

Code of Good Practices on Transparency in Monetary and Financial Policies: Declaration of Principles

Introduction

1. 1. In the context of strengthening the architecture of the international monetary and financial system, the Interim Committee in its April and October 1998 Communiqués called on the Fund to develop a code of transparency practices for monetary and financial policies, in cooperation with appropriate institutions. The Fund, working together with the Bank for International Settlements, and in consultation with a representative group of central banks, financial agencies, other relevant international and regional organizations,¹ and selected academic experts, has developed a *Code of Good Practices on Transparency in Monetary and Financial Policies*. The Code parallels the [Code of Good Practices in Fiscal Transparency](#) developed by the Fund and endorsed by the Interim Committee in April 1998.

2. The *Code of Good Practices on Transparency in Monetary and Financial Policies* identifies desirable transparency practices for central banks in their conduct of monetary policy and for central banks and other financial agencies in their conduct of financial policies. The definitions of "central bank," "financial agencies," "financial policies," and "government" as used in this Code are given in the attached [Annex](#).

3. For purposes of the Code, transparency refers to an environment in which the objectives of policy, its legal, institutional, and economic framework, policy decisions and their rationale, data and information related to monetary and financial policies, and the terms of agencies' accountability, are provided to the public on an understandable, accessible and timely basis. Thus, the transparency practices listed in the Code focus on: (1) clarity of roles, responsibilities and objectives of central banks and financial agencies; (2) the processes for formulating and reporting of monetary policy decisions by the central bank and of financial policies by financial agencies; (3) public availability of information on monetary and financial policies; and (4) accountability and assurances of integrity by the central bank and financial agencies.

4. The case for transparency of monetary and financial policies is based on two main premises. First, the effectiveness of monetary and financial policies can be strengthened if the goals and instruments of policy are known to the public and if the authorities can make a credible commitment to meeting them. In making available more information about monetary and financial policies, good transparency practices promote the potential efficiency of markets. Second, good governance calls for central banks and financial agencies to be accountable, particularly where the monetary and financial authorities are granted a high degree of autonomy. In cases when conflicts might arise between or within government units (e.g., if the central bank or a financial agency acts as both owner and

financial supervisor of a financial institution or if the responsibilities for monetary and foreign exchange policy are shared), transparency in the mandate and clear rules and procedures in the operations of the agencies can help in their resolution, strengthen governance, and facilitate policy consistency.

5. In making the objectives of monetary policy public, the central bank enhances the public's understanding of what it is seeking to achieve, and provides a context for articulating its own policy choices, thereby contributing to the effectiveness of monetary policy. Further, by providing the private sector with a clear description of the considerations guiding monetary policy decisions, transparency about the policy process makes the monetary policy transmission mechanism generally more effective, in part by ensuring that market expectations can be formed more efficiently. By providing the public with adequate information about its activities, the central bank can establish a mechanism for strengthening its credibility by matching its actions to its public statements.

6. Transparency by financial agencies, particularly in clarifying their objectives, should also contribute to policy effectiveness by enabling financial market participants to assess better the context of financial policies, thereby reducing uncertainty in the decision-making of market participants. Moreover, by enabling market participants and the general public to understand and evaluate financial policies, transparency is likely to be conducive to good policy-making. This can help to promote financial as well as systemic stability. Transparent descriptions of the policy formulation process provide the public with an understanding of the rules of the game. The release of adequate information to the public on the activities of financial agencies provides an additional mechanism for enhancing the credibility of their actions. There may also be circumstances when public accountability of decisions by financial agencies can reduce the potential for moral hazard.

7. The benefits for countries adopting good transparency practices in monetary and financial policies have to be weighed against the potential costs. In situations where increased transparency in monetary and financial policies could endanger the effectiveness of policies, or be potentially harmful to market stability or the legitimate interests of supervised and other entities, it may be appropriate to limit the extent of such transparency. Limiting transparency in selected areas needs to be seen, however, in the context of a generally transparent environment.

8. In the case of monetary policy, the rationale for limiting some types of disclosure arises because it could adversely affect the decision-making process and the effectiveness of policies. Similarly, exchange rate policy considerations, notably, but not exclusively, in countries with fixed exchange rate regimes, may provide justification for limiting certain disclosure practices. For example, extensive disclosure requirements about internal policy discussion on money and exchange market operations might disrupt markets, constrain the free flow of discussion by policymakers, or prevent the adoption of contingency plans. Thus, it might be inappropriate for central banks to disclose internal deliberations and documentation, and there are circumstances in which it would not be

appropriate for central banks to disclose their near-term monetary and exchange rate policy implementation tactics and provide detailed information on foreign exchange operations. Similarly, there may be good reasons for the central bank (and financial agencies) not to make public their contingency plans, including possible emergency lending.

9. Additional concerns could be posed by some aspects of the transparency of financial policies. Moral hazard, market discipline, and financial market stability considerations may justify limiting both the content and timing of the disclosure of some corrective actions and emergency lending decisions, and information pertaining to market and firm-specific conditions. In order to maintain access to sensitive information from market participants, there is also a need to safeguard the confidentiality and privacy of information on individual firms (commonly referred to as "commercial confidentiality"). Similarly, it may be inappropriate for financial authorities to make public their supervisory deliberations and enforcement actions related to individual financial institutions, markets, and individuals.

10. Transparency practices differ not only in substance, but also in form. With regard to informing the public about monetary and financial institutions and their policies, an important issue concerns the modalities that these public disclosures should take. In particular with regard to monetary policy, should transparency practices have a legislative basis in a central bank law, or be based in other legislation or regulation, or be adopted through other means? The Code takes a pragmatic approach to this issue and recognizes that a variety of arrangements can lead to good transparency practices. On matters pertaining to the roles, responsibilities, and objectives of central banks (and for principal financial regulatory agencies), it recommends that key features be specified in the authorizing legislation (e.g., a central bank law). Specifying some of these practices in legislation gives them particular prominence and avoids ad hoc and frequent changes to these important aspects of the operations of central banks and relevant financial agencies. Information about other transparency aspects, such as how policy is formulated and implemented and the provision of information, can be presented in a more flexible manner. However, it is important that such information be readily accessible, so that the public can with reasonable effort obtain and assimilate the information.

11. In the context of good governance and accountability, as well as the promotion of efficient markets, reference to the public in this code should ideally encompass all interested individuals and institutions. In some cases, particularly for financial policies, it may be expedient for the purposes of administering or implementing certain regulations and policies to define the concept of the public more narrowly to refer only to those individuals and institutions that are most directly affected by the regulations and policies in question.

12. The focus of the Code is on transparency. While good transparency practices for the formulation and reporting of monetary and financial policies help to contribute to the adoption of sound policies, the Code is not designed to offer judgments on the appropriateness or desirability of specific monetary or financial policies or frameworks

that countries should adopt. Transparency is not an end in itself, nor is transparency a substitute for pursuing sound policies; rather, transparency and sound policies are better seen as complements. In the realm of financial policies, there are complements to this code that go beyond transparency to promote good policies, notably the *Core Principles for Effective Banking Supervision* formulated by the Basel Committee for Banking Supervision, the *Objectives and Principles of Securities Regulation* formulated by the International Organization of Securities Commissions (IOSCO), and standards being developed by the Committee on Payment and Settlement Systems (CPSS), the International Association of Insurance Supervisors (IAIS), and the International Accounting Standards Committee (IASC). As these and other financial sector groupings develop and make significant adjustments in their principles and standards as they relate to transparency practices for financial agencies (e.g., in data dissemination requirements for financial agencies), this Code may have to be adjusted accordingly.

13. The Code is directed at the transparency requirements of central banks and financial agencies, not at the transparency procedures relating to firms and individual institutions.

However, the benefits of transparency for monetary and financial policies may be fostered by appropriate policies to promote transparency for markets in general, for the institutions that are being supervised, and for self regulatory organizations.

14. Monetary and financial policies are interrelated and often mutually reinforcing, with the health of the financial system affecting the conduct of monetary policy and vice versa. However, the institutional arrangements for these two types of policies differ considerably, particularly with regard to their roles, responsibilities, and objectives and their policy formulation and implementation processes. To take account of this, the Code is separated into two parts: good transparency practices for monetary policy by central banks; and good transparency practices for financial policies by financial agencies. The basic elements of transparency for both policies are, however, similar. It should be recognized that not all transparency practices are equally applicable to all financial agencies, and the transparency objectives among different financial sectors vary. For some, the emphasis is on market efficiency considerations, for others the focus is on market and systemic stability, while for others the principal consideration is client-asset protection.

15. The operation of a country's payment system affects the conduct of monetary policies and the functioning of the financial system, and the design of payment systems has implications for systemic stability. The institutional structures of the payment system, however, are often significantly more complex than for monetary and other financial policies, and differ considerably across countries. In many instances, the operation of a country's payment system is split between the public and private sectors, including self-regulatory bodies. Nevertheless, most of the transparency practices listed in the Code for financial agencies are applicable for the roles and functions of central banks or other relevant public agencies exercising responsibility for overseeing the nation's payment systems. The coverage of transparency practices for financial policies in the Code includes those for the operation of systemically important components of the nation's

payment system, and, where appropriate, makes allowance for the special nature of the payment system's operations (e.g., 5.3).

16. The Code is of sufficient breadth to span and be applied to a wide range of monetary and financial frameworks, and thus to the full range of the Fund membership. Elements of the Code are drawn from a review of good transparency practices used in a number of countries and discussed in the professional literature. The Code thus represents a distillation of concepts and practices that are already in use and for which there is a record of experience. The manner in which transparency is applied and achieved, however, may differ, reflecting different institutional arrangements with respect to monetary and financial policies and legal traditions. The good transparency practices contained in the Code will, therefore, have to be implemented flexibly and over time to take account of a country's particular circumstances. A number of Fund members currently lack sufficient resources and the institutional capacity to implement all of the good transparency practices listed in the Code. These practices are included in the Code in the anticipation that countries would aspire over time to introduce such good practices.

GOOD TRANSPARENCY PRACTICES FOR MONETARY POLICY BY CENTRAL BANKS

I. Clarity of Roles, Responsibilities and Objectives of Central Banks for Monetary Policy

1.1 The ultimate objective(s) and institutional framework of monetary policy should be clearly defined in relevant legislation or regulation, including, where appropriate, a central bank law.

1.1.1 The ultimate objective(s) of monetary policy should be specified in legislation and publicly disclosed and explained.

1.1.2 The responsibilities of the central bank should be specified in legislation.

1.1.3 The legislation establishing the central bank should specify that the central bank has the authority to utilize monetary policy instruments to attain the policy objective(s).

1.1.4 Institutional responsibility for foreign exchange policy should be publicly disclosed.

1.1.5 The broad modalities of accountability for the conduct of monetary policy and for any other responsibilities assigned to the central bank should be specified in legislation.

1.1.6 If, in exceptional circumstances, the government has the authority to override central bank policy decisions, the conditions under which this authority may be invoked and the manner in which it is publicly disclosed should be specified in

legislation.

- 1.1.7 The procedures for appointment, terms of office, and any general criteria for removal of the heads and members of the governing body of the central bank should be specified in legislation.

1.2 The institutional relationship between monetary and fiscal operations should be clearly defined.²

- 1.2.1 If credits, advances, or overdrafts to the government by the central bank are permitted, the conditions when they are permitted, and any limits thereof, should be publicly disclosed.
- 1.2.2 The amounts and terms of credits, advances, or overdrafts to the government by the central bank and those of deposits of the government with the central bank should be publicly disclosed.
- 1.2.3 The procedures for direct central bank participation in the primary markets for government securities, where permitted, and in the secondary markets, should be publicly disclosed.
- 1.2.4 Central bank involvement in the rest of the economy (e.g., through equity ownership, membership on governing boards, procurement, or provision of services for fee) should be conducted in an open and public manner on the basis of clear principles and procedures.
- 1.2.5 The manner in which central bank profits are allocated and how capital is maintained should be publicly disclosed.

1.3 Agency roles performed by the central bank on behalf of the government should be clearly defined.

- 1.3.1 Responsibilities, if any, of the central bank in (i) the management of domestic and external public debt and foreign exchange reserves, (ii) as banker to the government, (iii) as fiscal agent of the government, and (iv) as advisor on economic and financial policies and in the field of international cooperation, should be publicly disclosed.
- 1.3.2 The allocation of responsibilities among the central bank, the ministry of finance, or a separate public agency,³ for the primary debt issues, secondary market arrangements, depository facilities, and clearing and settlement arrangements for trade in government securities, should be publicly disclosed.

II. Open Process for Formulating and Reporting Monetary Policy Decisions

2.1 The framework, instruments, and any targets that are used to pursue the objectives of monetary policy should be publicly disclosed and explained.

- 2.1.1 The procedures and practices governing monetary policy instruments and

operations should be publicly disclosed and explained.

2.1.2 The rules and procedures for the central bank's relationships and transactions with counter parties in its monetary operations and in the markets where it operates should be publicly disclosed.

2.2 Where a permanent monetary policy-making body meets to assess underlying economic developments, monitor progress toward achieving its monetary policy objective(s), and formulate policy for the period ahead, information on the composition, structure, and functions of that body should be publicly disclosed.

2.2.1 If the policy-making body has regularly scheduled meetings to assess underlying economic developments, monitor progress toward achieving its monetary policy objective(s), and formulate policy for the period ahead, the advance meeting schedule should be publicly disclosed.

2.3 Changes in the setting of monetary policy instruments (other than fine-tuning measures) should be publicly announced and explained in a timely manner.

2.3.1 The central bank should publicly disclose, with a preannounced maximum delay, the main considerations underlying its monetary policy decisions.

2.4 The central bank should issue periodic public statements on progress toward achieving its monetary policy objective(s) as well as prospects for achieving them. The arrangements could differ depending on the monetary policy framework, including the exchange rate regime.

2.4.1 The central bank should periodically present its monetary policy objectives to the public, specifying, inter alia, their rationale, quantitative targets and instruments where applicable, and the key underlying assumptions.

2.4.2 The central bank should present to the public on a specified schedule a report on the evolving macroeconomic situation, and their implications for its monetary policy objective(s).

2.5 For proposed substantive technical changes to the structure of monetary regulations, there should be a presumption in favor of public consultations, within an appropriate period.

2.6 The regulations on data reporting by financial institutions to the central bank for monetary policy purposes should be publicly disclosed.

III. Public Availability of Information on Monetary Policy

3.1 Presentations and releases of central bank data should meet the standards related to coverage, periodicity, timeliness of data and access by the public that are consistent with the International Monetary Fund's data dissemination standards.

3.2 The central bank should publicly disclose its balance sheet on a preannounced schedule and, after a predetermined interval, publicly disclose selected information on its aggregate market transactions.

3.2.1 Summary central bank balance sheets should be publicly disclosed on a frequent and preannounced schedule. Detailed central bank balance sheets prepared according to appropriate and publicly documented accounting standards should be publicly disclosed at least annually by the central bank.

3.2.2 Information on the central bank's monetary operations, including aggregate amounts and terms of refinance or other facilities (subject to the maintenance of commercial confidentiality) should be publicly disclosed on a preannounced schedule.

3.2.3 Consistent with confidentiality and privacy of information on individual firms, aggregate information on emergency financial support by the central bank should be publicly disclosed through an appropriate central bank statement when such disclosure will not be disruptive to financial stability.

3.2.4 Information about the country's foreign exchange reserve assets, liabilities and commitments by the monetary authorities should be publicly disclosed on a preannounced schedule, consistent with the International Monetary Fund's [Data Dissemination Standards](#).

3.3 The central bank should establish and maintain public information services.

3.3.1 The central bank should have a publications program, including an Annual Report.

3.3.2 Senior central bank officials should be ready to explain their institution's objective(s) and performance to the public, and have a presumption in favor of releasing the text of their statements to the public.

3.4 Texts of regulations issued by the central bank should be readily available to the public.

IV. Accountability and Assurances of Integrity by the Central Bank

4.1 Officials of the central bank should be available to appear before a designated public authority to report on the conduct of monetary policy, explain the policy objective(s) of their institution, describe their performance in achieving their objective(s), and, as appropriate, exchange views on the state of the economy and the financial system.

4.2 The central bank should publicly disclose audited financial statements of its operations on a preannounced schedule.

4.2.1 The financial statements should be audited by an independent auditor. Information on accounting policies and any qualification to the statements should be an integral part of the publicly disclosed financial statements.

- 4.2.2 Internal governance procedures necessary to ensure the integrity of operations, including internal audit arrangements, should be publicly disclosed.
- 4.3 Information on the expenses and revenues in operating the central bank should be publicly disclosed annually.**
- 4.4 Standards for the conduct of personal financial affairs of officials and staff of the central bank and rules to prevent exploitation of conflicts of interest, including any general fiduciary obligation, should be publicly disclosed.**
 - 4.4.1 Information about legal protections for officials and staff of the central bank in the conduct of their official duties should be publicly disclosed.

GOOD TRANSPARENCY PRACTICES FOR FINANCIAL POLICIES BY FINANCIAL AGENCIES

- V. Clarity of Roles, Responsibilities and Objectives of Financial Agencies Responsible for Financial Policies⁴**
 - 5.1 The broad objective(s) and institutional framework of financial agencies should be clearly defined, preferably in relevant legislation or regulation.**
 - 5.1.1 The broad objective(s) of financial agencies should be publicly disclosed and explained.
 - 5.1.2 The responsibilities of the financial agencies and the authority to conduct financial policies should be publicly disclosed.
 - 5.1.3 Where applicable, the broad modalities of accountability for financial agencies should be publicly disclosed.
 - 5.1.4 Where applicable, the procedures for appointment, terms of office, and any general criteria for removal of the heads and members of the governing bodies of financial agencies should be publicly disclosed.
 - 5.2 The relationship between financial agencies should be publicly disclosed.**
 - 5.3 The role of oversight agencies with regard to payment systems should be publicly disclosed.**
 - 5.3.1 The agencies overseeing the payment system should promote the timely public disclosure of general policy principles (including risk management policies) that affect the robustness of systemically important payment systems.
 - 5.4 Where financial agencies have oversight responsibilities for self-regulatory organizations (e.g., payment systems), the relationship between them should be publicly disclosed.**
 - 5.5 Where self-regulatory organizations are authorized to perform part of the regulatory and supervisory process, they should be guided by the same good**

transparency practices specified for financial agencies.

VI. Open Process for Formulating and Reporting of Financial Policies

6.1 The conduct of policies by financial agencies should be transparent, compatible with confidentiality considerations and the need to preserve the effectiveness of actions by regulatory and oversight agencies

- 6.1.1 The regulatory framework and operating procedures governing the conduct of financial policies should be publicly disclosed and explained.
- 6.1.2 The regulations for financial reporting by financial institutions to financial agencies should be publicly disclosed.
- 6.1.3 The regulations for the operation of organized financial markets (including those for issuers of traded financial instruments) should be publicly disclosed.
- 6.1.4 Where financial agencies charge fees to financial institutions, the structure of such fees should be publicly disclosed.
- 6.1.5 Where applicable, formal procedures for information sharing and consultation between financial agencies (including central banks), domestic and international, should be publicly disclosed.

6.2 Significant changes in financial policies should be publicly announced and explained in a timely manner.

6.3 Financial agencies should issue periodic public reports on how their overall policy objectives are being pursued.

6.4 For proposed substantive technical changes to the structure of financial regulations, there should be a presumption in favor of public consultations, within an appropriate period.

VII. Public Availability of Information on Financial Policies

7.1 Financial agencies should issue a periodic public report on the major developments of the sector(s) of the financial system for which they carry designated responsibility.

7.2 Financial agencies should seek to ensure that, consistent with confidentiality requirements, there is public reporting of aggregate data related to their jurisdictional responsibilities on a timely and regular basis.

7.3 Where applicable, financial agencies should publicly disclose their balance sheets on a preannounced schedule and, after a predetermined interval, publicly disclose information on aggregate market transactions.

- 7.3.1 Consistent with confidentiality and privacy of information on individual firms, aggregate information on emergency financial support by financial agencies should be publicly disclosed through an appropriate statement when such

disclosure will not be disruptive to financial stability.

- 7.4 Financial agencies should establish and maintain public information services.**
 - 7.4.1 Financial agencies should have a publications program, including a periodic public report on their principal activities issued at least annually.
 - 7.4.2 Senior financial agency officials should be ready to explain their institution's objective(s) and performance to the public, and have a presumption in favor of releasing the text of their statements to the public.
- 7.5 Texts of regulations and any other generally applicable directives and guidelines issued by financial agencies should be readily available to the public.**
- 7.6 Where there are deposit insurance guarantees, policy-holder guarantees, and any other client asset protection schemes, information on the nature and form of such protections, on the operating procedures, on how the guarantee is financed, and on the performance of the arrangement, should be publicly disclosed.**
- 7.7 Where financial agencies oversee consumer protection arrangements (such as dispute settlement processes), information on such arrangements should be publicly disclosed.**

VIII. Accountability and Assurances of Integrity by Financial Agencies

- 8.1 Officials of financial agencies should be available to appear before a designated public authority to report on the conduct of financial policies, explain the policy objective(s) of their institution, describe their performance in pursuing their objective(s), and, as appropriate, exchange views on the state of the financial system.**
- 8.2 Where applicable, financial agencies should publicly disclosed audited financial statements of their operations on a preannounced schedule.**
 - 8.2.1 Financial statements, if any, should be audited by an independent auditor. Information on accounting policies and any qualification to the statements should be an integral part of the publicly disclosed financial statements.
 - 8.2.2 Internal governance procedures necessary to ensure the integrity of operations, including internal audit arrangements, should be publicly disclosed.
- 8.3 Where applicable, information on the operating expenses and revenues of financial agencies should be publicly disclosed annually.**
- 8.4 Standards for the conduct of personal financial affairs of officials and staff of financial agencies and rules to prevent exploitation of conflicts of interest, including any general fiduciary obligation, should be publicly disclosed.**

- 8.4.1 Information about legal protections for officials and staff of financial agencies in the conduct of their official duties should be publicly disclosed.

Annex: Definitions of Certain Terms

To facilitate presentation, certain general terms are used to capture different institutional arrangements in a summary fashion. The following descriptive definitions are used in the Code.

Central Bank

The institutional arrangements for assigning responsibility for the conduct of a country's monetary policy differ among the Fund's membership. For most Fund members, this responsibility is assigned to the central bank or to a system of constituent national central banks in a multinational central bank arrangement. There are a number of countries, however, where this role is designated to a "monetary authority" or to a "currency board."

To facilitate presentation, the term "central bank" in the Code refers to the institution responsible for conducting monetary policy, which may or may not be a central bank.

Financial Agencies

A wide range of institutional arrangements prevail among Fund members with regard to which unit of government carries exclusive or primary responsibility for the regulation, supervision, and oversight of the financial and payment systems. In a few countries, an agency has been established with responsibility for regulating and supervising an array of financial institutions (banking, insurance, and securities firms) and markets (securities, derivatives, and commodity futures). For most countries, the oversight responsibility for the financial sector is shared among several agencies. Thus, responsibility for the conduct of bank regulation and supervision or for bank deposit insurance policies in some countries is assigned to the central bank, or to an independent bank supervisory or deposit insurance agency, or split among several units of government. Similarly, responsibility for the conduct of policies related to the oversight of certain categories of financial institutions is assigned to the central bank or to a specialized agency. In some cases (e.g., payment systems) a public agency oversees the activities of private sector self-regulatory bodies. To facilitate presentation, the phrase "financial agencies" is used to refer to the institutional arrangements for the regulation, supervision, and oversight of the financial and payment systems, including markets and institutions, with the view to promoting financial stability, market efficiency, and client-asset and consumer protection. (Where the central bank carries responsibility for financial policies, some of the good transparency practices listed for financial agencies in Sections V-VIII of the Code are already specified in the transparency practices listed for central banks in Sections I-IV of the Code.)

Financial Policies

The term "financial policies" in the Code refers to policies related to the regulation, supervision, and oversight of the financial and payment systems, including markets and

institutions, with the view to promoting financial stability, market efficiency, and client-asset and consumer protection.

Government

Unless a particular unit of government is specifically identified in the Code, reference to "government" in the Code refers either to the executive branch of government or to a particular ministry or public agency, depending on the issue at hand or the established tradition of government in particular countries.

¹In addition to the Bank for International Settlements, the following international and regional organizations and international financial sector groupings were consulted: Basel Committee on Bank Supervision (BCBS), Center for Latin American Monetary Studies (CEMLA), Committee on Payment and Settlement Systems (CPSS), European Central Bank, International Association of Insurance Supervisors (IAIS), International Finance Corporation, International Organization of Securities Commissions (IOSCO), Organization for Economic Cooperation and Development (OECD), and the World Bank.

²The practices in this area should be consistent with the principles of the International Monetary Fund's [*Code of Good Practices on Fiscal Transparency*](#).

³The principles for transparency procedures listed in this Code, where applicable and adjusted as necessary, apply where a separate public agency has been designated to manage the country's public debt.

⁴Refer to the Annex for definitions of financial agencies and financial policies.