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Press release on the approval of the Macroprudential Policy Strategy

Macroprudential Policy Strategy [1]

At the ordinary meeting of the National Committee on Financial Stability held on 15 September 2023, the Strategy on Macroprudential Policy (hereinafter the Strategy) was approved - a document that establishes the operational framework for achieving the objectives of the macroprudential policy, in order to ensure the transparency and predictability of the decision-making process.

The Strategy was developed and approved in accordance with the provisions of Law No. 209/2018 on the National Committee on Financial Stability, as well as based on the recommendations of the European Committee for Systemic Risk (CERS/2011/3 and CERS/2013/1) on the macroprudential mandate of the national authorities and on the intermediate objectives and instruments of macroprudential policy.

The strategy also represents a deliverable of the Twinning project, funded and supported by the European Union, which contributes to strengthening the supervision, corporate governance, and risk management in the financial sector.

In particular, the Strategy describes the national regulatory framework in the area of financial stability, establishes the link between the ultimate objective of macroprudential policy and the intermediate objectives, explains the intervention mechanism, the recommended instruments and the role of the national authorities involved in the decision-making process.

The ultimate objective of macroprudential policy is to safeguard the stability of the financial system as a whole, including strengthening the resilience of the financial system, limiting the contagion effect, and reducing the accumulation of systemic risks, thus ensuring a sustainable contribution of the financial sector to economic growth.

The final objective is achieved through the implementation of intermediate objectives, which are designed to enhance the operability, transparency, and accountability of macroprudential policy by contributing to the decision-making basis at the instrument selection stage.

The Strategy exemplifies the recommended macroprudential instruments according to the intermediate objective pursued and the size of the risk addressed. However, decision-making is not limited to pre-established rules but also includes a discretionary component, allowing competent authorities to ensure a proper selection and calibration of instruments.

It also explains the importance of the independence of macroprudential policy, its interaction with other policies, inter-institutional cooperation, and the channels for communicating decisions to ensure transparency.

A well-defined framework for decision-making is a prerequisite for effective macroprudential policy, while transparency enhances the understanding of macroprudential policy by the financial system and the general public.

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