

Press Release

Memorandum of Understanding between the Ministry of Economy and Finance, the National Bank of Romania, the National Securities Commission, the Insurance Supervisory Commission and the Private Pensions System Supervisory Commission for co-operation in the field of financial stability and financial crisis management

In 2006, the ECOFIN Council urged the EU Member States to enhance the capability of national authorities in managing the potential financial crises by creating, no later than July 2007, a Domestic Standing Group (DSG) on financial stability. This body should include representatives of at least central banks, supervisory authorities and finance ministries. The major goal of the DSG would be to ensure the exchange of information between the authorities, as well as to prevent, appraise and manage possible difficulties having a systemic impact.

With a view to strengthening co-operation relations and the exchange of information between national authorities exerting responsibilities in the field of financial stability and implementing the requirements of ECOFIN Council, the **Memorandum of Understanding between the Ministry of Economy and Finance, the National Bank of Romania, the National Securities Commission, the Insurance Supervisory Commission and the Private Pensions System Supervisory Commission for co-operation in the field of financial stability and financial crisis management** was signed on 31 July 2007.

As a result, the National Committee for Financial Stability was established. The Committee consists of the following members: the Minister of Economy and Finance, the Governor of the National Bank of Romania, the President of the National Securities Commission, and the President of the Insurance Supervisory Commission and Chairman of the Private Pensions System Supervisory Commission. The President of the Committee will serve a term of one year

and each of the members is appointed to this position by rotation. At its meeting of 5 November 2007, the National Committee for Financial Stability adopted the **Regulation on the operation of the National Committee for Financial Stability** and its first ever president was appointed, namely the Governor of the National Bank of Romania.

The key responsibilities of the National Committee for Financial Stability are to promote a steady and efficient exchange of information between the authorities responsible for the regulation and supervision of various parts of the financial system and the Ministry of Economy and Finance, and to appraise, prevent and, where appropriate, manage financial crises at the level of individual financial institutions, financial groups or the financial market as a whole.

Co-operation under the **Memorandum of Understanding between the Ministry of Economy and Finance, the National Bank of Romania, the National Securities Commission, the Insurance Supervisory Commission and the Private Pensions System Supervisory Commission for co-operation in the field of financial stability and financial crisis management** will be carried out without prejudice to powers and responsibilities of the signatories, as arising from the provisions of the legislation governing their activity.