

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

Date: 15-09-2017

The meeting of the Financial Stability Committee on macroprudential supervision (FSC-M) was held on 15 September 2017. The following persons participated in the meeting:

- Piotr Wiesiołek, First Deputy President of Narodowy Bank Polski as the Chair of the Committee,
- Leszek Skiba, Undersecretary of State, Ministry of Finance,
- Marek Chrzanowski, Chairman of the Polish Financial Supervision Authority,
- Zdzisław Sokal, President of the Management Board of the Bank Guarantee Fund.

Performing its statutory duties, the Committee passed a resolution on recommending the maintenance of the countercyclical capital buffer rate at the level of 0% and decided to notify the European Systemic Risk Board of the level of the countercyclical capital buffer and underlying indicators. The representative of the Minister of Economic Development and Finance agreed with the recommendation and informed the Committee that there was no need for legislative measures aimed at changing the level of the countercyclical buffer.

Possible sources of risks within the Polish financial system were discussed on the basis of the questionnaire carried out among all the institutions represented in the Committee. The structure and grading of risks have not changed significantly in relation to the previous period. In the opinion of the Committee, the risk of FX housing loans portfolio should gradually weaken along with the implementation of the FSC-M recommendation.

The FSC-M adopted the opinion on the principles of the Recommendation S amendment on the management of the portfolio of mortgage-secured credit exposures, in terms of rules for fixed interest rate lending. The Committee supported the direction of the proposed changes, however considered that so-called fixed interest rate loans cannot be treated as risk-free for banks, customers and the financial system. Developing the code of good practices on fixed interest rate loans will increase transparency and should contribute to better informed decisions by borrowers. It should also enhance the management of housing loan risk.

The FSC-M also discussed the costs and benefits of setting the minimum requirement for own funds and eligible liabilities (MREL) for banks in Poland. Preliminary analyses show that the benefits of introducing MREL exceed the accompanying costs for the Polish economy. It was decided that the discussion on a cost-benefit analysis would be continued.

The next meeting of the Committee on macroprudential supervision is scheduled to take place in the fourth quarter of 2017.