

# BANKING IN WAR

## “the Ukraine experience”

**“Industry challenges: A global perspective from Athens”**

5<sup>th</sup> Athens Triennial Meeting, combined with  
The 40<sup>th</sup> Anniversary of the Costas Grammenos Centre for Shipping, Trade & Finance  
7-9 October.

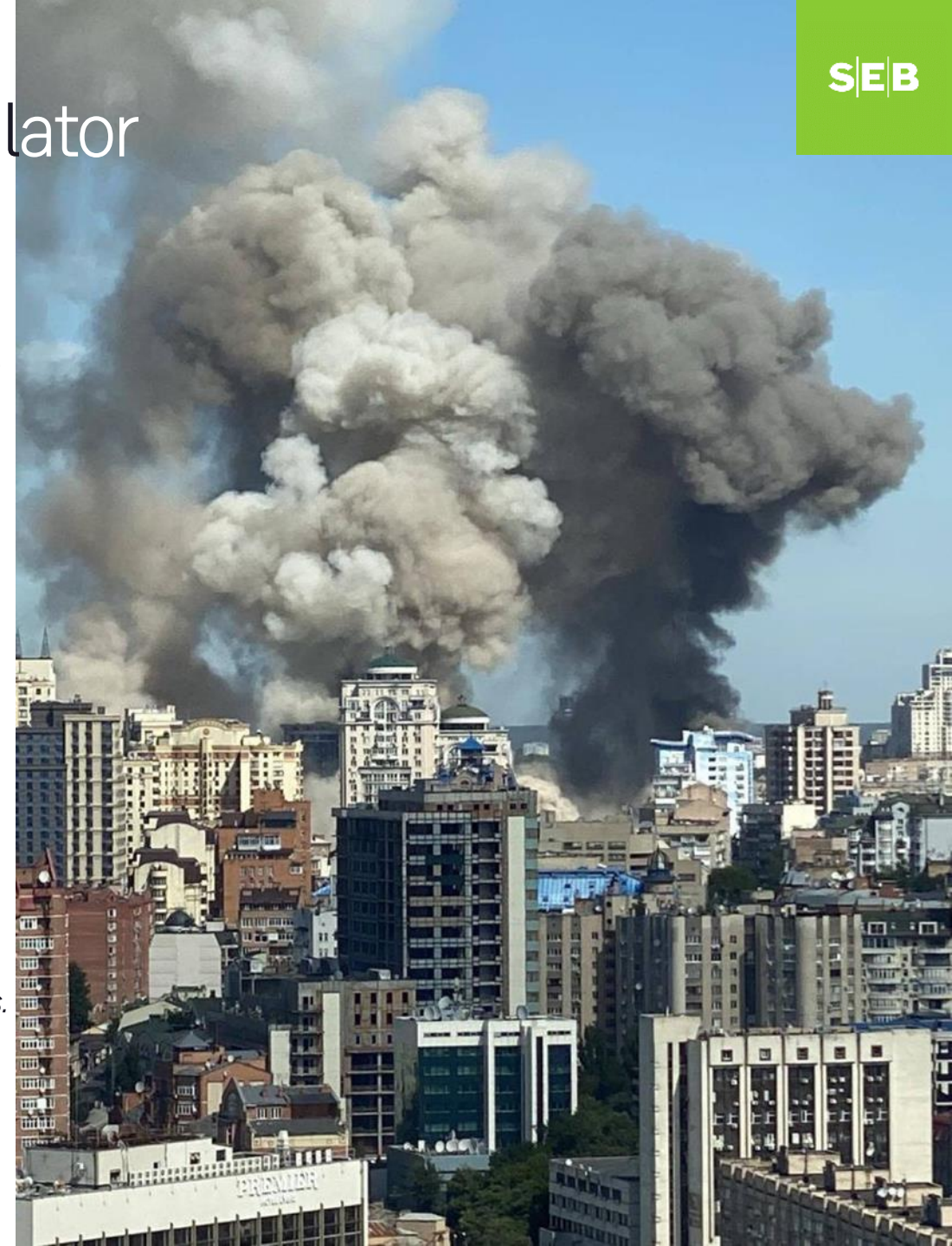
Kristian Andersson

# Key actions from Government and Regulator

## Key actions

- Early morning 24<sup>th</sup> February 2022 - President declared **Martial Law** on all territories of Ukraine, and no Ukrainian men between 18-60 years of age allowed to leave the country.
- Morning 24<sup>th</sup> February - National Bank of Ukraine implement **4 main restrictions**:
  - No cross-border transactions other than for “critical imports”,
  - Fixed exchange rate to USD/UAH rate on level of previous day exchange rate,
  - No FX purchase and sale of FX only through NBU – no interbank transactions,
  - Limitations on cash withdrawals – enhancing supply of cash to cash desks.
- Introducing unsecured refinancing loans to support liquidity for financial institutions.

*Later, restrictions started to be gradually released in steps - a development that continues.*



# Key focus for banks

## Operating under Martial law - Challenges and Outcomes

- **Safety of personnel**
  - always highest priority.
- **Saving bank data**
  - regulations were changed allowing banks to save bank data in cloud environment.
- **Keep the bank in operation** - communicating with, and supporting clients
  - challenges in form of;
    - mobilization,
    - air-strike alarms and frequent missile attacks
    - cyber attacks
    - black-outs
    - etc.



# Some of the key factors why the banking system worked well throughout the war

- Covid – all banks were prepared to work remote!
- National Bank of Ukraine – they were always available, quick to change legislation when needed, and showed great flexibility that was of crucial importance!
- Staff and population – resilience and extreme attitude that “society shall work”!

