

 Early Warning System

EBRD-21974

Assistance to the National Bank of North Macedonia on
operationalisation of transfer tools in bank resolution



Quick Facts

Countries	North Macedonia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Borrower	National Bank of the Republic of North Macedonia
Sectors	Finance, Law and Government, Technical Cooperation
Investment Type(s)	Advisory Services



Project Description

As stated by the EBRD, the global financial crisis of 2008-2009 exposed significant weaknesses in both regulatory frameworks and the operational capacities of authorities responsible for resolving 'too-big-to-fail' financial institutions. In response, governments in numerous EU Member States were compelled to deploy public funds to avert the collapse of systemically important financial institutions.

This unprecedented use of taxpayer resources underscored the moral hazard associated with excessive risk-taking by such institutions and highlighted the urgent need to prevent the socialisation of losses. To address these challenges, the Financial Stability Board (FSB) introduced in 2011 the Key Attributes of Effective Resolution Regimes for Financial Institutions (Key Attributes) - a comprehensive set of international standards designed to guide the orderly resolution of failing financial institutions. In 2014, the FSB supplemented these standards with additional guidance elaborating on specific Key Attributes. In parallel, the European Union enacted a legislative framework in 2014 to reinforce financial sector resilience, notably through the establishment of the Single Resolution Mechanism and the adoption of the Bank Recovery and Resolution Directive (BRRD) alongside Regulation (EU) No. 806/2014, both subsequently amended in 2019. This framework enables the orderly resolution of systemically important credit institutions deemed to be failing or likely to fail. It ensures the continuity of critical banking functions while mitigating systemic risks and limiting reliance on public funds. Against this backdrop, the current project aims to support the National Bank of the Republic of North Macedonia (NBRNM) in further strengthening its crisis-management capabilities by operationalising its recovery and resolution framework.

The Republic of North Macedonia has already made significant progress in aligning its bank crisis management regime with the EU acquis. A new Bank Resolution Law, harmonised with EU standards, has been adopted and is set to enter into force on 13 October 2025. In parallel, key implementing bylaws - covering resolution planning, resolution funding, and the application of resolution tools - have also been adopted and will take effect concurrently with the Law. While significant progress has been made, further efforts are needed to complete operationalization of the bank crisis management framework. Key areas of focus include the development of procedural manuals on transfer tools, the drafting of model agreements for the application of the sale of business tool, and the strengthening of internal capacities to apply transfer tools effectively. These instruments are vital for maintaining financial stability and minimising disruptions during the resolution of distressed banks. To this end, the EBRD is seeking a Consultant with substantial expertise in recovery and resolution frameworks. The general objective of the assignment for the Consultant is to facilitate efficient application of the transfer tools in bank resolution in the Republic of North Macedonia by providing manuals on sale of business, bridge bank, and asset separation tools, developing sample agreements on share deal and asset deal, and delivering a workshop to present practical matters on applying transfer tools in bank resolution.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

Information on the investment amount not provided at the time of disclosure.



Contact Information

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ACCESS TO INFORMATION

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