



MEETINGS OF THE NBS BANK BOARD

The 3rd Meeting of the Bank Board of the National Bank of Slovakia was held on 17 January 2006, chaired by Ivan Šramko, Governor.

- The Bank Board of the NBS approved the Financial Stability Report for the first half of 2005. No marked threats to financial stability were identified in the first half of 2005. As compared with 2004, most of the identified risks persist in a similar way. The paper will be published on the website of the NBS.

The 5th Meeting of the Bank Board of the National Bank of Slovakia was held on 31 January 2006 chaired by Ivan Sramko, Governor.

- The Bank Board of the NBS discussed the Situation Report on Monetary Development of Slovakia in December 2005 and decided on maintaining the current interest rates at unchanged levels, i.e. the overnight sterilization rate at 2%, the overnight refinancing rate at 4.0%, and the two-week REPO tenders with commercial banks at 3%.

The 6th Meeting of the Bank Board of the National Bank of Slovakia was held on 7 February 2006, chaired by Ivan Šramko, Governor.

- The Bank Board of the NBS approved the Decree on the issue of the silver commemorative coins in the nominal value of SKK 500, with the theme of the Muranska Planina National Park, from the Nature and Country Protection Series.

The commemorative coin is minted from an alloy containing 925 parts silver and 75 parts copper. The weight of the coin is 33.63g, with a diameter of 34mm. The designer of the coin is Karol Licko.

The commemorative coin was minted in the Kremnica Mint, š.p. to the number of 7,600 pieces, and will be sold at the beginning of April 2006.

- The Bank Board of the NBS approved Supplement No 2 to the Memorandum of Understanding between the National Bank of Slovakia and the Ministry of the Interior, Presidium of the Police Force.

The objective of the Memorandum is to ensure cooperation and mutual exchange of information and coordinated procedures when meeting the tasks related to the conduct of banking supervision by the National Bank of Slovakia and the Bureau of Financial Police of the Division of Criminal and Financial Police of the Presidium of the Police Force, aiming at the detection of unlawful financial operations and prevention of money laundering. Following the transfer of the Financial Market Authority's scope of activities to the National Bank of Slovakia, effective on 1 January 2006, it was necessary to broaden the scope of mutual collaboration so that it would cover all the financial market entities regulated by the integrated supervision of the National Bank of Slovakia.

Press Department of the NBS

NBS GOVERNOR IVAN ŠRAMKO HONOURED

EUROPEAN CENTRAL BANKER OF THE YEAR 2006

PERSON PROMINENT IN THE ECONOMY 2005

The influential British monthly magazine *The Banker*, a member of Financial Times Business Ltd., has awarded the Governor of the National Bank of Slovakia, Ivan Šramko, as its European Central Banker of the Year for 2006. The award was made in January in recognition of Mr Šramko's "thoughtful approach to meeting the euro requirements" and for the fact that "the central bank has significantly strengthened banking supervision, winning praise from the IMF".

The magazine also praised the early entry of the Slovak koruna into ERM II, describing it as "a shrewd approach...to maintaining currency stability". As for the NBS's inflation-targeting under governor Šramko, it was acknowledged as "no less significant" and "an important mechanism to meet strict Maastricht criteria for euro adoption".

Governor Šramko has also received the prestigious domestic award *Prominent ekonomiky* (Person Prominent in the Economy) for 2005, from the Informal Economic Forum - *Hospodársky klub*.

INTRODUCTION OF THE EURO IN SLOVAKIA

IBM Slovakia recently held a seminar on the process of converting Slovak koruna to euro in financial institutions. The company's aim through this event was to share experience gained in neighbouring euro-area countries during their transition to the single currency. The seminar was addressed by NBS Governor Ivan Šramko with a speech entitled "Introduction of the Euro in Slovakia". He began by evaluating the steps that preceded the Slovak koruna's entry into the exchange rate mechanism ERM II. Concerning the preparation for the euro's adoption, he stressed that it required sufficient time for, on the one hand, strategic considerations and decisions, and, on the other hand, technical and organizational arrangements. It is important, according to the governor, that the government and cent-



Foto: Pavel Kochan

ral bank cooperate during this period and communicate at all levels.

Later in his speech, the governor assessed the current situation in terms of fulfilling the Maastricht criteria and the prospects for their fulfilment in 2007. He singled out the inflation criterion as the toughest since its reference value is not known in advance and the central bank has only indirect control over its fulfilment. In conclusion, he made some recommendations for the corporate sector and presented the Slovak sides of the euro coins.