



Debt and Liquidity Management Agency

Statutes

of the Debt and Liquidity Management Agency

Article 1

General Provisions

- (1) The Statutes of the Debt and Liquidity Management Agency, with registered office at Radlinského 32, 813 19 Bratislava, ID No.: 30 792 053 (hereinafter referred to as the „Agency“) regulate in detail the competence and tasks of the Agency, determine the principles of its activities and the principles of its internal organization, and the Agency’s relationship to the Ministry of Finance of the Slovak Republic (hereinafter referred to as the „Ministry“), and to other bodies and organizations.
- (2) The Agency’s competence, the principles of its activities, and the principles of its internal organization as set forth in the Statutes are binding for issuance of the Agency’s Organizational Rules, and other Agency’s internal regulations.

Article 2

Basic Provisions

- (1) The Agency was established according to the provision of § 14 of the Law No. 291/2002 Coll. on State Treasury and on amendments to certain laws, as amended (hereinafter referred to as the “State Treasury Law“) on 1st February, 2003 as a budget organization connected to the state budget through the chapter of the Ministry.
- (2) The Agency is a governmental administrative body and is also authorized to perform activities as securities broker according to the Law No. 566/2001 Coll. on securities and investment services and on amendments to certain laws, as amended (hereinafter referred to as the „Securities Law“), and issue of any securities by the Agency and the Agency’s activities according to the Securities Law are not subject to supervision, licenses or public offer of securities according to the Securities Law.
- (3) The Agency is a legal entity acting towards third persons in management and administration of government debt and liquidity, according to, and in the extent of, the State Treasury Law and the generally binding legal regulations of the Slovak Republic.
- (4) The Agency raises, on behalf and to the account of the Ministry, the funds which are required for sustainability of the state solvency in administration of government debt, deficit of the state budget, and liquidity of the State Treasury.
- (5) The registered office of the Agency is in Bratislava.
- (6) The Agency is represented and managed by the Director who at the same time acts as the manager of the service office according to the Law No. 400/2009 Coll. on state service and on amendments to certain laws, as amended.

Article 3

Competences of the Agency

- (1) The Agency performs certain tasks, included but not limited to the following:
 - (a) On behalf of the Ministry:
 - (i) organizes and realises payment of the government debt,
 - (ii) ensures issuance of government securities,
 - (iii) decides on the terms and conditions of issue of government securities,

- (iv) publishes the information on the terms and conditions of issue of government securities,
- (v) in accordance with the concluded agreements on participation in the market of government securities, organized by the Agency:
 - a. organizes auctions of primary and secondary sale of government securities in the local and foreign markets, prepares and publishes the calendar of auctions,
 - b. organizes auctions of repurchase of government securities in the local and foreign markets,
 - c. organizes auctions for the purpose of exchange of government securities prior to maturity thereof for newly issued government securities in the local and foreign markets,
- (vi) decides on the results of auctions of government securities,
- (vii) publishes the results of auctions of government securities,
- (viii) organizes and realises direct sale of government securities to elected investors and business counterparties,
- (ix) delegates the activities connected with issue of government bonds to the National Bank of Slovakia, any bank, any foreign bank, any foreign bank's branch or any other entity which is authorized to perform such activity (according to the provision of § 18(4) of the Law No. 530/1990 Coll. on bonds, as amended),
- (x) realises trades in the primary and secondary market with government securities,
- (xi) realises revenues and expenditures of the Government Debt client's budget, arising from the financial operations performed by the Agency on the Government Debt client's accounts,
- (xii) receives and remits funds from the Government Debt client's accounts for operations of credit character,
- (xiii) ensures, based on the Ministry's instructions, financing of the obligations of the Slovak Republic, arising in connection with ensuring the financial stability of the Eurozone,
- (xiv) mediates the issue of government bonds in the local and foreign currency in the local and foreign markets,
- (xv) cooperates and enters into legal relationships with financial institutions and other investors to government securities,
- (xvi) as the issuer of government securities, performs any legal acts in relation to the Central Depository of Securities of SR, the Stock Exchange in Bratislava, and any other entities of similar character in the local and foreign markets,
- (xvii) settles any transactions with securities,
- (xviii) makes payments of any nominal values and gains from the government securities,
- (xix) performs security transfers of securities,
- (xx) performs financial operations with financial instruments, connected with management of the government debt, including operations with financial derivatives connected with risk management on the Government Debt client's accounts,
- (xxi) settles any financial operations concluded in the financial market,
- (xxii) repurchases any unpaid government debt in auction or in any other way,
- (xxiii) performs pre-payment of the government debt, if it is stipulated in the contractual documentation or in the terms and conditions of issue in auction or in any other way,
- (xxiv) performs financial operations on the Government Debt client's accounts,
- (xxv) performs financial operations in the financial market with the temporarily free funds on the Government Debt client's accounts,

- (xxvi) performs, in the financial market, financial operations with financial instruments, including operations with financial derivatives in order to bridge any unbalance between the incomes and expenditures of the state budget and in order to ensure liquidity of the State Treasury on the Government Debt client's accounts,
- (xxvii) makes payments of gains from the funds remitted as erroneous payment operations, due to erroneous remittance thereof to the accounts in respect of which the Agency has the right of disposal,
- (xxviii) ensures liquidity of the sole account of the state,
- (xxix) performs transactions with the State Treasury,
- (b) in special cases performs, on behalf of the State Treasury, financial operations in the financial market with the temporarily free funds of the State Treasury in the State Treasury's elected accounts in accordance with the provisions of the State Treasury Law,
- (c) in special cases, ensures issue of securities based on the decision of the Government of the Slovak Republic and/or any related authorizations granted to the Agency by the Ministry,
- (d) cooperates with the Ministry and the National Bank of Slovakia in the areas relating to their competences, that are stipulated by the law,
- (e) cooperates with the Ministry in preparation of the proposed strategy of management of government debt,
- (f) realises and ensures fulfillment of the strategy of management of government debt according to the document approved by the Government of the Slovak Republic,
- (g) identifies, monitors, quantifies, and assesses the risks connected with management and administration of government debt and liquidity, and proposes measures for elimination thereof,
- (h) submits to the Ministry any documents required for fulfillment of the tasks by the Ministry in accordance with the State Treasury Law,
- (i) provides to the Ministry statements to the commercial terms and conditions of the agreements on government loans,
- (j) communicates with foreign and local financial institutions in respect of management of debt, liquidity, and operations,
- (k) publishes the information on management of debt,
- (l) in international relations, represents the Slovak Republic or the Ministry in the international and supranational organizations (established e.g. within the European Union, the Organization for Economic Cooperation and Development, the United Nations Organization, etc.) dealing with management and administration of government debt and management of liquidity of the state, participates in professional commissions, committees, and working groups of the given institutions, and fulfills any tasks arising from participation in the commissions, committees, and working groups,
- (m) enters into legal relationships with financial institutions and other investors to government securities,
- (n) provides information to the Ministry for the purposes of accounting and keeping the records of government debt,
- (o) obtains the information required for clearing the financial operations performed in management of debt, liquidity, and security operations, and submits them to the Ministry or to the State Treasury for clearing,
- (p) cooperates with the Ministry in building and maintaining the information system within its competences,
- (q) provides information to the State Treasury for the purposes of accounting and keeping the records of the financial operations according to the State Treasury Law,
- (r) provides information to the Ministry for the purposes of accounting and keeping the records of the financial operations according to the State Treasury Law,
- (s) provides information according to special legal regulations in the extent of its competences, and

- (t) provides statements to any proposed generally binding legal regulations and any other materials which are related to the Agency's activities and the state treasury system.

Article 4

Other Tasks of the Agency

- (1) Further, the Agency performs the activities arising from any other generally binding legal regulations, including but not limited to:
 - (a) in respect of the budget of the Ministry's chapter,
 - (b) in administration of the state property,
 - (c) in respect of controlling activities,
 - (d) in respect of defense,
 - (e) in respect of protection of secret information,
 - (f) in respect of international relations, including European integration,
 - (g) in respect of development of the unified information system,
 - (h) in preparation of any laws and other generally binding legal regulations, and
 - (i) the tasks that arise from decisions of the Slovak Finance Ministry and resolutions of the Slovak Government.
- (2) In relation to the Ministry, the Agency is responsible for:
 - (a) preparing and submitting to the Ministry any analysis and basic documents for the strategy of management of debt and liquidity,
 - (b) based on the strategy of management of government debt, proposing and exercising any change in the parameters of the debt portfolio (government bonds, treasury bills, and government loans),
 - (c) preparing documents for the meetings of the Ministry's committees, particularly of the Committee for Debt and Liquidity Management, and implementing the outcomes from the meetings of the Committee for Debt and Liquidity Management in the actual management of government debt,
 - (d) cooperating with the Financial Policy Institute of the Ministry in preparation of analyses and prognoses of development of the financial market,
 - (e) cooperating in recording and evidencing the government debt (government bonds, treasury bills, loans, and guarantees) according to the requirements of the State Treasury, the Ministry, and the National Bank of Slovakia,
 - (g) attending the meetings of some elected professional committees and commissions established by the Ministry,
 - (h) preparing and submitting to the Ministry a draft budget for administration of the government debt for the next following year and prospective for future years,
 - (i) within the budget process, submitting to the Ministry comments to the draft budget for administration of the government debt for the next following year,
 - (j) preparing documents in connection with the government final account for the relevant fiscal year in respect of management of government debt and liquidity,
 - (k) preparing documents connected with the summary annual report in respect of management of government debt and liquidity, and
 - (l) fulfilling any other tasks connected with management of government debt and liquidity according to the then current needs and requirements of the Ministry and other governmental bodies.
- (3) The activities listed in Article 3 and Article 4 of these Statutes are described in detail in the Agency's Organizational Rules.

Article 5

Principles of Activity and Internal Organizational Structure of the Agency

- (1) The Agency is managed and directed by the by the Director who is appointed and recalled by the Slovak Finance Minister.
- (2) During absence of the Director, the Agency is represented by an authorized employee in the extent of the rights and obligations specified in the written authorization granted by the Agency's Director.
- (3) The Agency has the following levels of management:
 - (a) Director,
 - (b) Head of Department.

Article 6

Organizational Structure of the Agency

- (1) The Agency's organizational structure consists of departments and sections.
- (2) Department is the basic organizational level of management and the decision-making process, and performs the Agency's tasks within the specified scope of the department's activities.
- (3) The Agency's organizational units are managed by the officers of the Agency. A department is managed by the head of department and the section is managed by the Agency's Director.
- (4) The Agency's Director is authorized to modify the organizational structure of the Agency by establishing or closing any department, section or any other specialized unit.
- (5) The Agency's internal organizational structure, the competences, and the mutual relations between its organizational units, the scope of competences and responsibilities of the officers are regulated in the Agency's Organizational Rules.
- (6) The rights and obligations of the civil servants employed by the Agency are stipulated in the Law No. 400/2009 Coll. on civil service and on amendments to certain laws, as amended, the Law No. 311/2001 Coll. Labour Code, as amended, and the Agency's Service Rules. The rights and obligations of the employees in performance of works in public interest by the Agency are regulated in the Law No. 552/2003 Coll. on performance of works in public interest, as amended, the Law No. 553/2003 Coll. on remuneration of some employees in performance of work in public interest and on amendments to certain laws, as amended, the Law No. 311/2001 Coll. Labour Code, as amended, and the Working Rules for employees in performance of works in public interest by the Agency.

Article 7

Special Provisions

- (1) In fulfilling its tasks, the Agency is regulated by the Constitution of the Slovak Republic, the laws, and any other generally binding legal regulations, the resolutions of the Slovak Government, the decisions of the Slovak Finance Ministry, the Agency's Statutes, Organizational Rules, and other internal regulations.

- (2) In its activities, the Agency applies the organizational principles of governmental administration and such forms and methods of work that are aimed at rationalization and improvement of its efficiency thereof by that the Agency:
- (a) ensures professional approach to solution of problems and systematic control of fulfillment of the tasks, with the option to obtain financial and legal advice from renowned institutions and offices,
 - (b) closely cooperates with the Ministry, the State Treasury, the National Bank of Slovakia, and any other institutions and organizations in the financial market, exploits the knowledge of scientific institutions, research institutions, universities, and other professional institutions, and involves them particularly in working on solutions of any issues of conceptual character, and
 - (c) purposefully uses the devices of organizational and computer technology and forms of team work and cooperation.
- (3) In order to ensure fulfillment of any required tasks, the Agency's Director is authorized to establish any advisory bodies and cross-section working groups in order to discuss any important issues and fulfill any tasks connected with the Agency's activities.

Article 8

Relationships of the Agency to the Ministry, Other Central Governmental Bodies, and Other Bodies and Organizations

- (1) The relationships to the Ministry, which arise from its competences:

The Agency submits to the Ministry for approval or agreement:

- (a) the principles and methodology for setting the limits for trading in the financial markets, and proposed values of the limits in respect of the business counterparties,
- (b) any agreements on transfer of administration of state movable assets, if the state movable assets are transferred under the terms and conditions specified in the regulation of the Slovak Finance Minister,¹
- (c) any purchase contracts, under the terms and conditions specified in the regulation of the Slovak Finance Minister,¹
- (d) any exchange agreements and agreements on exchange of administration of state property, under the terms and conditions specified in the regulation of the Slovak Finance Minister,¹
- (e) any lease agreements, under the terms and conditions specified in the regulation of the Slovak Finance Minister,¹
- (f) any agreements on leasing state immovable assets, under the terms and conditions specified in the regulation of the Ministry,¹
- (g) any breakdown of the governmental budget in the Agency for the relevant years,
- (h) any application for a budgetary measure under the terms and conditions stipulate in the Law No. 523/2004 Coll. on budgetary rules of public administration and on amendments to certain laws, as amended, in connection with any budgetary non-secured normal and capital expenditures of the Agency,
- (i) designing any projects of foreign aid.

¹ Regulation No. 336/2003 Coll. of the Finance Ministry of the Slovak Republic on the disposal rights of administrators in institutions established by the Finance Ministry of the Slovak Republic in disposing with the state property.

Further, the Agency submits to the Ministry:

- (a) the reports and reviews of consumption of the budget for the relevant year, including the documents required for the governmental final account of the Ministry's chapter,
- (b) the financial statements, the accounting, budgetary, payroll, statistic, and any other statements, including any supplementary information thereto,
- (c) the reports on the Agency's activities for the relevant year,
- (d) the records of financial operations and the accounting documents on concluded transactions for the purposes of accounting and recording,
- (e) the accounting documents for recording the government debt, and
- (f) any other documents and reviews according to the Ministry's requirements.

The Ministry provides to the Agency any information required for certain selected activities set forth in the generally binding legal regulations.

(2) The relationships of the Agency to other bodies, institutions, and organizations:

(a) to the State Treasury

- (i) cooperates with the State Treasury in determining the structure and content of the State Treasury's financial plan for the purposes of management of liquidity of the State Treasury,
- (ii) transfers any funds raised from the financial operations performed by the Agency in the financial market, performed for the Agency by the State Treasury, and
- (iii) provides to the State Treasury complete documentation about the performed financial operations, and any other information required for its activities;

(b) to the DataCenter

- (i) for its activities, it uses the information system which is operated and administered by the DataCenter which is responsible also for development of the information system, cooperates with the DataCenter in development and administration of the information system which is used by the Agency and which forms a part of the State Treasury's information system, and
- (ii) cooperates in the area of information security of the Agency's information systems and in administration and operation of the Agency's specific information systems;

(c) to the National Bank of Slovakia

- (i) attends the meeting of professional commissions, working and consulting groups upon request by the Ministry, the National Bank of Slovakia or the Agency,
- (ii) provides the information regarding consumption of the budget of the Slovak Republic and the public finance, and
- (iii) cooperates in recording the information relating to administration of the government debt and liquidity and holding of the government securities;

(d) to other institutions and organizations, e.g. the Central Depository of Securities, the Slovak Banking Association, the Association of Brokers with Securities, etc.

provides information, upon request attends any meetings, and cooperates in the area of management of government debt, liquidity, and risks connected therewith, and in the area of development of the financial and capital market, and the primary

and secondary market with securities, in accordance with the generally binding regulations and statutes which regulate the competences and activities of the given institutions and organizations.

Article 9 Final Provisions

- (1) Any amendments to the Statutes are approved by the Slovak Finance Minister in case of any significant changes in the Agency's competences or activities, due to:
 - (a) canceling any legal regulations or any other governing acts, according to which the Agency performs its tasks,
 - (b) enacting any new legal regulations or any other governing acts which contain the tasks for the Agency, and
 - (c) modifying the principles of Agency's activities or the principles of Agency's management beyond the rules stipulated by these Statutes.

Article 10

- (1) These Statutes will be valid and effective on 01.01.2015.
- (2) These Statutes and any amendments and addenda thereto are approved by the Slovak Finance Minister who has granted his consent with the content and text thereof.
- (3) These Statutes are made in the Slovak language version and in the English language version; in case of any discrepancies between the Slovak and English version, the Slovak language version shall prevail.
- (4) On the effective date of these Statutes, the Statutes of the Agency for Debt and Liquidity Management published under the serial number 1/2003 – SP, as amended by Addendum No. 1 dated 01.03.2011, will be null and void.

In Bratislava, date 26.11.2014.

Daniel Bytčánek
Director of the Debt and Liquidity Management Agency

Approved by:
In Bratislava, date 2014

Peter Kažimír
Vice Premier and Finance Minister of the Slovak Republic