

Pursuant to Article 44 paragraph (2) item 3) of the Central Bank of Montenegro Law (OGM 40/10, 6/13, 70/17, 125/23), and Article 39 paragraph (1) of the of the Law on Financial Conglomerates (OGM 24/25, 14/26), the Council of the Central Bank of Montenegro, at its meeting held on 27 February 2026, passed the following

DECISION
ON THE GUIDELINES ON THE CENTRAL BANK OF MONTENEGRO PROCEDURE
FOR THE EXERCISE OF SUPPLEMENTARY SUPERVISION OF FINANCIAL
CONGLOMERATES

Article 1

This Decision shall prescribe guidelines on the Central Bank of Montenegro procedure for the exercise of supplementary supervision of financial conglomerates in accordance with Article 18 paragraph (1) of the Law on Financial Conglomerates (hereinafter: the Law), for the purpose of ensuring effective cross-sectoral cooperation, exchange of information, coordination of supervisory activities, and the consistent application of requirements regarding capital adequacy, risk concentration, and intra-group transactions.

Article 2

The guidelines referred to in Article 1 of this Decision are provided in the Annex of this Decision and make an integral part thereof.

Article 3

This Decision shall enter into force on the eighth day following that of its publication in the Official Gazette of Montenegro.

THE COUNCIL OF THE CENTRAL BANK OF MONTENEGRO

Decision number: 0101-1771-10/2026
Podgorica, 27 February 2026

CHAIRPERSON
G O V E R N O R

Irena Radović, m.p.

**GUIDELINES
ON THE CENTRAL BANK OF MONTENEGRO PROCEDURE FOR THE EXERCISE
OF SUPPLEMENTARY SUPERVISION OF FINANCIAL CONGLOMERATES**

I. Subject matter and scope

1. These Guidelines regulate in detail the procedure of the Central Bank of Montenegro (hereinafter: the Central Bank) for the exercise of supplementary supervision, i.e. the supervision of financial conglomerates, in accordance with Article 18 paragraph (1) of the Law, with respect to a credit institution that is at a head of the group, for the purpose of ensuring effective cross-sectoral cooperation with the Insurance Supervision Agency and the Capital Market Authority (hereinafter: other competent authorities), the exchange and collection of information, coordination of supervisory activities, and the consistent application of requirements regarding capital adequacy, risk concentration, and intra-group transactions.
2. The objective of these Guidelines is to clearly distinguish the role of the Central Bank as coordinator and as other competent authority, to enhance legal certainty and operational practices, and to avoid overlap of competences and duplicate reporting to the competent authorities.

II. MAPPING PROCEDURE, COOPERATION STRUCTURE AND COORDINATION ARRANGEMENTS

3. Within the meaning of these Guidelines, mapping means the process of collecting and analysing the information necessary to identify those entities constituting a financial conglomerate in accordance with Article 4 of the Law, on the basis of which the Central Bank, together with other competent authorities, exercises supplementary supervision, i.e. supervision through agreements of cooperation concluded in accordance with Article 36 of the Law.
4. Where it acts as coordinator, in accordance with Article 27 paragraph (1) of the Law, the Central Bank shall carry out the mapping of entities forming the financial conglomerate referred to in item 3) of these Guidelines, in cooperation with other competent authorities that have granted licence to the regulated entities forming part of the financial conglomerate. On the basis of the results of the mapping process, the Central Bank shall determine the appropriate scope of supplementary supervision,

taking into account the organisation, size and complexity of the financial conglomerate.

5. The mapping process referred to in item 4) of these Guidelines shall include, in particular:
 - the collection of data on the ownership and organisational structure of the group;
 - the identification of regulated and unregulated entities relevant for supplementary supervision;
 - the classification of entities by financial sector;
 - the identification of other competent authorities involved in supplementary supervision;
 - the documentation of the mapping results.
6. The Central Bank, acting as coordinator, shall carry out the mapping process at least once a year and upon each significant change in the group structure, and shall, without delay, submit the results of such processes to the other competent authorities.

2.1. Cooperation Structure

7. The Central Bank, acting as coordinator, shall organise and chair meetings of the college of competent authorities, in accordance with Article 28 paragraph (5) of the Law, and for that purpose:
 - convene regular and extraordinary meetings;
 - determine the agenda of meetings;
 - define the appropriate number of participants at the meetings;
 - ensure minutes and conclusions;
 - inform other competent authorities of the results of the meetings.
8. Where necessary, the Central Bank may organise thematic or operational meetings dedicated to specific risks or entities subject to supplementary supervision, i.e. supervision.

2.2. Cooperation Arrangements with Other Competent Authorities

9. The Central Bank, acting as coordinator, shall initiate and coordinate the conclusion of cooperation arrangements with other competent authorities in accordance with Article 36 of the Law.
10. The agreements referred to in item 9) of these Guidelines shall contain at least the following information:
 - the scope and frequency of information exchange;
 - the delegation of tasks;
 - timelines and communication channels;
 - arrangements for emergency situations;
 - confidentiality provisions.

11. The Central Bank shall regularly review and initiate updates of the cooperation arrangements referred to in item 9) of these Guidelines.

2.3. Cooperation Arrangements with Competent Authorities of Third Countries

12. Where a financial conglomerate has significant entities in third countries, the Central Bank, acting as coordinator, shall involve the competent authorities of those third countries in the cooperation arrangements for a financial conglomerate, subject to Article 38 of the Law and sectoral rules relating to the assessment of equivalence of supervisory frameworks and the protection of confidential data.

III. COORDINATION OF INFORMATION EXCHANGE IN GOING CONCERN AND EMERGENCY SITUATIONS

3.1. Scope and Frequency

13. The Central Bank, acting as coordinator, shall coordinate the exchange of relevant information between competent authorities necessary for the performance of tasks laid down in Article 27 of the Law, and for that purpose in particular:

- determine the requirements for the submission of information at the level of the conglomerate;
- aggregate the information received;
- distribute relevant information to other competent authorities;
- ensure, to the greatest extent possible, the use of existing reporting systems;
- take necessary actions to prevent duplication of reporting;
- determine deadlines, form and content of templates for the submission of information, in particular for the purposes of collecting information on risk concentrations and intra-group transactions.

14. Where applicable, the Central Bank may include in the request for the submission of information all information relevant for the stress testing of financial conglomerates, in accordance with Article 25 of the Law.

3.2. Communication Channels

15. The Central Bank, acting as coordinator, shall determine communication channels for the collection and distribution of information relating to the financial conglomerate, which may include college meetings, official letters, emails, phone/video calls/conferences and website platforms.

16. The Central Bank shall ensure that all confidential and sensitive information is transmitted through secure communication channels.

3.3. Communication with the Financial Conglomerate

17. The Central Bank, acting as coordinator, shall be responsible for communication with the credit institution or other entity which is the parent undertaking at the head of the group or, in the absence of a parent undertaking, with the regulated entity with the largest total balance sheet in the largest financial sector in the group.

3.4. Communication in Emergency Situations

18. The Central Bank, acting as coordinator, after identifying emergency situation affecting regulated entities in a financial conglomerate, shall alert other competent authorities whose supervised entities may be affected by that situation and coordinate the exchange of relevant information.

IV. SUPERVISORY ASSESSMENT OF FINANCIAL CONGLOMERATES

4.1. Assessment of the Financial Situation of the Financial Conglomerate

19. The Central Bank, acting as coordinator, shall carry out a consolidated assessment of the risk profile of the conglomerate and initiate dialogue with other relevant competent authorities for the purpose of supervision and assessment of the financial position of the financial conglomerate.

20. The Central Bank shall identify:

- 1) the main vulnerabilities and deficiencies of entities within the financial conglomerate, taking into account their cross-sectoral links; and
- 2) risk management and control issues with regard to compliance with capital requirements and requirements relating to risk concentrations and intra-group transactions.

4.2. Assessment of Capital Adequacy

21. The Central Bank, acting as coordinator, shall carry out an assessment of the capital planning policy of regulated entities in the financial conglomerate. The assessment shall be carried out at the level of the entire group and shall build upon similar analyses carried out at sectoral level and on the basis of individual entities.

22. The assessments of the Central Bank referred to in item 21) of these Guidelines shall not affect compliance with capital adequacy requirements laid down in sectoral regulations.
23. For the purpose of preparing the assessment, the Central Bank shall take into account the assessments carried out by other competent authorities and shall consult the relevant competent authorities regarding the exclusion of an entity from that calculation.

4.3. Assessment of Risk Concentration

24. For the purposes of performing supplementary supervision, i.e. supervision of risk concentration of regulated entities within a financial conglomerate, the Central Bank, acting as coordinator, shall carry out an assessment of how risk concentrations may create potential adverse effects within the financial conglomerate, conflicts of interest and the circumvention of sectoral regulations. For that purpose, taking into account the structure of the financial conglomerate, the Central Bank shall require the submission of information from regulated entities within the financial conglomerate in order to complement information obtained through established reporting systems.
25. The Central Bank, acting as coordinator, may request from other competent authorities the following information, where available:
- how regulated entities within the financial conglomerate manage risk exposures which interact across different risk categories;
 - analysis and assessment of internal reporting and limit systems of sub-groups or individual entities within the financial conglomerate;
 - sectoral risk concentrations, other than those already assessed at cross-border level within each sector.
26. The Central Bank shall inform other competent authorities about any supervisory activity or measures taken towards the entities within the financial conglomerate in relation to risk concentrations.

4.4. Assessment of Intra-group Transactions

27. In order to perform supplementary supervision, i.e. supervision of intra-group transactions of regulated entities in a financial conglomerate, the Central Bank, acting as coordinator, shall monitor how intra-group transactions may create potential adverse effects within the financial conglomerate, conflicts of interest and the circumvention of sectoral regulations.
28. For the purpose of carrying out the assessment referred to in item 27) of these Guidelines, the Central Bank may request further information from regulated entities within the financial conglomerate, as a supplement to information already collected through existing reporting systems across different jurisdictions and sectors, taking into account the structure of the financial conglomerate.

- 29.** The Central Bank, acting as coordinator, shall consult with other competent authorities for the purpose of determining:
- the types of intra-group transactions to be monitored, taking into account the structure of the financial conglomerate, as well as the definition of intra-group transactions under Article 3 paragraph (25) of the Law; and
 - the reporting thresholds for intra-group transactions, based on regulatory capital and/or technical provisions.
- 30.** The Central Bank shall inform other competent authorities of any supervisory activity or measures taken in relation to entities within the financial conglomerate regarding intra-group transactions.

4.5. Assessment of Internal Control Mechanisms and Risk Management Procedures

- 31.** The Central Bank, acting as coordinator, shall cooperate with the relevant competent authorities for the purpose of carrying out the assessment of risk management procedures and internal control mechanisms. For that purpose, the Central Bank shall collect relevant information from other competent authorities regarding the assessment of risk management procedures and internal control mechanisms of regulated entities (whether at individual or sub-consolidated level), material deficiencies identified, and the methodologies used in performing their assessments.
- 32.** The Central Bank, acting as coordinator, shall inform the other competent authorities of individual assessments, as well as of the overall assessment, in order to enable those competent authorities to assess the adequacy of sectoral risk management and control mechanisms for mitigating the impact of significant risks of the financial conglomerate, to identify potential channels that may have adverse effects, and to reach a common position.

V. SUPERVISORY PLANNING AND COORDINATION OF SUPERVISORY ACTIVITIES IN GOING CONCERN AND EMERGENCY SITUATIONS

5.1. Planning and Coordination of Supervisory Activities

- 33.** Following the analysis performed in accordance with Chapter IV of these Guidelines, the Central Bank, acting as coordinator, shall plan and coordinate supervisory activities for the purpose of implementing supplementary supervision of the financial conglomerate and shall incorporate them into the already established college framework. For that purpose, it shall prepare an annual supplementary supervision plan, which shall in particular include:
- planned supervisory activities;

- timelines;
- allocation of tasks;
- assessment of required resources.

34. Where only one sectoral college has been established, the Central Bank shall include supervisory activities related to the supervision of the financial conglomerate in the coordinated action plan of that college.

5.2. Emergency Planning

35. The Central Bank, acting as coordinator, shall be required to establish and implement emergency plans, based on plans developed at sectoral level, for cooperation between authorities in emergency situations at the level of the financial conglomerate.

36. In the event of an emergency situation, the Central Bank shall:

- inform other competent authorities without delay;
- organise urgent meetings;
- increase the frequency of information exchange;
- coordinate supervisory measures.

37. Where an emergency plan exists only in relation to one sector, the Central Bank shall provide that plan to the supervisory authorities responsible for other sectors and include the contact details of those supervisory authorities in the contingency plan.

VI. ACTION OF THE CENTRAL BANK WHEN IT IS NOT THE COORDINATOR

38. Where it is not the coordinator, the Central Bank shall cooperate with the coordinator designated for a given financial conglomerate and with other competent authorities for the purpose of carrying out supplementary supervision of financial conglomerates.

39. In relation to cooperation referred to in item 38) of these Guidelines, the Central Bank shall:

- provide information without delay upon request of the coordinator;
- inform the coordinator of all significant developments that may affect the financial position of the conglomerate;
- participate in joint reporting processes;
- participate in joint risk assessments;
- provide opinions and proposals for supervisory measures;
- carry out agreed supervisory activities towards entities within its competence;
- act in accordance with cooperation arrangements concluded with the coordinator and other competent authorities.