

Magazine

INTERNATIONAL COOPERATION

Issue 3 / 2022



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Interview

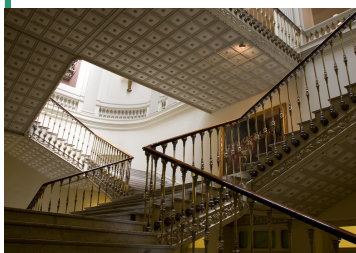


Javier Pacios.

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Corner staircase to the Executive Commission Boardroom, with its characteristic gilded metal and wood handrail together with its richly decorated lower frieze.

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Red Sphere sculpture commissioned by the Banco de España to Jesús Rafael Soto in 1992, suspended 12 metres from the floor at Alcalá, 522.

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Executive Commission Boardroom, located on the Cibeles corner, with its large window overlooking Plaza de Cibeles.

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JAVIER PACIOS

Associate Director General Services



Javier Pacios.

You are currently Associate Director General Services, but, in your previous position as Director of the Control, Budget and Accounting Department, over the last eight years you have been a prominent figure at different international fora and participated as a guest and a speaker at these meetings. Based on your experience, which aspects of international cooperation stand out for you?

It has given me the opportunity to meet lots of colleagues from other central banks, in my case, mainly from Latin America and the sphere of influence of the Center for Latin American Monetary Studies (CEMLA), and to share with them best practices and expertise in common subjects. It helps us gain

a deeper insight into the areas we work in, which helps us understand different ways of approaching and considering problems that, in many cases, are similar. I think it's a personally and professionally enriching activity.

Based on your experience at the Banco de España, how do other areas perceive international cooperation? Are the Bank's different areas aware of the scope and contents of the international cooperation activities?

In general, I think that most of the Bank's areas are aware of, and view very favourably, the international cooperation activities. They ultimately take place via the Bank's different areas collaborating with those of other central banks. Therefore, all of the areas that participate in any of the many programmes that are implemented will necessarily be aware of the international cooperation activities. With this in mind, and considering that international cooperation is being conducted highly satisfactorily, I believe that the general perception is very positive.

In your new role as Associate Director General, dealing with a wider range of areas (security, health and safety at work and general services, among others), how can international cooperation help other countries in their institutional arrangements and bolster the Banco de España?

While it is still too early for me to be able to answer your question fully, I think that contact with other central banks in some of these activities can be positive for us, just like it has been in the areas where I have participated throughout my professional career.

After two years of the pandemic, and the severe economic impact it has had on most countries, will international cooperation change tack or

will it focus on certain areas, aimed at tackling the challenges posed by the pandemic and its negative impacts?

Many of our activities have been upended by the pandemic. This also applies to how international cooperation has been conducted. The sharp drop in travel and face-to-face meetings and virtual meetings becoming the norm, often across different time zones, have limited many international cooperation activities. The format and, in many cases, the contents of the meetings also had to be changed, limiting the capacity for personal communication in some cases. Also, this situation has enabled better time management in some instances, by reducing or eliminating trips that ate up time and resources. In my opinion, once the pandemic is over, we will be able to strike an appropriate balance between face-to-face and virtual activities. This will have some advantages over the pre-pandemic situation.

On a more personal note, which of the international cooperation activities that you've been involved in has left the biggest mark on you?

Several assignments conducted in collaboration with the central banks of Costa Rica and El Salvador, all in connection with accounting and internal control, which granted me the opportunity to gain detailed knowledge of how these areas operate at those central banks and propose improvements. I also have fond memories of a seminar that I organised in collaboration with the CEMLA at the Banco Central de Cuba, which allowed me to share with them the legislation and systems we apply at the Eurosystem central banks.

What does the future hold for international cooperation?

I think that international cooperation is of the utmost importance in our global world and must remain so going forward. This will enable us to share knowledge and expertise with other central banks, benefiting those of us who participate in these activities.

BIOGRAPHY

Javier Pacios

Javier holds a Degree in Economics and Business Studies from Universidad Autónoma de Madrid. He joined the Banco de España as a specialist in 1984. He has post-graduate training in economics and accounting and in management. After holding various leadership positions, he was appointed Director of the Control, Budget and Accounting Department in 2013, a position he held until September 2021. He has represented the Banco de España as a member of various international committees and working groups. He has also combined his professional career with teaching post-graduate accounting and financial mathematics courses. He was appointed Associate Director General Services on 14 September 2021.

INTERNATIONAL COOPERATION IN FIGURES

2 021 was a year of learning to live with the pandemic, in which we became acclimatised to the circumstances and surpassed pre-pandemic activity figures, conducting a total of 247 activities.

25 scheduled activities were conducted, with 2,422 participants and 138 speakers from the Banco de España. They were adapted so they could be held virtually, reducing the number of days, and at times compatible with the different geographical areas. The activities were more widely disseminated, resulting in a significant increase in beneficiaries.

154 Banco de España members of staff responded to 73 consultations. Rather than mere questionnaires, these consultations tend to be somewhat complex matters, raised in writing and that often require the participation of several areas in collaboration with each other.

147 activities classified as “Other technical assistance”. This heading includes questionnaires and brief enquiries submitted by email (43) and 39 videoconferences. Due to the restrictions on movement, Banco de España staff’s missions to other institutions and delegation visits to the Banco de España fell sharply. However, these activities were rearranged as videoconferences. A further 58 videoconferences, substituting the missions and visits by delegations to the Banco de España, in addition to the 39 mentioned above, were held. This format has now cemented itself as a cornerstone of international cooperation activities and it will undoubtedly remain that way regardless of how the situation evolves.



In 2021, because of their virtual format, at four of the activities scheduled, questions raised by the attendees during the activity that could not be addressed during the sessions could be answered. The new “inverse cooperation” heading is also noteworthy. On three occasions, the Banco de España was the institution requesting and receiving other central banks’ knowledge and expertise.

In December, **three Banco de España staff members, on two different missions,** travelled to other institutions.

In total, 774 Banco de España staff members were involved in these activities, which benefited 5,675 people from other institutions.

In line with the Strategic Plan 2020-2024 priority of cementing the Banco de España’s position as a leading central bank in Ibero-America, this region remained the main recipient of the international cooperation activities in 2021 (almost 60%). Uruguay, Chile, Colombia, Brazil and Mexico were the five countries with the highest number of activities.

INTERNATIONAL COOPERATION IN FIGURES

2019

- 214 activities
- 633 Banco de España staff members
- 2,231 beneficiaries from other institutions

2020

- 178 activities
- 537 Banco de España staff members
- 3,883 beneficiaries from other institutions

2021

- 247 activities
- 774 Banco de España staff members
- 5,675 beneficiaries from other institutions

BANCO CENTRAL DEL URUGUAY Communication Department

Last November, the Director of the Communication Department, Víctor Márquez, made a technical cooperation visit to the Banco Central del Uruguay. The institution organised a seminar, “Strategic keys to central banking communication”, which addressed the challenges central banks face when optimising how they communicate with the general public.

Over the course of three days a series of intensive meetings were held with the Banco Central del Uruguay’s Directorate at its Montevideo headquarters. Different takes on communication as a strategic central banking tool and on how to overcome different stereotypes of how this tool should be implemented were analysed at these meetings. The attendees also studied fresh perspectives on how to use this tool to improve society’s perception of our institutions and make our communication more effective. In the words of Diego Labat, President of the Banco Central del Uruguay, the meetings addressed “the challenges ahead for communication applied to governance matters”.



Diego Labat, President of the Banco Central del Uruguay Víctor Márquez, Director of the Communication Department Washington Ribeiro, Vice-president of the Banco Central del Uruguay.



Víctor Márquez and Diego Labat at the end of the sessions.

The use of novel language, of vehicles intended for specific audiences and the work of communication departments as generators of intelligence for central banks were all discussed at the highest level, in addition to the possible paths that communication as a tool should tread to maximise its impact on society.

BANCO CENTRAL DE BOLIVIA Internal Audit Department

What would you like to highlight as the most positive aspects of the experience with the Banco Central de Bolivia and as the biggest challenge posed by this week-long “virtual mission”, featuring a team of 22 experts from the area, to address and debate the internal audit function at central banks according to the Banco de España’s experience?

The biggest challenge was setting up such a broad meeting to exchange expertise with auditors we didn’t



Luis E. Pardo Merino, Director of the Internal Audit Department.

know, in an online environment. It wasn't just a question of conveying our knowledge and work methods, but also of discovering theirs and of opening up a debate on best practices in those facets of our activity that could be comparable. Judging by the appraisals, it looks like we ultimately achieved our objective.

It is important to highlight the collaboration of our International Cooperation colleagues, as our department did not have any experience of organising this type of activity, in addition to the added difficulty of the seminars being held virtually with attendees from time zones with a considerable time difference. However, their availability and willingness made our task much easier and ensured the activity's success.

With this type of activity, in addition to being professionally enriching for both parties, we understand that we help promote the activity of the Internal Audit Department of the Banco de España outside the European System of Central Banks (ESCB) and the Single Supervisory Mechanism (SSM), where we are already considered to be a benchmark. As a result, our work contributes to the attainment of objective 4 of the Banco de España's Strategic Plan, "Increasing the Bank's influence over its areas of activity", meaning we're in step with the actions under initiative 4.2.iii (Position the Banco de España as a leading central bank in Latin America).

Despite the difficulties that the pandemic has posed for such a long time and the challenge for these events and technical meetings, was conducting an effective technical cooperation activity possible? If so, do you think repeating this format is possible or would a face-to-face mission provide other benefits?

As I said earlier, and judging by the appraisals of the meeting, the technical cooperation activity was

indeed very effective. Compared with a mission, this format means a lot more Banco de España staff members can participate, resulting in a wider range of expertise being shared. Indeed, not only did members of the Internal Audit Department participate in these seminars, but we were also fortunate to have colleagues from Financial Risks, to whom we are very grateful, involved. In addition, this videoconference format is very attractive because of its low cost, as it enables a high number of participants to attend from several institutions and without the need to travel. Moreover, holding these meetings for two or three hours a day is a lot more tolerable for the attendees, compared with the full day that these face-to-face events and meetings normally require. In sum, the virtual format is tremendously positive and entirely repeatable. Face-to-face missions would be more geared to exchanging knowledge and expertise in very specific areas that require close bilateral contact and address very specific and particular subjects.

Do you think that these international relations activities benefit the area and the Bank?

No question! First, because, as I said earlier, this type of activity is enriching for both parties. It also opens our minds to other possibilities and ways of doing things, by learning, of course, from the other party's experiences. In addition, and no less important, we believe that the involvement of our team is essential to projecting the Bank's image abroad, since it is the team members who make up our department, and this type of activity helps raise awareness of the quality of our work and of the Banco de España's role on the international scene. Furthermore, based on my experience with collaborators in my department, they find international activity very attractive and motivating.

CENTRAL BANK OF THE REPUBLIC OF AZERBAIJAN Human Resources Department



Central Bank of the Republic of Azerbaijan.

One particularly noteworthy mission in 2021 was that conducted alongside the Central Bank of the Republic of Azerbaijan. It was a mission which the Central Bank of the Republic of Azerbaijan requested from the Banco de España in 2019, consisting in two experts from our Human Resources Department travelling to their institution for a few days to share technical knowledge and expertise in this field.

While the outbreak of the pandemic halted the trip, the central bank's interest remained undimmed. In 2021 it reiterated its desire for the cooperation activity with our experts to go ahead. The areas confirmed their availability to prepare this collaboration. A suitable online schedule addressing all the matters of interest and intended for all the beneficiary institution's specialists was organised because mobility restrictions were still in place. The topics of interest addressed included the new staff orientation program, the learning management system, internal training, the talent management

system, the performance appraisal and motivation system, workforce planning, performance and job evaluation policies, and the remuneration policy.

The efforts of our Human Resources Department and our Organisation and Planning Division to prepare talks, materials and presentations resulted in the organisation of a two-day online mission to be held on 19 and 20 October. Specialists and experts from the Human Resources Department's Training, Development and Recruitment 1 and Recruitment 2 Units and the Organisation and Planning Division's Planning and Organisation and Processes Units participated in the mission. Upon conclusion of the mission, the Central Bank of the Republic of Azerbaijan expressed its gratitude for the collaboration, noting that the experience shared with the Banco de España's Human Resources Department would benefit the practices of its own Human Resources Department, emphasising in particular the significant contribution of the learning management system-related matters.

MEMORANDA OF UNDERSTANDING SIGNED IN 2021

Memoranda of Understanding (MoUs) between the Banco de España and our central bank peers or international financial institutions are a key tool for boosting our action abroad. These MoUs, which are normally executed with institutions with which the Banco de España is already conducting ongoing fruitful collaborations, help afford greater stability to the relations and promote the development of initiatives and projects that are important to the parties.

The Banco de España currently has 14 MoUs, mostly executed with Ibero-American financial institutions or central banks. Since its approval, the Strategic Plan 2020-2024 has informed decisions on the selection of the institutions with which to execute these MoUs and on the courses of action to implement them.

Two MoUs were signed in 2021. The first of them was executed in July with the Banco Central del Uruguay, with which the Banco de España had already been collaborating closely. Among the activities conducted in 2021, mention should be made of the 2021 Gender and Central Banking Seminar (where recent research in this field conducted by the Structural Analysis and Microeconomic Studies Department of the Directorate General Economics, Statistics and Research was presented), the exchanges with the Communication Department (to address the social network policy and the strategic keys to central banking communication) and the responses to several consultations issued by the Directorates General Services and Cash and Branches.



Diego Labat, President of the Banco Central del Uruguay, (left) and Jorge Christy, Secretary-General of the Banco Central del Uruguay, (right).

This MoU joins those already in force with the central banks of Mexico, Brazil, Chile, Peru, Colombia and Argentina, and with other Ibero-American institutions such as the Center for Latin American Monetary Studies (CEMLA), the Executive Secretariat of the Central American Monetary Council (CAMC), CAF-Development Bank of Latin America and the Latin American Reserve Fund (FLAR).

The second of the MoUs signed in 2021 was executed in October with the Central Bank of Tunisia, after relations between the Banco de España and this institution had gradually grown closer since 2018. As part of this collaboration, mention should be made of the joint organisation with the European Institute of the Mediterranean (IEMed) of successive editions of the Conference of the Governors of Mediterranean Central Banks. In addition, the signing of this agreement is in line with the ESCB's growing interest in undertaking coordinated action to cooperate with and assist central banks in Africa.



Spanish and Tunisian press clippings on the signing of the MoU.

INTERNATIONAL COOPERATION AS PART OF THE ESCB

National Bank of Serbia, Internship

As part of the **Programme for Strengthening the Central Bank Capacities in the Western Balkans**, run jointly by ESCB national central banks with a view to the integration of candidate countries and potential candidates into the European Union (EU), the Banco de España, together with the Narodowy Bank Polski, organised an internship for the National Bank of Serbia on 21-22 October 2021.

Over the course of the two days, a total of seven Banco de España specialists from the European Relations and International Relations Divisions (part of the International and European Relations Department) and the Global Prudential Policy and Impact Analysis Division (part of the Regulation Department) engaged in presentations and discussions with a team of six experts from the National Bank of Serbia, covering a broad range of topics relating to the ESCB's and the Banco de España's international relations.



National Bank of Serbia.

Specifically, the topics addressed included the coordination of procedures relating to the ECB Governing Council and an overview of its various committees; relations with the EU Economic and Financial Committee, the Bank for International Settlements and the Basel Committee on Banking Supervision; and the processing and management of ESCB information. This internship was an excellent opportunity to discuss key aspects of international relations and set out the Banco de España's own procedures and management, as well as to exchange questions and share best practices with the team from the National Bank of Serbia, which warmly welcomed the chance to build on its expertise in this area of central banking.

Programme for Western Balkans central banks

The **Programme for Strengthening Central Bank Capacities in the Western Balkans with a view to integration into the European System of Central Banks** was launched in **March 2019**. The Banco de España is actively involved in this two-year programme funded by the European Commission. The initiative aims to strengthen the institutional capabilities of the central banks and supervisory bodies of the Western Balkans. As part of the programme, a training event entitled "EU Integration, governance and compliance issues" was held on 23-25 November 2021 in Ljubljana (Slovenia).

The event's activities and presentations were jointly organised by central banks from four EU countries:



Panel chaired by Paloma Marín and María García.

Slovenia, Czech Republic, Croatia and Spain. Paloma Marín Bona, Director of International and European Relations, and María García Lecuona, a specialist in European affairs from the same department, gave a presentation on EU economic governance and European integration in the light of the lessons learned from the COVID-19 crisis.

It was an enormously rewarding experience for both Paloma and María. This well-organised event and the participants' enthusiasm and dedication created an optimal environment for sharing knowledge and experience, as well as for learning from each other. Discussion of the European economic response to the COVID-19 crisis and its impact on the momentum behind integration saw the participants discuss their institutions' response to the pandemic-related challenges in their economies.

Both found it inspiring to listen to accounts of mutual support between countries, of creativity in addressing the challenges thrown up by the health crisis and of resilience in the face of adversity, all from candidates and potential candidates to join us as EU members and to form part of this new European project.

Internal Audit

The Internal Audit Department conducts audits jointly with the other Eurosystem/ESCB central banks and SSM national competent authorities, in coordination with the Internal Auditors Committee (IAC) through its working groups. The scope of these audits includes the functions and activities of the Eurosystem, the ESCB and the SSM, which we all share and implement on a decentralised basis. Taking part in these working groups is one of the most enriching activities that our department is involved in. Over time, the members of these multidisciplinary and multicultural teams gain noticeably in collective experience and expertise, all while guided by a single objective: to drive governance and risk management improvements within the highly complex structure of the Eurosystem, the ECB and the SSM.

In May 2020, we were afforded the opportunity to take part in the Programme for Strengthening Central Bank Capacities in the Western Balkans with a view to Integration into the European System of Central Banks, specifically in an Internal Audit training event together with internal auditors from the central banks of Belgium and Slovenia.

At the preliminary meetings held in preparation for the event, we discovered familiar faces among our Belgian and Slovenian colleagues: an audit mission in 2016, a working group in 2019, a seminar in 2020, paths that had crossed during other IAC activities.



Cyber security week.

This was entirely apparent during the seminar, where a sense of mutual understanding was, I think, shared by our guests. After more than 20 years of conducting audit missions together under the auspices of the IAC, we internal auditors of Eurosystem/ESCB central banks have forged a strong sense of coordination and common understanding when it comes to our procedures.

The topics discussed were those currently on the agenda of any internal audit department, in particular, how can we apply the latest tools offered by data science to our work? And how can we audit the world of cyber security? Discussing the latter was our job, and is the reason for writing this contribution to the review. But we will spare you a discussion of IT risks and their importance in our day-to-day lives, something the Information Systems Department reminds us of daily. We want to discuss facts, and specifically one that the world of cyber security has led us to rediscover: the value of cooperation. The “bad guys” (so often ahead of the curve) are certainly well aware of this and put it to use. Which leaves us no choice but to do the same.

Francisco Oviedo
Internal Auditor.

“GENDER AND CENTRAL BANKING SEMINAR”, CENTRAL BANK OF URUGUAY

23-24 November 2021

In November, the Gender Equality Committee of the Banco Central del Uruguay organised a seminar on women at central banks. The seminar aimed to further the process initiated by the Banco de España with the Bank Al-Maghrib in 2018, when they organised the first forum to promote female leadership in central banking. This was subsequently extended to other Ibero-American central banks in 2019.

On a personal note, I had the opportunity to take part in the “Gender and Central Banking Seminar”, where I presented an ongoing project called “Gender gaps in professional careers. The experience of the Banco de España”, together with Olympia Bover (Banco de España) and Ana Lamo (European Central Bank). This is part of an emerging avenue of research made possible by cooperation between human resources departments and the analysis conducted by institutions such as ours. Of course, the backing provided by the Banco de España has been critical. This support owes to the central bank’s commitment to driving gender equality, where important headway has been made in recent years, to the point of reaching gender parity in the workforce.

The information available for our analysis comprises anonymised employee records covering their time at the institution, which allows us to study their careers and, in particular, any gender differences therein. This is a uniquely rich source of information, which we can use to associate wage profiles with the employees’ demographic characteristics and the conditions of the posts they hold. Further, staff movements within the institution can be assessed, along with

the selection processes in which employees have taken part.

Our analysis reveals that the average salary gap between men and women employed by the Banco de España is 16%, meaning that on average men earn 16% more than women. This gap is calculated based on gross data, and therefore may owe to differences in the employees’ individual characteristics. Once the demographic characteristics and marital / parental status (spouse and/or children) are taken into account, the gap narrows to 9%. When characteristics such as years of experience and professional field are factored in, the gap narrows to 8%. Factoring in the professional group closes the gap entirely, except for women with children, for whom a significant gap of 5% persists. In any event, it is important to bear in mind that, unlike the other characteristics considered, the employee’s professional group is not unrelated to their professional career. In sum, the main factors underlying the wage gender gap are work-life balance and promotions.

Events such as that organised by the Banco Central del Uruguay help to disseminate our research, which, in turn, serves as reference material for other institutions. In fact, several central banks are conducting similar analyses in their own countries.

Laura Hospido

Head of Microeconomic Analysis.



MEETING OF THE CENTRAL AMERICAN MONETARY COUNCIL 9-10 December 2021



The Central American Monetary Council (CAMC) was founded on 25 February 1964, paving the way for the creation of the “System of Central American Central Banks”, whose governing bodies are the CAMC, the Consultation and Action Committees and the Executive Secretariat.

The CAMC currently comprises the presidents of the central banks of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic. The CAMC contributes to the dialogue on relevant macroeconomic topics for the monetary and financial policy of these countries, while providing a wealth of statistical information and analysis relating to Central American economies.

On this occasion, Juan Ayuso, Director General Operations, Markets and Payment Systems, attended the meeting as guest, giving a presentation entitled “Central Bank Digital Currency”. Digital currency is a highly topical issue for central banks and other bodies, such as the Bank for International Settlements, the IMF and the Center for Latin American Monetary Studies. The presentation focused chiefly on the digital euro, covering key aspects such as the objectives and rationale for issuing a digital currency, the risks involved, the basic requirements and the process that must be followed.

The Director General's participation came as part of a cooperation agreement signed between the Banco de España and the Executive Secretariat of the CAMC in 2019.

EUROPEAN CENTRAL BANK

The ECB's International Cooperation Office (ICO) maintains and nurtures relations with central banks in emerging economies, in particular with members of the G20 and with candidate countries for EU membership. It also works with regional organisations of central banks and with ad hoc organisations, at their request. Within the ECB, the ICO coordinates cooperation with other central banks around the world, working particularly closely with other members of the Eurosystem and the ESCB.

The ICO's activities reflect the ECB's role as an important central bank in the global economy, committed to strengthening relations with central banks in emerging economies, to fostering sound central banking practices and to acquiring knowledge that can inform the ECB's decision-making process. In cooperation with colleagues from the ECB, the ICO provides a platform for discussing the ECB's policies and practices with other central banks, in addition to nurturing shared knowledge drawn from analytical studies and their underlying rationale.

Given that the ECB is a European institution, the ICO also supports the institutional development of the candidates and potential candidates for EU membership, by providing a forum for discussing topics of mutual interest. The international technical assistance initiatives benefit from solid cooperation across the ESCB, whose national central banks provide highly valued support under EU-funded programmes in the Western Balkans.

The ECB has especially strong and enduring ties with the Banco de España. The two central banks have worked closely together over the years – united by common objectives and best practices – in analysis initiatives, policy meetings and other central banking projects (particularly in activities related to Latin America). The ICO hopes to continue this fruitful



Katrin Arnold, Head of International Cooperation Office & Team Lead Economist, European Central Bank.

cooperation and close interaction through various projects and activities in the years ahead.

Such close coordination with our associate central banks, both within the EU and elsewhere around the world, is more important than ever. At present, we are chiefly harnessing digital platforms in our work, which has helped increase cooperation opportunities. Nonetheless, in-person meetings still offer enormous benefits: they provide a more nuanced view and serve as a particularly important means of building trust, which is critical to any cooperation. Future cooperation must offer the best of both worlds, combining the advantages of virtual and in-person communication.

Key central banking issues will remain the focal point of our cooperation. These will include governance issues (such as central bank independence), monetary policy and its implementation, financial stability, banking supervision and payment systems. Some of these key topics are attracting considerable attention in today's rapidly evolving world, including how to address unprecedented impacts and problems such as climate change and digitalisation (including central bank digital currencies).

Once again, close cooperation and mutual understanding between like-minded people has proven itself to be the best way forward and to benefit us all. The ICO is committed, now more than ever, to playing its part.

BANCO DE LA REPÚBLICA



Meeting at an event organised by the Banco de la República jointly with the BIS and the CEMLA, in Cartagena de Indias.

Interaction between central banks plays a major role in strengthening capabilities in relation to monetary policy conduct and the functions entrusted to central banks. This brings multiple benefits, such as developing competencies and capabilities, sharing knowledge and good practices and exchanging views on various topics of interest. The agreement signed with the Banco de España, now in the implementation stage, has been a cornerstone of the Banco de la República's international cooperation activities.

Since its creation in August 2018, the International Affairs Unit has centralised management of the Bank's relations with international bodies and institutions, with international investors in Colombian financial markets and with other central banks, as part of its strategic priorities. In relation to this work, the unit is entrusted with overseeing technical cooperation agreements with different central banks and governments, organising cooperation activities with central banks and international bodies and institutions, managing the Banco de la República's participation in international meetings and fora, and coordinating the implementation of international technical assistance programmes at the Bank.

To date, the Banco de la República has signed cooperation agreements with the central banks of Spain, Mexico, Paraguay, Ecuador and South Korea, along with the Swiss Government through an Economic Cooperation and Development agreement (SECO). The agreement signed with the Banco de España has allowed the



Andrés Murcia.

Banco de la República to benefit extensively from the Spanish central bank's expertise in a number of areas, including tools and techniques for international economic analysis, accounting regulations and financial innovation, in addition to gender equality in central banking. The Banco de España's International Cooperation Division has played a key role in coordinating these initiatives.

This unit is working to magnify the benefits of international cooperation at the Banco de la República by addressing certain challenges that have emerged. For instance, the pandemic meant virtual channels were increasingly used to organise cooperation and training events, allowing a significant increase in the number of cooperation activities and the size of the audience. Further, to ensure meaningful results in all areas of the Banco de la República, international cooperation needs to be more widely disseminated within the Bank and harnessed more frequently, with information on such cooperation and training activities circulated throughout the institution.

Andrés Murcia¹

¹ Director of the International Affairs Unit of the Banco de la República. The opinions expressed herein are the sole responsibility of the author and do not reflect the views of the Banco de la República or its Board of Directors. The contributions of Carolina Velásquez in preparing this article are gratefully acknowledged. Any errors or omissions are the author's sole responsibility.



Margarita Delgado Tejero.

International cooperation is key to meeting the strategic objective of increasing the Banco de España's influence worldwide, and particularly in Ibero-America. Success in this endeavour will unquestionably necessitate cooperation across all areas of the Bank.

Given the prolonged nature of the pandemic, we have had to maintain the necessary flexibility to adapt to the international restrictions on movement and the needs of each partner institution or beneficiary.

During this time, we have integrated new formats for virtual meetings and events in our day-to-day business, while continuing to provide an effective response to the growing demand for technical assistance, all against the backdrop of the pandemic. We have also had to adapt the topics addressed in our meetings as dictated by contemporary developments.

In 2021, we continued working to deepen cooperation with central banks, banking supervisors and other regional institutions in Ibero-America, which is the priority region for the Banco de España. Our efforts to drive cooperation activities with other regions likewise continued, including activities with central banks in Africa and in candidate countries for EU membership. During 2021, 774 of the Bank's staff worked with 5,675 representatives from institutions and central banks that are beneficiaries of our cooperation activities.

I would like to thank you all for your demonstrable commitment and to congratulate you on your outstanding work.

Margarita Delgado Tejero

Deputy Governor of the Banco de España and
Chair of the International Cooperation Committee.

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