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

Monday, March 31		***Introduction to Macrofinancial Linkages and Adjustment Programs***
8:45 a.m. – 9:30 a.m.		**Administrative Briefing**
9:30 a.m. – 10:15 a.m.		**Opening Session and Participant Introduction**
10:15 a.m. – 10:45 a.m.		Pre-course quiz
10:45 a.m. – 11:00 a.m.		*Coffee break*
11:00 a.m. – 12:30 p.m.	**L-1**	**Introduction to Macrofinancial Linkages and Review of Crisis Triggers** • Identifying macro-financial linkages • Identifying financial vulnerabilities • Introducing balance sheet mismatches
12:30 p.m. – 2:00 p.m.		*Group photo and lunch break*
2:00 p.m. – 4:00 p.m.	**C-1**	**Case Studies: Macrofinanical Adjustment Programs in Serbia and Cyprus**
4:00 p.m. – 4:15 p.m.		*Coffee break*
4:15 p.m. – 5:15 p.m.	**GW-1**	**Introduction to Group Work “Negotiating a Macrofinancial Adjustment Program”**
Tuesday, April 1		***Role of Fiscal and Structural Policies***
9:00 a.m. – 10:30 a.m.	**L-2**	**Fiscal Policy and Macrofinancial Stability** • Fiscal stabilization under increased macroeconomic volatility • Sovereign-bank nexus • Sovereign borrowing costs and government debt structure
10:30 a.m. – 11:00 a.m.		*Coffee break*
11:00 a.m. – 12:30 p.m.	**W-1**	**Workshop: Public Debt Sustainability**

		• Calculate the evolution of debt under different scenarios • Calculate debt-stabilizing primary balance • Discuss the impact of contingent liabilities
12:30 p.m. – 2:00 p.m.		*Lunch break*
2:00 p.m. – 3:00 p.m.	**W-1 cont.**	**Workshop: Public Debt Sustainability**
3:00 p.m. – 3:30 p.m.		*Coffee break*
3:30 p.m. – 5:00 p.m.	**L-3**	**Carbon-Intensity and Green Transition of the CESEE Region** • Climate-related developments in CESEE EU member states (MS) compared to other EU MS in the past 30 years • Status-quo of climate-related indicators as well as the goals and targets for 2030 and 2050 in CESEE
Wednesday, April 2		***Role of Monetary Policy, Macrofinancial Risk Assessment***
9:00 a.m. – 10:30 a.m.	**L-4**	**Monetary Policy and Macrofinancial Stability** • How monetary policy affects the economy • Recent monetary policy responses and impact • Interactions between monetary policy and financial stability • New monetary policy challenges
10:30 a.m. – 11:00 a.m.		*Coffee break*

11:00 a.m. – 12:30 p.m.	**L-5**	**Identifying and Assessing Macrofinancial Risks in CESEE in Practical Terms**
		• How to assess macrofinancial risks in CESEE differentiating between three categories:
		  o Macro-cyclical and fiscal risks
		  o Balance of payments and exchange rate risks
		• Credit and banking sector risks

12:30 p.m. – 2:00 p.m.		*Lunch break*
2:00 p.m. – 3:30 p.m.	**L-6**	**Real Estate Risks and Financial Stability** • Why is residential real estate key for financial stability? • How to measure these risks • Affordability of housing and mortgage market • Policies to address residential real estate risks
3:30 p.m. – 4:00 p.m.		*Coffee break*
4:00 p.m. – 5:30 p.m.	**L-7**	**Bank Stress Testing** • Scenario design • Solvency stress testing • Climate stress testing

Thursday, April 3		***Financial Sector Policies (I)***

9:00 a.m. – 10:30 a.m. **L-8** **Macroprudential Policies in CESEE and Impact on Macrofinancial Variables**

- Main objectives and tools
- Credit bubble or financial deepening?
- Tracking macroprudential policy and impact assessment
- Interaction between macroprudential and monetary policy

10:30 a.m. – 11:00 a.m. *Coffee break*

11:00 a.m. – 12:30 p.m. **W-2** **Workshop: Implementation of the Countercyclical Capital Buffer**

- Applying the countercyclical capital buffer for a fictitious CESEE country based on the Basel framework
- Implementation challenges with a focus on CESEE countries and recent developments
- Macroprudential capital buffer usability, use and replenishment in stress environments

12:30 p.m. – 2:00 p.m. *Lunch break*

2:00 p.m. – 3:30 p.m. **L-9** **NPL Resolution Approaches**

- NPLs and macrofinancial stability
- Identification and treatment of NPLs from legal, accounting, regulatory and supervisory perspective
- NPL management and resolution approaches

3:30 p.m. – 4:00 p.m. *Coffee break*

4:00 p.m. – 5:30 p.m. **L-10** **Bank Resolution in Action**

- Operationalization of bank resolution
- Practical challenges in the operationalization of bank resolution in CESEE
- Resolution financing

Friday, April 4		***Financial Sector Policies (II), IMF Programs***

9:00 a.m. – 11:00 a.m. **L-11** **Policy Conditionality under IMF-Supported Adjustment Programs**

- Program objectives and principles for conditionality design
- Types of and approach to policy conditionality
- Program reviews

11:00 a.m. – 11:30 a.m. *Coffee break*

11:30 a.m. – 12:30 p.m. **W-3** **Workshop: Assigned Country Cases – Vulnerability Diagnostics and Shock Calibration**

Facilitated by counselors

12:30 p.m. – 2:00 p.m.		*Lunch break*
2:00 p.m. – 3:30 p.m.	**W-3 cont.**	**Workshop: Assigned Country Cases – Vulnerability Diagnostics and Shock Calibration** Facilitated by counselors
Monday, April 7		***Negotiating a Macrofinancial Adjustment Program – Day 1***
9:00 a.m. – 10:30 a.m.	**GW-2**	**Parallel Meetings of Country Teams** • Domestic teams and international teams • Prepare for first round of negotiation
10:30 a.m. – 11:00 a.m.		*Coffee break*
11:00 a.m. – 13:00 p.m.	**N-1**	**1st Round of Negotiation** • Country A followed by country B • Task: agree on approximate size of program envelope
13:00 p.m. – 2:30 p.m.		*Lunch break*
2:30 p.m. – 3:30 p.m.	**GW-3**	**Parallel Meetings of Sector Teams** • Financial stability & monetary • Fiscal & structural
3:30 p.m. – 4:00 p.m.		*Coffee break*
4:00 p.m. – 5:30 p.m.	**GW-4**	**Parallel Meetings of Country Teams** • Draft MoU to be delivered by international to domestic teams
Tuesday, April 8		***Negotiating a Macrofinancial Adjustment Program – Day 2***
9:00 a.m. – 10:30 a.m.	**GW-5**	**Parallel Meetings of Country Teams** • Based on MoU, prepare for second round of negotiation
10:30 a.m. – 11:00 a.m.		*Coffee break*
11:00 a.m. – 13:00 p.m.	**N-2**	**2nd Round of Negotiation** • Country B followed by country A • Task: clarify financing needs and policy measures
2:30 p.m. – 3:30 p.m.	**GW-6**	**Parallel Meetings of Sector Teams** • Financial stability & monetary • Fiscal & structural
3:30 p.m. – 4:00 p.m.		*Coffee break*
4:00 p.m. – 5:30 p.m.	**GW-7**	**Parallel Meetings of Country Teams** • Prepare for third and final round of negotiation

Wednesday, April 9		*Negotiating a Macrofinancial Adjustment Program - Day 3*
9:00 a.m. – 11:00 a.m.	**N-3**	**3rd Round of Negotiation** • Country A followed by country B • Task: Reach a final agreement
11:00 a.m. – 11:30 a.m.		*Coffee break*
11:30 a.m. – 1:00 p.m.		**Closing Session** • Main takeaways, follow-up courses • Post-course quiz • Course evaluation • Closing ceremony