



Press release of the National Committee for Financial Stability

The ordinary meeting of the National Committee for Financial Stability (NCFS) took place on 10 March 2017.

According to Article 136 of *Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC*, transposed into the national legislation via NBR Regulation No. 5/2013 on prudential requirements for credit institutions, the appropriate countercyclical buffer rate shall be set on a regular basis.

The countercyclical capital buffer is a macroprudential instrument used to mitigate and prevent excessive credit growth and leverage. The main indicators used in setting the level of the countercyclical capital buffer are presented in the file published on the NBR website, under Financial Stability / Macroprudential policy / Countercyclical capital buffer (<http://www.bnr.ro/Politica-macropruden%c8%9biala-15312.aspx>). According to the most recent analyses, total indebtedness has grown, but continues to remain under the alert threshold.

In this context, NCFS adopted Recommendation no. 1/10.03.2017 whereby the NBR, in its capacity as competent authority, is recommended to maintain the countercyclical capital buffer at 0 (zero) percent, level which has been implemented starting with January 1st, 2016, together with the careful monitoring of household indebtedness dynamics.

The NCFS will periodically issue recommendations on the implementation of the countercyclical capital buffer in Romania. In order to identify systemic risks, The National Bank of Romania will continue to monitor signals indicating the accumulation of vulnerabilities with regards to loans granted to certain sectors.