Provision no. 233/1993 on the expansion of settlements in freely convertible currency in re-export operations,

2. NBS Provision no. 9/1998, by which are arranged the required details in the application by a bank for prior consent to acquiring shares or an ownership interest in a legal entity that is not a bank and the conditions for granting this prior consent (Notification NBS no. 297/1998 Z.z.),

3. NBS Provision no. 13/1998, by which are arranged the conditions for dealing in foreign exchange funds performed by banks on the internal foreign exchange market (Notification NBS no. 325/1998 Z.z.)

4. NBS Provision no. 3/1999 on the cancellation of the National Bank of Slovakia Provision no. 11/1998 on the foreign exchange position of banks and branches of foreign banks for currency purposes (Notification no. 50/1999 Z.z.) (this measure was cancelled without replacement),

5. NBS Provision no. 4/1999 on the cancellation of the National Bank of Slovakia Provision no. 1/1996 by which is arranged the minimum amount of liquid funds as amended (Notification no. 51/1999 Z.z.),

6. NBS Provision no. 6/1999, by which are arranged the conditions for regulating the balance of payments of the Slovak Republic (Notification NBS no. 358/1999 Z.z.) in the wording of NBS Provision no. 12/2002 (Notification no. 701/2002 Z.z.) and NBS Provision no. 8/2003 (Notification no. 568/2003 Z.z.),

7. NBS Provision no. 1/2000, by which is arranged the procedure of foreign exchange positions in effecting payments to abroad, from abroad and in respect of foreigners (Notification NBS no. 9/2000 Z.z.),

8. NBS Provision no. 12/2001, by which are arranged the details required in the application for granting a banking licence for a bank (Notification no. 589/2001 Z.z.),

9. NBS Provision no. 13/2001, by which are arranged the details required in the application for granting a banking licence for a foreign bank for perfor-



ming banking activities via its branch in the territory of the Slovak Republic (Notification no. 590/2001 Z.z.),

10. NBS Provision no. 14/2001, by which are arranged the details required in the application for registration of a representative office of a foreign bank or similar foreign financial institution performing banking activities (Notification no. 591/2001 Z.z.),

11. NBS Provision no. 15/2001, by which are arranged the details required in the application of a bank for prior consent for establishing a branch abroad (Notification no. 592/2001 Z.z.),

12. NBS Provision no. 16/2001, by which are arranged the details required in the application for prior consent pursuant to Article 28(1) of Act no. 483/2001 Z.z. on banks and on the amendment of certain acts (Notification no. 593/2001 Z.z.),

13. NBS Provision no. 17/2001 on details required in the notification necessary for ascertaining other entities that on the basis of their relationship to the notifier have a special relationship to a bank or branch of a foreign bank (Notification no. 594/2001 Z.z.),

14. NBS Provision no. 18/2001, specifying the prescribed content of a detailed audit-report for banks and branches of foreign banks (Notification no. 595/2001 Z.z.)

15. NBS Provision no. 1/2002 on rules for the safe operation of banks and branches of foreign banks in dealing in funds in a foreign currency, with gold and financial instruments (Notification no. 474/2002 Z.z.),

16. NBS Provision no. 4/2002 on rules for the safe operation of banks and branches of foreign banks in providing loans (Notification no. 521/2002 Z.z.),

17. NBS Provision no. 7/2002 on the classification of assets and liabilities of banks and branches of foreign banks, their re-valuation, formation and dissolution of reserves and related reporting (Notification no. 696/2002 Z.z.),

18. NBS Provision no. 8/2002 on the asset exposure of banks (Notification no. 697/2002 Z.z.),

19. NBS Provision no. 9/2002 on the manner of the formation, structure and list of constant symbols used in the system of payments (Notification no. 698/2002 Z.z.),

20. NBS Provision no. 10/2002 on the report submitted by the issuer of an electronic money means of payment to the National Bank of Slovakia (Notification no. 699/2002 Z.z.),

21. NBS Provision no. 11/2002 on reports submitted by the operator of the system of payments to the National Bank of Slovakia (Notification no. 700/2002 Z.z.),

22. NBS Provision no. 2/2003 on the Register of Loans and Guarantees (Notification no. 237/2003 Z.z.),

23. NBS Provision no. 5/2003 on the report submitted by a bank controlling a consolidated banking unit or sub-consolidated banking unit to the National Bank of Slovakia (Notification no. 411/2003 Z.z.),

24. NBS Provision no. 613/2003, by which are arranged the structure, scope, content, segmentation, terms, form, manner, procedure and place of submitting certain notification matters pursuant to Article 8 of the Foreign Exchange Act (Notification no. 6/2003 of the NBS Bulletin on the issuing of NBS Provision no. 613/2003 Z.z. in the Collection of Laws of the Slovak Republic),

25. NBS Provision no. 7/2003, by which is arranged the structure of a bank connection for the purposes of domestic transfers, the structure of an international bank account number for the purposes of cross-border transfers and details on the issuing of an identification code converter (Notification no. 605/2003 Z.z.),

26. NBS Provision no. 9/2003 on the submission of statements by mutual funds for individual share funds to the National Bank of Slovakia for statistical purposes (Notification no. 569/2003 Z.z.),

27. NBS Provision no. 10/2003 on the submission of statements by banks and branches of foreign banks to the National Bank of Slovakia for statistical purposes (Notification no. 570/2003 Z.z.),

28. NBS Provision no. 614/2003 on details required in the application for a foreign exchange licence, the manner of evidencing the fulfilment of the conditions for the granting of a foreign exchange licence and on the requirements pursuant to Article 13 (8) of the Foreign Exchange Act (Notification NBS no. 11/2003 Z.z. of the NBS Bulletin on the issuing of NBS Provision no. 614/2003 Z.z. in the Collection of Laws of the Slovak Republic),

29. NBS Provision no. 3/2004 on the liquidity of banks and branches of foreign banks (Notification no. 35/2004 Z.z.),

30. NBS Provision no. 4/2004 on the capital adequacy of banks' financing (Notification no. 36/2004 Z.z.),

**Prepared by: JUDr. Renáta Bašková,
National Bank of Slovakia**