

NÁRODNÁ BANKA SLOVENSKA  
EUROSYSTEM

# Payment System in Slovakia

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# Introduction

- **Development of the Banking Sector in Slovakia**
- **Development of the Payment System in Slovakia**
- **Conclusion**



# Development of the Banking Sector in Slovakia



# Restructuring of Some Banks

## I. Stage - stabilization – end of 1999

- Recapitalization – 18.1 billion SKK to VÚB, IRB a SLSP

## II. Stage – June 2000

- Transfer -105 billion SKK of bad assets of some selected banks

- Elimination of other obstacles for potential investors

- Privatization - 2001



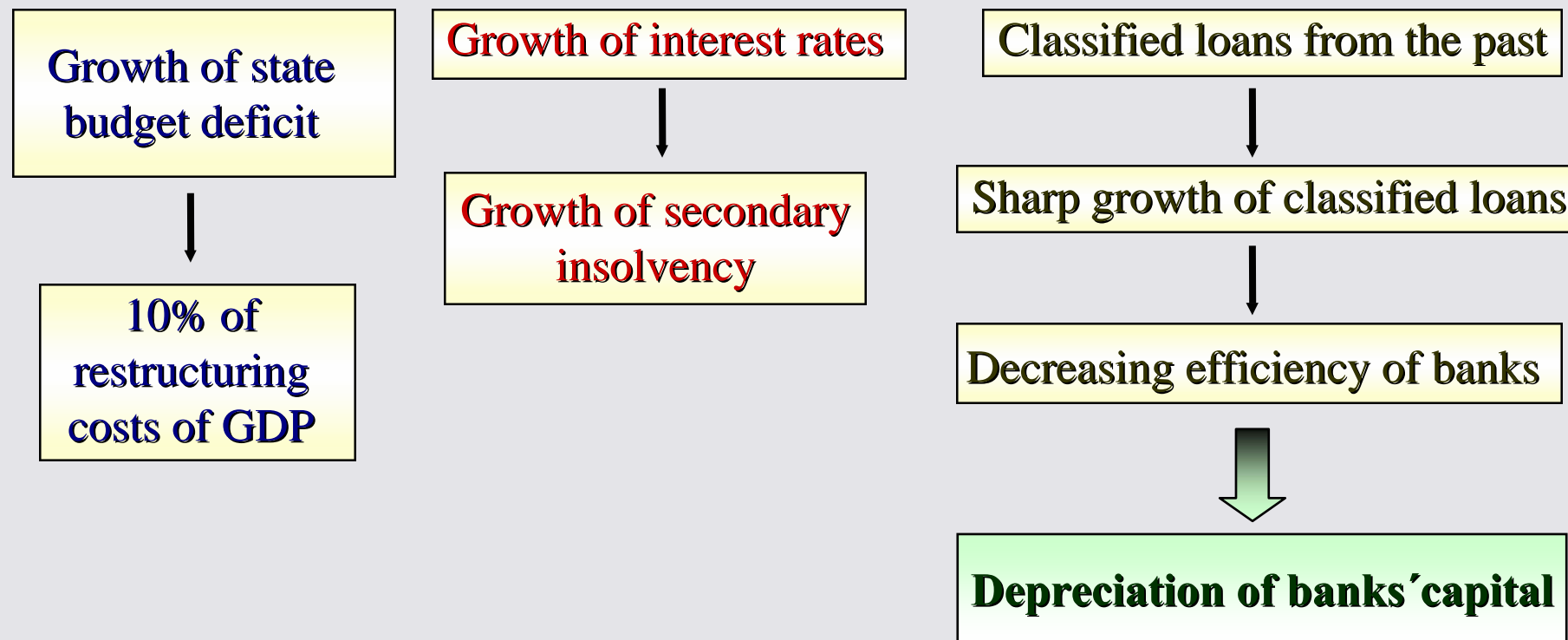
# Restructuring Process of Some Banks

## Correlations

### Macroeconomic

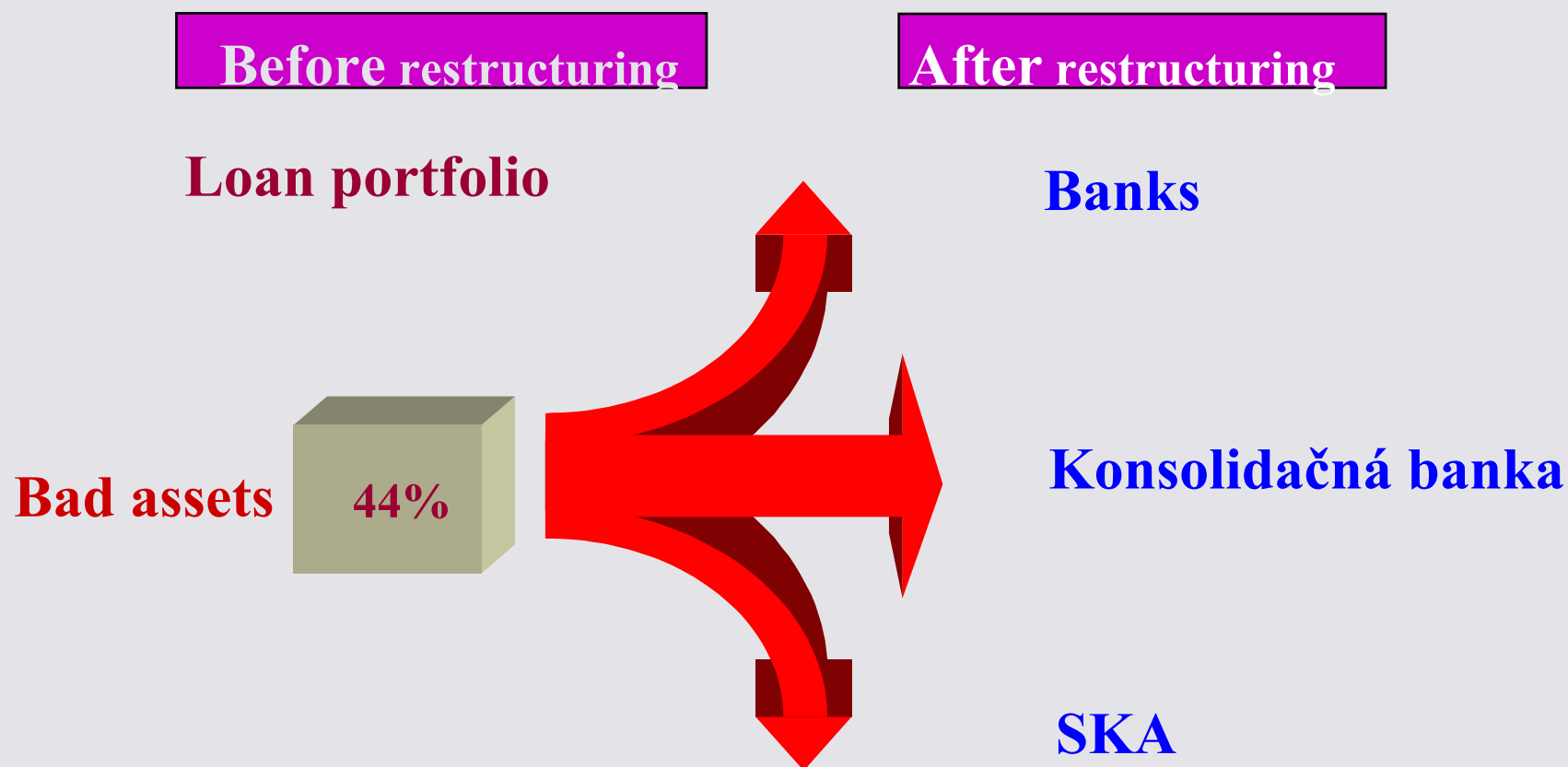
### Microeconomic

### Banks



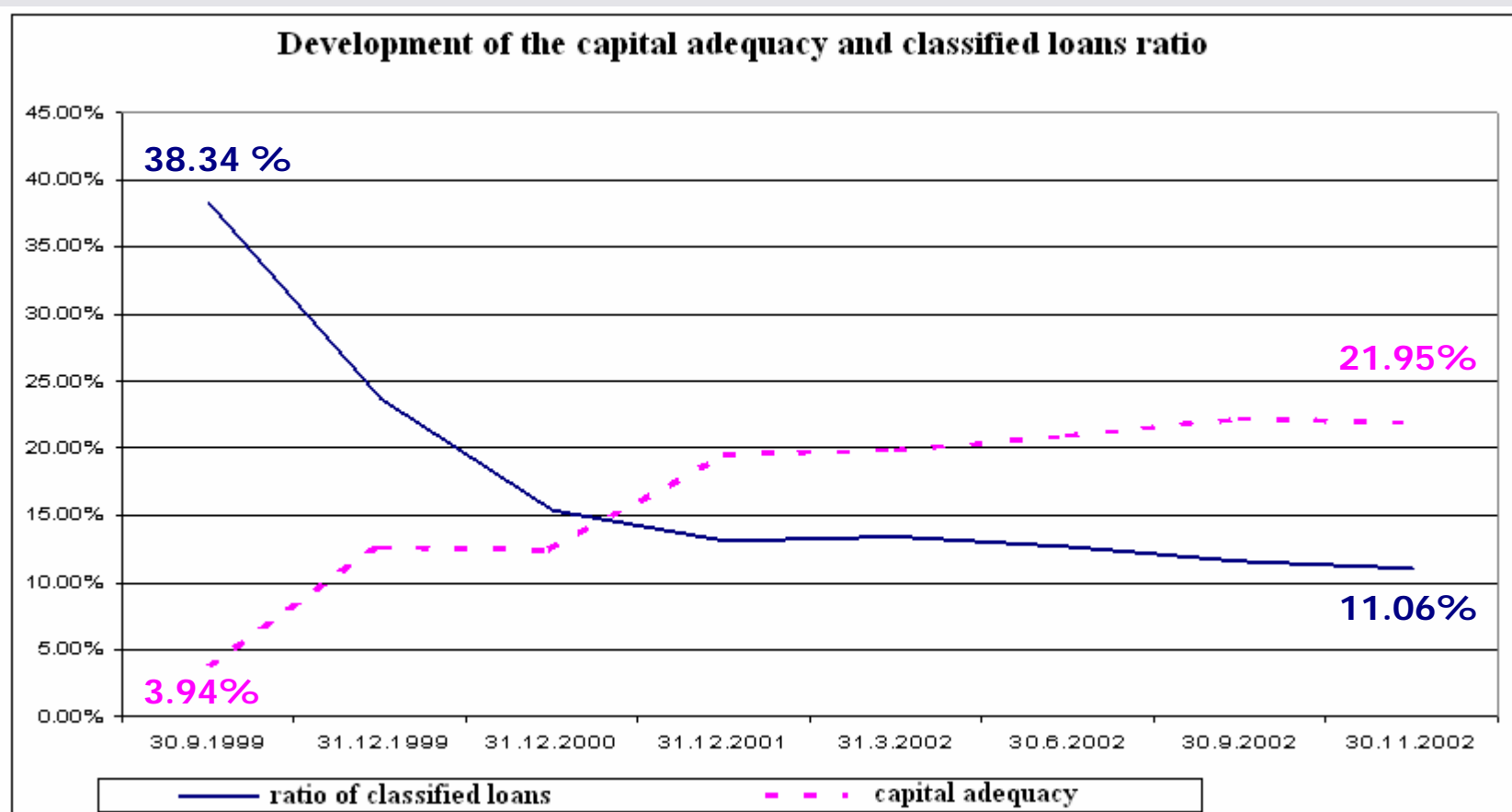


# Restructuring Process of Some Banks





# Performance after Restructuring of Banks

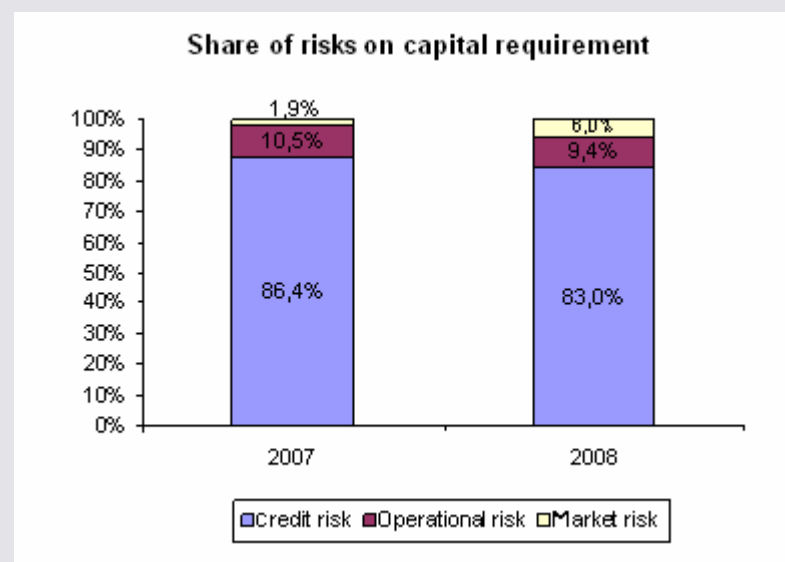
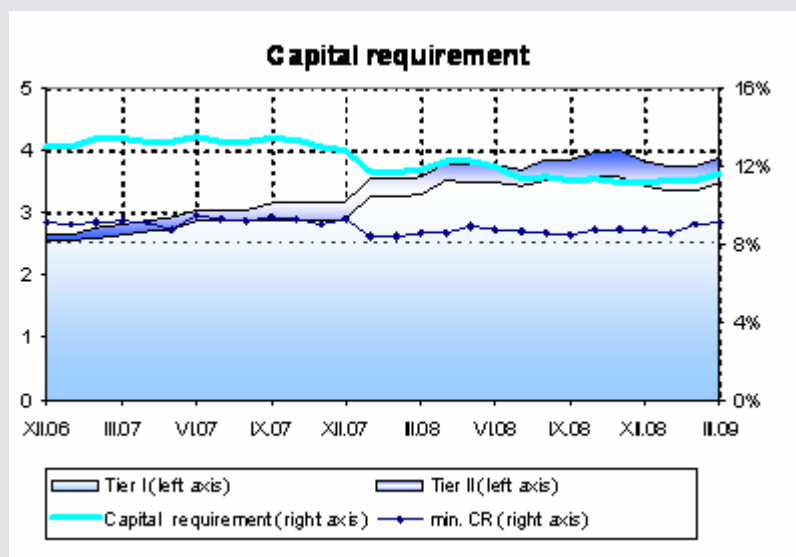




# Development in Banking Sector

## Capital Requirement

- Increase of own funds almost in all banks (by 21% - YoY)
- High quality of own funds, 89% are Tier I
- The largest share has capital requirement for credit risk







# Development of the Payment System in Slovakia

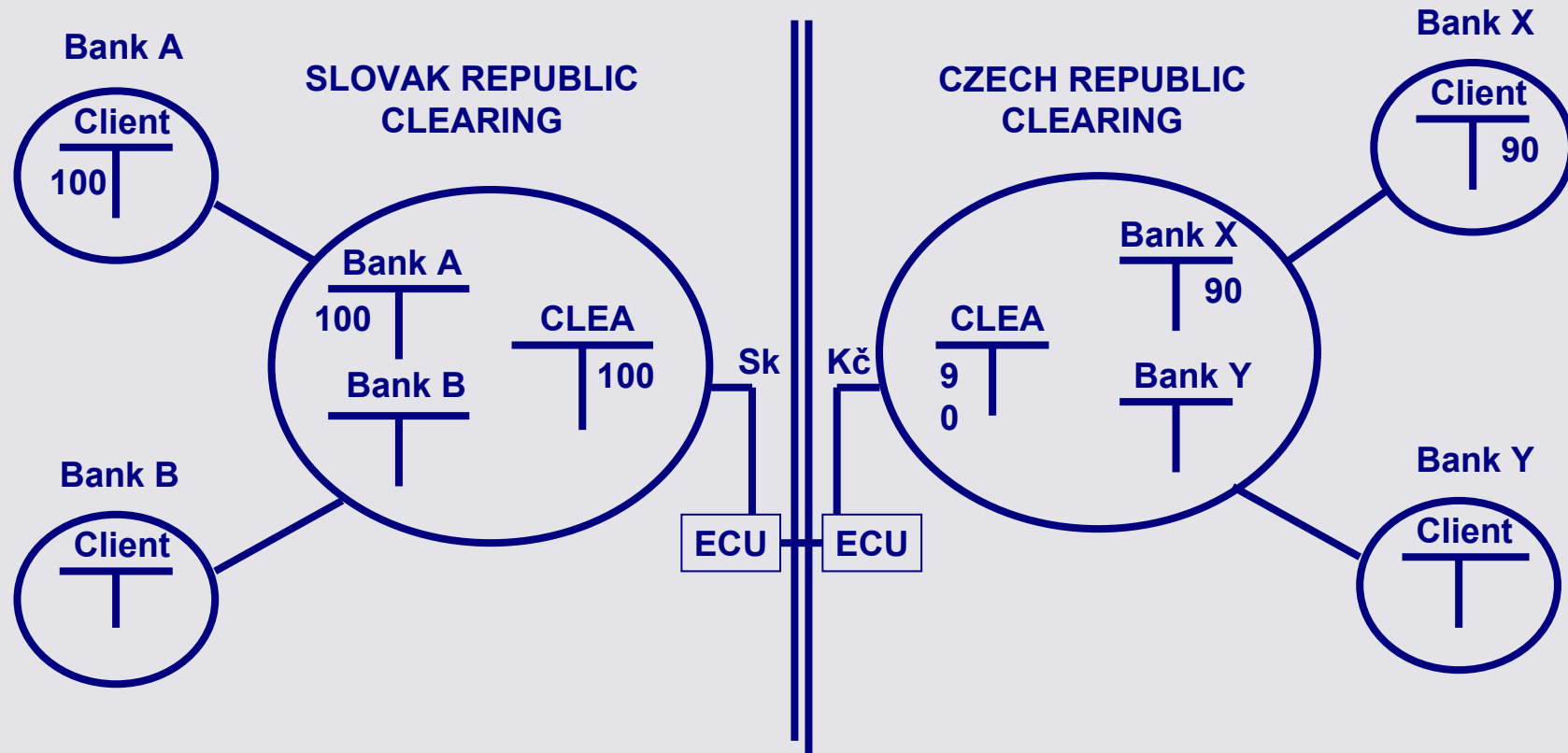


# Národná banka Slovenska & Slovak Payment Infrastructure

- **1993 - Slovak Interbank Payment System SIPS established after the split of Czechoslovakia**
- **1993 – 1995 – The operation of CLEA – automated clearing system between Slovak and Czech Republic**
- **2003 - The operation of SIPS taken over by Národná banka Slovenska - higher efficiency, security and significant decrease of fees amount**
- **1 January 2009 - EUROSIPS - regular TARGET2 ancillary system**



# Clearing System between SR and CR



Credit transfer only  
+ 1 settlement day



# Retail Payments Market and SEPA

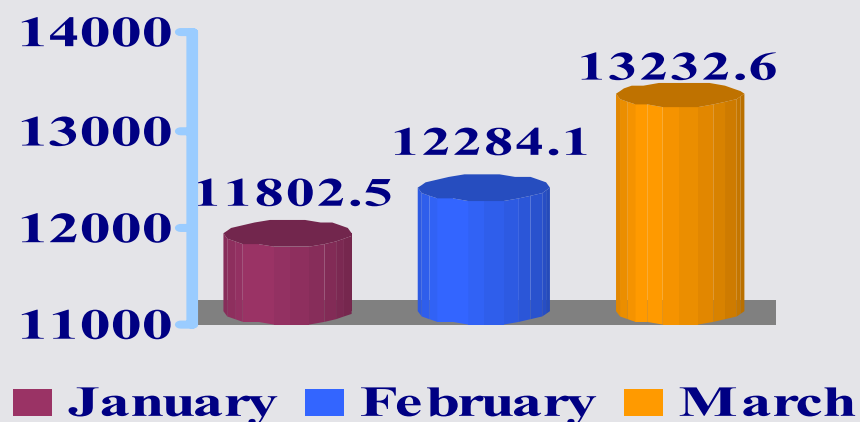
- **The future of retail payments - SEPA environment**
- **The SEPA project - huge benefits and advantages**
- **The role of central banks - basic precondition for the success of SEPA**
- **SEPA in the Slovak Republic - Národná banka Slovenska - leader of the migration**



# Financial Turmoil & Slovak Payment Infrastructure

- Financial turmoil - without problems in EUROSIPS
- First three months in 2009 - increase in the number of payments

**Volume of transactions (thous.)**



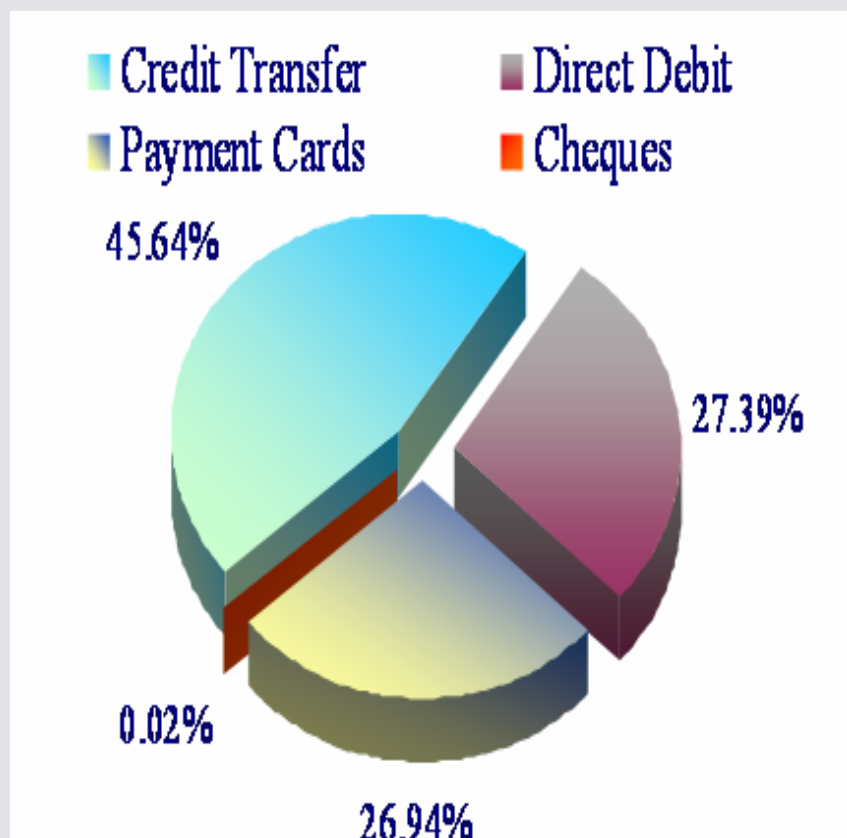


# SEPA in the Slovak Republic

- **SEPA Credit Transfer without problems**
- **SDD under discussion - significant differences between domestic DD scheme and the SEPA scheme**
- **SEPA implementation in the Slovak Republic - next step after the Euro cash adoption**
- **Close co-operation with the banking sector**
- **Updating of the implementation plan**



# Slovak Payment Instruments



Transaction type	Volume (thous.)	Percentage
Credit Transfer	194.770	45.64%
Direct Debit	116.910	27.39%
Payment Cards	114.990	26.94%
Cheques	90	0.02%
Total	426.760	100%

Source: Blue Book, 2007



# Conclusion

- **Payment infrastructure in Slovakia – high level of trust and reliability**
- **SEPA – one of the main priorities for the NBS**
- **Implementation plan – adopted by the Bank Board of the NBS**
- **Advantages of SEPA – obvious and unambiguous**





**Thank you for your attention**