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To: [REDACTED]
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Subject: RE: 2016/101/LEGCO First WP (extended) - Questionnaire on assigning powers to the NCB to assess competition and issue directions to lenders with regard to interest rates (LS/16/1114)
Date: 17 October 2016 13:54:00
Attachments: [image001.png](#)

Dear Colleagues,

Please find below our answers to the questionnaire on assigning powers to the NCB to assess competition and issue directions to lenders with regard to interest rates.

1. Has your central bank been assigned with tasks relating to the protection of competition? Has it been assigned similar powers to regularly assess the state of competition? Please describe briefly the scope of those tasks, also referring to the legal basis.

No, Magyar Nemzeti Bank has not been assigned with such tasks.

2. Has your central bank been assigned with powers to regulate the interest rates charged by banks in respect of loans and/or the savings remuneration offered by banks in respect of deposits; and/or the application of usury laws in your respective jurisdictions? Please describe briefly the scope of those powers, also referring to the legal basis.

The Magyar Nemzeti Bank has not been assigned with the power to explicitly regulate interest rates charged by banks in respect of loans and/or the savings remuneration offered by banks in respect of deposits, however, according to the legislation on fair banking (the Act CLXII of 2009 on Consumer Credit (as amended with Act LXXVIII of 2014, effective as of 1 February 2015)) the interest adaption ratio, a margin adaption ratio and the reference interest rate shall be calculated and published by the Magyar Nemzeti Bank. If the creditor wishes to use an interest adaption ratio, a margin adaption ratio and/or a reference interest rate, it shall inform the Magyar Nemzeti Bank, and the Magyar Nemzeti Bank may examine and publish these or decide to reject their publication.

The Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises contains a regulations among the rules of sanctions and exceptional measures on (please refer to Article 184(3) subsection j) and Article 189(1) subsection c) of the Act, <https://www.mnb.hu/en/supervision/regulation/legislation>), according to which in the event of any serious infringement of the provisions of the Act on Credit Institutions and Financial Enterprises, regulations pertaining to prudent operation, and other relevant legal provisions pertaining to its activities, the Magyar Nemzeti Bank shall take the necessary sanctions or exceptional measures, i.e. if the financial institution, in the course of its activities for taking deposits, determines an interest rate significantly differing from the market value representing increased risks for the credit institution or the deposit-holders; in which case the Magyar Nemzeti Bank may also apply as exceptional measure to determine the highest rate of interest that may be charged by the given credit institution.

3. Has another public authority, such as the national competition or consumer protection authority, been conferred with such tasks to assess competition, or to regulate interest rates on loans or deposit rates offered by financial institutions? How do these authorities interact with the central bank and/or the prudential supervisor in carrying out such tasks? Please describe

briefly the scope of those powers, also referring to the legal basis.

According to Article 33(1) of the Act LVII of 1996 on the Prohibition of Unfair Trading Practices and Unfair Competition Hungarian Competition Authority (Gazdasági Versenyhivatal) is an autonomous government body delegated to carry out the tasks relating to competitive discipline.

Article 44(1) of the Act on Magyar Nemzeti Bank stipulates that in the performance of its supervisory duties, the MNB shall cooperate with the Hungarian Competition Authority and other authorities supervising the persons and entities covered by the relevant sectoral acts.

Kind regards,



The Central Bank of Hungary



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