

Oesterreichische Nationalbank (OeNB), Joint Vienna Institute (JVI),  
and Národná banka Slovenska (NBS)

## Analyzing Macrofinancial Linkages and Interacting with International Institutions

Vienna, March 31 - April 9, 2025

### PROGRAM

| <b>Monday, March 31</b> |             | <b><i>Introduction to Macrofinancial Linkages and Adjustment Programs</i></b>   |
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| 8:45 a.m. - 9:30 a.m.   |             | <b>Administrative Briefing</b><br>JVI   |
| 9:30 a.m. - 10:15 a.m.  |             | <b>Opening Session and Participant Introduction</b><br>JVI<br>OeNB<br>NBS<br>JVI  |
| 10:15 a.m. - 10:45 a.m. |             | Pre-course quiz   |
| 10:45 a.m. - 11:00 a.m. |             | <i>Coffee break</i>   |
| 11:00 a.m. - 12:30 p.m. | <b>L-1</b>  | <b>Introduction to Macrofinancial Linkages and Review of Crisis Triggers</b><br>NBS <ul style="list-style-type: none"> <li>• Identifying macro-financial linkages</li> <li>• Identifying financial vulnerabilities</li> <li>• Introducing balance sheet mismatches</li> </ul> |
| 12:30 p.m. - 2:00 p.m.  |             | <i>Group photo and lunch break</i>  |
| 2:00 p.m. - 4:00 p.m.   | <b>C-1</b>  | <b>Case Studies: Macrofinancial Adjustment Programs in Serbia and Cyprus</b><br>NBS and OeNB  |
| 4:00 p.m. - 4:15 p.m.   |             | <i>Coffee break</i>   |
| 4:15 p.m. - 5:15 p.m.   | <b>GW-1</b> | <b>Introduction to Group Work “Negotiating a Macrofinancial Adjustment Program”</b><br>NBS, and OeNB  |

| <b>Tuesday, April 1</b>   |              | <b>Role of Fiscal and Structural Policies</b>  |
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| 9:00 a.m. - 10:30 a.m.    | L-2          | <b>Fiscal Policy and Macrofinancial Stability</b><br>JVI <ul style="list-style-type: none"> <li>• Fiscal stabilization under increased macroeconomic volatility</li> <li>• Sovereign-bank nexus</li> <li>• Sovereign borrowing costs and government debt structure</li> </ul>  |
| 10:30 a.m. - 11:00 a.m.   |              | <i>Coffee break</i>  |
| 11:00 a.m. - 12:30 p.m.   | W-1          | <b>Workshop: Public Debt Sustainability</b><br>JVI <ul style="list-style-type: none"> <li>• Calculate the evolution of debt under different scenarios</li> <li>• Calculate debt-stabilizing primary balance</li> <li>• Discuss the impact of contingent liabilities</li> </ul>   |
| 12:30 p.m. - 2:00 p.m.    |              | <i>Lunch break</i>   |
| 2:00 p.m. - 3:00 p.m.     | W-1<br>cont. | <b>Workshop: Public Debt Sustainability</b><br>JVI   |
| 3:00 p.m. - 3:30 p.m.     |              | <i>Coffee break</i>  |
| 3:30 p.m. - 5:00 p.m.     | L-3          | <b>Carbon-Intensity and Green Transition of the CESEE Region</b><br>OeNB <ul style="list-style-type: none"> <li>• Climate-related developments in CESEE EU member states (MS) compared to other EU MS in the past 30 years</li> <li>• Status-quo of climate-related indicators as well as the goals and targets for 2030 and 2050 in CESEE</li> </ul>  |
| <b>Wednesday, April 2</b> |              | <b>Role of Monetary Policy, Macrofinancial Risk Assessment</b>   |
| 9:00 a.m. - 10:30 a.m.    | L-4          | <b>Monetary Policy and Macrofinancial Stability</b><br>JVI <ul style="list-style-type: none"> <li>• How monetary policy affects the economy</li> <li>• Recent monetary policy responses and impact</li> <li>• Interactions between monetary policy and financial stability</li> <li>• New monetary policy challenges</li> </ul>  |
| 10:30 a.m. - 11:00 a.m.   |              | <i>Coffee break</i>  |
| 11:00 a.m. - 12:30 p.m.   | L-5          | <b>Identifying and Assessing Macrofinancial Risks in CESEE in Practical Terms</b><br>OeNB <ul style="list-style-type: none"> <li>• How to assess macrofinancial risks in CESEE differentiating between three categories: <ul style="list-style-type: none"> <li>○ Macro-cyclical and fiscal risks</li> <li>○ Balance of payments and exchange rate risks</li> </ul> </li> <li>• Credit and banking sector risks</li> </ul> |

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| 12:30 p.m. - 2:00 p.m. |            | <i>Lunch break</i>   |
| 2:00 p.m. - 3:30 p.m.  | <b>L-6</b> | <b>Real Estate Risks and Financial Stability</b><br>NBS <ul style="list-style-type: none"> <li>• Why is residential real estate key for financial stability?</li> <li>• How to measure these risks</li> <li>• Affordability of housing and mortgage market</li> <li>• Policies to address residential real estate risks</li> </ul> |

3:30 p.m. - 4:00 p.m. *Coffee break*

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| 4:00 p.m. - 5:30 p.m. | <b>L-7</b> | <b>Bank Stress Testing</b><br>OeNB <ul style="list-style-type: none"> <li>• Scenario design</li> <li>• Solvency stress testing</li> <li>• Climate stress testing</li> </ul> |
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**Thursday,  
April 3**

***Financial Sector Policies (I)***

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| 9:00 a.m. - 10:30 a.m. | <b>L-8</b> | <b>Macroprudential Policies in CESEE and Impact on Macrofinancial Variables</b><br>JVI <ul style="list-style-type: none"> <li>• Main objectives and tools</li> <li>• Credit bubble or financial deepening?</li> <li>• Tracking macroprudential policy and impact assessment</li> <li>• Interaction between macroprudential and monetary policy</li> </ul> |
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10:30 a.m. - 11:00 a.m. *Coffee break*

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| 11:00 a.m. - 12:30 p.m. | <b>W-2</b> | <b>Workshop: Implementation of the Countercyclical Capital Buffer</b><br>OeNB <ul style="list-style-type: none"> <li>• Applying the countercyclical capital buffer for a fictitious CESEE country based on the Basel framework</li> <li>• Implementation challenges with a focus on CESEE countries and recent developments</li> <li>• Macroprudential capital buffer usability, use and replenishment in stress environments</li> </ul> |
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12:30 p.m. - 2:00 p.m. *Lunch break*

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| 2:00 p.m. - 3:30 p.m. | <b>L-9</b> | <b>NPL Resolution Approaches</b><br>NBS <ul style="list-style-type: none"> <li>• NPLs and macrofinancial stability</li> <li>• Identification and treatment of NPLs from legal, accounting, regulatory and supervisory perspective</li> <li>• NPL management and resolution approaches</li> </ul> |
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3:30 p.m. - 4:00 p.m. *Coffee break*

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| 4:00 p.m. - 5:30 p.m. | L-10 | <b>Bank Resolution in Action</b><br>The World Bank - Vienna Financial Sector Advisory Centre (FinSAC) <ul style="list-style-type: none"> <li>• Operationalization of bank resolution</li> <li>• Practical challenges in the operationalization of bank resolution in CESEE</li> <li>• Resolution financing</li> </ul> |
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| <b>Friday, April 4</b> | <b>Financial Sector Policies (II), IMF Programs</b> |
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| 9:00 a.m. - 11:00 a.m.  | L-11      | <b>Policy Conditionality under IMF-Supported Adjustment Programs</b><br>IMF <ul style="list-style-type: none"> <li>• Program objectives and principles for conditionality design</li> <li>• Types of and approach to policy conditionality</li> <li>• Program reviews</li> </ul> |
| 11:00 a.m. - 11:30 a.m. |           | <i>Coffee break</i>  |
| 11:30 a.m. - 12:30 p.m. | W-3       | <b>Workshop: Assigned Country Cases - Vulnerability Diagnostics and Shock Calibration</b><br>Facilitated by counselors   |
| 12:30 p.m. - 2:00 p.m.  |           | <i>Lunch break</i>   |
| 2:00 p.m. - 3:30 p.m.   | W-3 cont. | <b>Workshop: Assigned Country Cases - Vulnerability Diagnostics and Shock Calibration</b><br>Facilitated by counselors   |

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| <b>Monday, April 7</b> | <b>Negotiating a Macroeconomic Adjustment Program - Day 1</b> |
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| 9:00 a.m. - 10:30 a.m.  | GW-2 | <b>Parallel Meetings of Country Teams</b> <ul style="list-style-type: none"> <li>• Domestic teams and international teams</li> <li>• Prepare for first round of negotiation</li> </ul>        |
| 10:30 a.m. - 11:00 a.m. |      | <i>Coffee break</i>   |
| 11:00 a.m. - 13:00 p.m. | N-1  | <b>1<sup>st</sup> Round of Negotiation</b> <ul style="list-style-type: none"> <li>• Country A followed by country B</li> <li>• Task: agree on approximate size of program envelope</li> </ul> |
| 13:00 p.m. - 2:30 p.m.  |      | <i>Lunch break</i>  |
| 2:30 p.m. - 3:30 p.m.   | GW-3 | <b>Parallel Meetings of Sector Teams</b> <ul style="list-style-type: none"> <li>• Financial stability &amp; monetary</li> <li>• Fiscal &amp; structural</li> </ul>                            |
| 3:30 p.m. - 4:00 p.m.   |      | <i>Coffee break</i>   |

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| 4:00 p.m. - 5:30 p.m. | <b>GW-4</b> | <b>Parallel Meetings of Country Teams</b> <ul style="list-style-type: none"> <li>• Draft MoU to be delivered by international to domestic teams</li> </ul> |
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| <b>Tuesday, April 8</b> | <b>Negotiating a Macroeconomic Adjustment Program - Day 2</b> |
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| 9:00 a.m. - 10:30 a.m. | <b>GW-5</b> | <b>Parallel Meetings of Country Teams</b> <ul style="list-style-type: none"> <li>• Based on MoU, prepare for second round of negotiation</li> </ul> |
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| 10:30 a.m. - 11:00 a.m. |  | <i>Coffee break</i> |
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| 11:00 a.m. - 13:00 p.m. | <b>N-2</b> | <b>2<sup>nd</sup> Round of Negotiation</b> <ul style="list-style-type: none"> <li>• Country B followed by country A</li> <li>• Task: clarify financing needs and policy measures</li> </ul> |
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| 2:30 p.m. - 3:30 p.m. | <b>GW-6</b> | <b>Parallel Meetings of Sector Teams</b> <ul style="list-style-type: none"> <li>• Financial stability &amp; monetary</li> <li>• Fiscal &amp; structural</li> </ul> |
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| 3:30 p.m. - 4:00 p.m. |  | <i>Coffee break</i> |
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| 4:00 p.m. - 5:30 p.m. | <b>GW-7</b> | <b>Parallel Meetings of Country Teams</b> <ul style="list-style-type: none"> <li>• Prepare for third and final round of negotiation</li> </ul> |
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| <b>Wednesday, April 9</b> | <b>Negotiating a Macroeconomic Adjustment Program - Day 3</b> |
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| 9:00 a.m. - 11:00 a.m. | <b>N-3</b> | <b>3<sup>rd</sup> Round of Negotiation</b> <ul style="list-style-type: none"> <li>• Country A followed by country B</li> <li>• Task: Reach a final agreement</li> </ul> |
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| 11:00 a.m. - 11:30 a.m. |  | <i>Coffee break</i> |
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| 11:30 a.m. - 1:00 p.m. |  | <b>Closing Session</b> <ul style="list-style-type: none"> <li>• Main takeaways, follow-up courses</li> <li>• Post-course quiz</li> <li>• Course evaluation</li> <li>• Closing ceremony</li> </ul> |
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