



# 8 European affairs and international cooperation

## 8.1 European affairs

### European Union (EU)

From the perspective of Národná banka Slovenska, the main EU event in the first half of 2019 was April's informal meeting of the ECOFIN Council, which took place in [Bucharest](#) and was attended by NBS representatives. The discussions focused on priorities for the next institutional cycle and the way forward for the capital markets union.

NBS representatives were also present at the next ECOFIN gathering of finance ministers, held in [Helsinki](#) in September. The main issues under discussion included the resilience of financial market infrastructure, the role of the financial sector in countering hybrid threats, and the rebooting of the capital markets union.

## 8.2 Cooperation with international institutions

### International Monetary Fund (IMF) and World Bank Group (WBG)

The most important events of the Bretton Woods Institutions in 2019 were the Spring and Annual Meetings of the IMF/WBG, held in Washington DC. The [Spring](#) Meetings in April included the presentation of the latest editions of the IMF's multilateral surveillance documents: the World Economic Outlook (WEO) and the Global Financial Stability Report (GFSR). Delegates discussed the need for renewal of the multilateral system, for development of more resilient and inclusive economies, and for cooperation in facing global challenges such as climate change, demographic changes, and migration.

At the [Annual Meetings](#) in October, the IMF's Board of Governors discussed the IMF's Annual Report and financial statements, as well as the autumn editions of the WEO and GFSR. There were also discussions on how multilateral cooperation could be used to bridge economic disparities between member countries, as well as on fintech and digital transformation.



Meeting of the International Monetary and Financial Committee (IMFC) held during the IMF-WBG Annual Meetings in Washington DC in October 2019.

In May 2019 an IMF staff team visited NBS as part of the bilateral discussions that the IMF holds with Slovakia under Article IV of the IMF's Articles of Agreement. The staff team spoke with NBS representatives about Slovakia's macroeconomic developments and outlook, about its balance of payments performance, about the state of Slovakia's financial sector, and about the current situation regarding domestic macroprudential policy. According to the IMF experts, the Slovak banking sector remains adequately capitalised, but its profitability is under pressure in the environment of very low interest rates. They also pointed out that a decade of robust loan growth has resulted in a significant increase in household indebtedness.

### Organisation for Economic Co-operation and Development (OECD)

In February 2019 the OECD Secretary-General Ángel Gurría made an official visit to Slovakia. At the Slovak Ministry of Foreign and European Affairs, Mr Gurría presented the [2019 OECD Economic Survey of the Slovak Republic](#).

NBS staff members participated in the drafting of the 2019 Survey and were also actively involved in the work of OECD committees.

In 2019, for the first time, Slovakia chaired the Meeting of the OECD Council at Ministerial Level, which took place on 22-23 May.

In December 2019 NBS staff met with OECD representatives as part of the preparatory work for the OECD Regulatory Policy Review of the Slovak Republic.

## European Bank for Reconstruction and Development (EBRD)

In January 2019 a meeting took place between NBS and EBRD representatives in regard to the preparation of the EBRD's assessment report on the capital market situation in Slovakia.

In May 2019, in Sarajevo, the [28th Annual Meeting of the EBRD's Board of Governors](#) was held under the theme "Connecting Economies for Stronger Growth". The participants discussed the integration of Western Balkan countries into the European Union and opportunities for investment in the Western Balkan region.

## Bank for International Settlements (BIS)

The NBS Governor attends the BIS's bimonthly All Governors' Meeting. The issues discussed at the meetings in 2019 included innovation and the role of central banks in the area of financial inclusion, the macroeconomic implications of weak bank profitability, and central banking. The governors also discussed strategies in the area of human resources management at central banks.

The BIS's 89th Annual General Meeting (AGM) took place in Basel in June 2019, with NBS represented by Deputy Governor Ľudovít Ódor. Besides approving the BIS's 2018/19 Annual Report and 2019 Annual Economic Report, the participating central bank representatives discussed regulatory convergence and also how to regulate banks in the era of fintech shadow banks.

Deputy Governor Ódor also attended the [18th BIS Annual Conference](#), held in Zürich in June. The theme of the event was "The digital economy and financial innovation".

## 8.3 Technical cooperation with external institutions

As regards its activities in the area of technical cooperation in 2019, NBS was involved not only in bilateral projects, but also in multilateral EU projects.

As part of its bilateral cooperation with the central banks of Belarus and Ukraine, NBS organised study and working visits in the areas of operational risk, public procurement, and payment systems.

In 2019 NBS provided technical assistance to the Central Bank of Mongolia in the area of central bank auditing.



A meeting of the Programme Steering Committee of an EU training programme for staff of Western Balkan central banks (held at NBS on 12 December 2019).

As part of an EU-funded project, staff members of NBS's Financial Consumer Protection Department were engaged in technical cooperation with the National Bank of Serbia in 2019. In the context of an EU project to support the National Bank of Belarus, a staff member of NBS's Macroprudential Policy Department took part in two expert missions to the Belarusian central bank.

In 2019 NBS was actively involved in an EU education and training programme focusing on Western Balkan central banks. In April NBS organised a three-day seminar in the field of statistics, and in December it hosted a [meeting of the Programme Steering Committee](#).