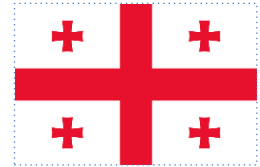




ევროკავშირი
საქართველოსთვის
The European Union for Georgia



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Strengthening the National Bank of Georgia in the Field of Banking and Payment Services



PRESS RELEASE

The National Bank of Georgia and the Polish Financial Supervisory Authority summarize the results of the EU Twinning Project

Tbilisi/Warsaw, 6 May 2021 - With the support of the Polish Financial Supervision Authority (UKNF), Georgia is now ready to fully adapt its national legislation to EU standards and financial supervisory mechanisms in banking and payment services. The results of the EU-funded two-year Twinning Project “Strengthening the National Bank of Georgia in the Field of Banking and Payment Services”, implemented by UKNF, were summarised at an online conference held on 6 May 2021.

The virtual ceremony included addresses by Mr **Koba Gvenetadze**, Chairman of the Board of the National Bank of Georgia, Ms **Sigrid Brettel**, Head of Cooperation Section, the Delegation of the European Union to Georgia, Mr **Rafał Mikusiński**, Deputy Chair of the KNF Board, Mr **David Bujashvili**, Programme Administration Office, Director of EU Assistance Coordination and Sectoral Integration Department, Ministry of Foreign Affairs, and Mr **Mariusz Maszkiewicz**, Ambassador of the Republic of Poland to Georgia. The following high level officials were also present at the launch event and give presentations on the results achieved and lessons learned within twinning project: Mr **Michał Kruszka**, MS Project Leader from the Polish Financial Supervision Authority, Director of the Analysis and Strategy Department and Mr **Archil Mestvirishvili**, BC Project Leader, Member of the Board of the National Bank of Georgia, Vice-Governor.

Mr Koba Gvenetadze, Chairman of the Board of the National Bank of Georgia said: “Twinning Project was of great importance for the NBG. NBG being the forward looking regulator, studying and implementing best practices, received high level technical assistance and more importantly invaluable supervisory experience. The Twinning Project played an important role in refining and strengthening NBG’s respective tools and instruments.”

Ms Sigrid Brettel, Head of Cooperation Section at the Delegation of the European Union to Georgia stressed that “Georgia has been taking impressive steps to strengthen financial sector resilience in the banking sector. The ongoing strengthening of prudential policies is mirroring measures applied in the European Union Member States.”

According to Rafał Mikusiński, Deputy Chair of the KNF Board, “Thanks to excellent job of all participants the National Bank of Georgia gained the groundwork for setting the regulatory,

supervisory and enforcement framework in line with the EU legislation and the requirements under the EU-Georgia Association Agreement.”

The conference was attended by the representatives of the government and public administration in Poland and Georgia, the key representatives of the NBG, the UKNF and other Polish and Lithuanian institutions engaged in the Project as well as representatives of Georgian commercial banks, payment institutions, other donors in the financial sector and media.

The joint actions of partners in Poland and Georgia, carried out with the EU support, have contributed to the achievement of the following results:

- gradual approximation of the regulatory, supervisory and enforcement framework in line with the EU legislation and the requirements under the EU-Georgia Association Agreement;
- strengthening the NBG’s supervisory functions and capacities in terms of regulating the banking and payment services market in line with the EU *acquis* and best practices;
- support in improving financial supervisory mechanisms to protect beneficiaries of the banking and payment services sector and encourage financial market development in Georgia, as well as providing training to the employees of the NBG and preparing them to apply the new rules and laws.

Upon completion of the Project, appropriate laws will be adapted in accordance with the EU rules; the NBG will reorganise the financial supervisory mechanisms and increase the institutional capacity in terms of banking and payment services. The optimised legislation, the supervisory methodology and standards adapted to appropriate EU rules and practices will improve the effectiveness of application of supervisory powers for a better protection of users of banking and payment services and for the development of the financial market in Georgia. Consequently, in the long term, the orderly functioning of the financial market in Georgia will contribute to the economic growth as well as stability and better protection of financial market participants.

The Twinning Project, with a budget of EUR 1.750 million, covered joint actions taken by the Polish and Georgian supervisory authorities during the period of March 2019 and May 2021. For more information about the project visit [NBG website](#) and [KNF website](#).

Twinning is an EU instrument of institutional cooperation between public administrations in EU Member States and beneficiary countries and/or partner countries. A twinning project combines the experience and expertise of public sector institutions in EU Member States and beneficiary countries to achieve concrete results as part of jointly agreed twinning exercises.

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