**IMF Central Bank Transparency Code (CBT)**

CBT Portal FAQ

**Website**

* **Is the CBT Portal accessible for everyone?**

Yes. The CBT Portal is accessible for everyone. Its main function is to provide more detailed information on the CBT and to facilitate search queries of the CBT.

* **Can CBT Reviews be submitted through the Portal?**

Yes. Central banks can use the CBT Portal to download the Review Template (RT), and submit it to IMF Staff. Currently, this can only be done via email (CBT@imf.org), though the functionality of the Portal might be expanded in the future.

* **Can anyone use the Review Template to provide feedback on central bank transparency?**

No. The Review Template (RT) that is listed on the Portal is intended for use by IMF Staff and country authorities only. Though the (blank) RT is publicly accessible, the IMF does not accept fully or partially completed RTs from anyone but the country authorities, in case an agreement between the IMF and the (relevant) country authorities has been made to do so. Anyone wanting to provide feedback on transparency practices of one or more central banks, is urged to do so directly with the central banks concerned.

* **Can I complain to the IMF about the lack of transparency of my central bank via the CBT Portal?**

No. Please also see Question X: in case of specific concerns or questions about the transparency of one or more central banks, you are urged to contact the central banks concerned directly.

* **How do I contact the IMF CBT Team?**

The IMF CBT Team can be contacted by sending an email to CBT@imf.org.

* **Can I access CBT reviews of specific central banks? / Are CBT reviews published?**

No. CBT (self-) reviews are only accessible to the central bank concerned and IMF staff. Publication of a CBT (self-) review is dependent on the central bank. In case of questions regarding a specific central bank’s transparency, we urge you to contact the central bank concerned directly.

* **Does the IMF list which central banks will be reviewed in the (near) future?**

No. Neither does the IMF provide information on whether a central bank’s transparency practices will be reviewed in the future, nor does it provide information on which CBT reviews have taken place. The exception is when a central bank itself choses to disclose that information to its stakeholders or the public at large, or allows the IMF to disclose such information (for instance, by publishing a CBT Review Report). *Transparency over transparency reviews* is, first and foremost, a matter of the central bank involved, and the IMF respects a central bank’s decisions in this matter.

* **How does the CBT apply to monetary unions?**

The CBT applies to central banks of monetary unions and their transparency practices as well. This currently includes the ECB (European Central Bank), ECCB (Eastern Caribbean Central Bank), BCEAO (Central Bank of West African States), and BEAC (Bank of Central African States). In the case of the ECB, the CBT would simultaneously also apply to the so-called National Central Banks (NCBs). In the CBT (self-)reviews, transparency practices of the monetary union central banks would be reviewed. In case of European NCBs, relevant transparency practices of the ECB would be reviewed in addition to the NCB transparency practices.

* **Does the CBT provide ratings or rankings of central banks?**

No. As noted in the CBT Board Paper [include hyperlink to BP], the CBT does not rate central banks on their transparency practices, nor does the CBT offer a methodology to rank central banks vis-à-vis each other. Instead, the practice levels (core, comprehensive, and expanded) are intended to guide central banks in their transparency whilst ensuring country- and central bank-specific circumstances are duly taken into account.

**Function-specific Questions**

* **Decision-making Arrangement: Does the CBT provide guidance on issues of central bank governance?**

No. The CBT provides guidance on central bank transparency only. It does not provide guidance on central bank governance, including the central bank’s mandate, the decision-making structure(s) of a central bank, and whether the central bank should also be a financial supervisor. Such matters explicitly fall outside the scope of the CBT. For more information, see the IMF Board Paper on the CBT here [include hyperlink to BP].

* **Confidentiality: What are the limits of central bank confidentiality?**

Please see the IMF Board Paper on the CBT here [include hyperlink to BP].

* **Consumer Protection: How to review transparency on consumer protection if the central bank does not have this function?**

A review of a central bank’s transparency would only cover the current mandate of the central bank (objectives, functions, and instruments, as per its legal framework), either in part or fully. Issues that fall outside of that mandate would not be covered by the CBT.

* **Central bank autonomy: Is the concept of central bank autonomy different from central bank independence?**

In practical terms these concepts lead to the same result. The CBT uses the concept of autonomy to signify that the central bank is part of the State, subject to a legal framework and is accountable to the legislature and the general public. In essence, the concepts address the questions whether a central bank (i) is prohibited from seeking or taking instructions from any private or public body (institutional autonomy), (ii) can perform its duties without prior approval from the government (functional autonomy), (iii) has the financial resources available to fulfill its mandates (financial autonomy), and (iv) whether the members of their decision-making bodies have security of tenure (personal autonomy). Note that the CBT only provides guidance on the transparency with respect to central bank autonomy and not whether the central bank’s autonomy is sufficient, or not. For more information, see the IMF Board Paper on the CBT here [include hyperlink to BP].

* **Central bank legal frameworks: What do we mean by a legal framework?**

A central bank law (sometimes called organic law) constitutes the main element of a legal framework. In addition, the CBT includes the Constitution, treaties, and relevant regulations as well. Finally, note that in many cases other laws such as banking, currency or payment system laws are also relevant as they include provisions on central bank’s mandates, decision-making structure and autonomy. Therefore, in applying the CBT the central bank and reviewers should check the transparency of all applicable laws. It is stressed that information in a central bank’s legal framework, needs to be “translated” into more easily understandable language so that the central bank’s professional and non-professional stakeholders are able to understand and evaluate the information disclosed by the central bank. For more information, see the IMF Board Paper on the CBT here [include hyperlink to BP].

* **Central bank mandate: What do we mean by a mandate?**

In the CBT, mandate is defined as a central bank’s objective, functions, and powers. However, note that the wording used by central banks is not harmonized. Central bank laws refer to objectives, goals, duties, functions and powers, sometimes without clearly distinguishing between these concepts. What matters is that the objectives of a central bank (e.g. its purposes such as ensuring price stability and or contributing to financial stability), as well as the associated functions (e.g., monetary policy to achieve price stability, or macroprudential policy to ensure financial stability), and legal powers (like private law powers to open accounts and conduct financial transactions, or public law powers such as imposing statistical reporting obligations) are clear and transparent.

* **Internal accountability: What specific information should a central bank disclose about the central bank’s audit committee?**

In line with leading practices, a central bank should disclose whether:

* the central bank has an audit committee;
* and, if it does, the names of the members, the number of times the committee met in the past year, and a brief description of the topics discussed;
* the audit committee has at least one “financial expert”;
* the audit committee is governed by a charter and, if so, whether a current copy of the audit committee charter is available on the central bank’s website;
* the audit committee members are independent.

Further, an audit committee report should be published and disclose information on whether the audit committee has:

* reviewed and discussed the annual financial statements, including significant accounting policies with management;
* discussed the required communication matters under applicable auditing standards with the external auditor;
* received the required written independence communications from the external auditor;
* evaluated the external auditor’s performance;
* overseen the central bank’s risk management processes and internal controls;
* assessed the performance of the internal audit function.

A central bank should also consider highlighting any changes to the audit committee’s oversight activities and key focus areas for the audit committee during the year, for instance, cyber security, ethics issues, internal investigations, or health and safety-related matters.

* **Financial Integrity: What do we mean by an internal AML/CFT control framework?**

Recognizing that central bank mandates vary, the principles relating to internal AML/CFT control frameworks may not apply to all central banks and will need to be considered on a case-by-case basis. For example, if the central bank provides bank accounts to companies or natural persons, these activities create the need for internal AML/CFT systems/controls in order to manage the associated ML/TF risks.

* **Financial Integrity: What is the difference between disclosures of AML/CFT supervisory processes and AML/CFT supervisory outcomes?**

The disclosures regarding supervisory processes relates to offsite and onsite AML/CFT supervisory activities, for example, details of the supervisory minimum engagement model, the number of inspections that were carried out, the level of desk-based reviews etc. Disclosures on AML/CFT supervisory outcomes relate to the results/conclusions stemming from the onsite/offsite activities, for example, the volume of findings that were identified and details of the breakdown of findings across different thematic areas, and details of sanctions that were imposed for breaches of AML/CFT requirements including a description of the weaknesses that were identified and the severity of the shortcomings.

* **Anti-corruption Measures and Internal Code of Conduct: What is meant by the expected behavior of staff to prevent corruption and conflicts of interest?**

This information could include the policy that central bank officials are required to follow regarding their financial disclosures and measures relating to conflicts of interest. More specifically, details on how the central bank governs conduct and ethical behavior. For example, the rules surrounding decision-making and impartiality, how staff are required to approach and document conflicts of interest, and the acceptance of gifts and hospitality.

* **Anti-corruption Measures and Internal Code of Conduct: What type of information should be provided to reviewers to demonstrate transparency in relation to internal conduct rules?**

Details regarding the information that is disclosed in relation to recruitment processes, for example, the controls to ensure that decisions are based on merit. In addition, details on the level of resources (e.g., human, technical capacity) of the function in charge of implementing the conduct rules, their annual report(s), statistics about the number of analysis, investigations and sanctions imposed on staff who violated the rules.

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