

Press release after the meeting of the Financial Stability Committee on macroprudential supervision

Date: 15-06-2020

The meeting of the Financial Stability Committee on macroprudential supervision was held on 15 June 2020. The following persons participated in the meeting:

- Paweł Szalamacha, Member of the Management Board of Narodowy Bank Polski as the Chair of the Committee,
- Piotr Nowak, Undersecretary of State, Ministry of Finance,
- Jacek Jastrzębski, Chairman of the Polish Financial Supervision Authority,
- Piotr Tomaszewski, President of the Management Board of the Bank Guarantee Fund.

The Committee got acquainted with the NBP [*Financial Stability Report – Special Issue: impacts of the COVID-19 pandemic*](#). According to the *Report*, Poland's financial system entered the period of the COVID-19 pandemic in a good condition, resilient to shocks and without substantial imbalances. However, due to the strength and nature of the pandemic-related shock, credit risk increased significantly in all credit categories and the risk of a credit crunch emerged. These developments may adversely affect the real economy and, consequently, the financial system.

Considering the broad set of assistance tools launched by the public authorities to aid the banking system, the Committee expects banks to maintain responsible lending to the economy and to increase their involvement in borrower-supporting activities

The Committee will monitor the influence of pandemic on developments in the financial system and analyse the efficiency of the overall set of anti-crisis measures and their impact on financial stability over the short- and long-term.

At the meeting, the Committee discussed the developments related to the so-called credit holidays offered by domestic banks.

The Committee agreed with the request of the Chairman of the Polish Financial Supervision Authority on postponing until 30 June 2021 the deadline for commercial banks and branches of credit institutions to implement the provisions of the amended Recommendation S on good practices with regard to managing mortgage-secured credit exposures.

The Committee took note of the Recommendations of the European Systemic Risk Board:

1. [on monitoring the financial stability implications of debt moratoria, and public guarantee schemes and other measures of a fiscal nature taken to protect the real economy in response to the COVID-19 pandemic,](#)
2. [on restriction of distributions during the COVID-19 pandemic.](#)

The Committee took note of a review of macroprudential policy conducted by other countries and at the European Union level.

The next regular meeting of the Committee on macroprudential supervision is scheduled for the third quarter of 2020.