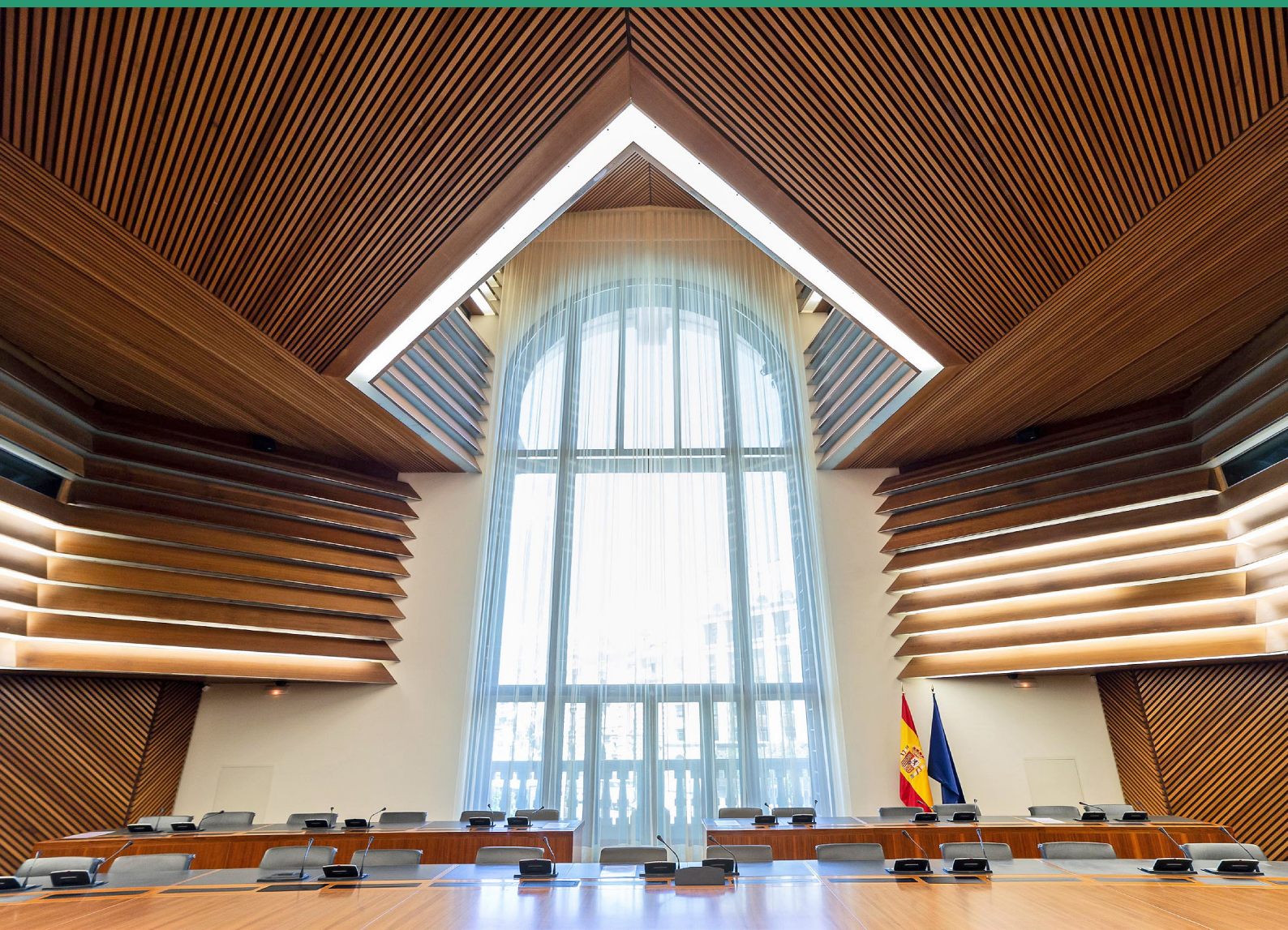


Magazine

# INTERNATIONAL COOPERATION

Issue 4 / 2023



| Interview with  
Jaime Herrero

| Memoranda of understanding  
signed during the year

| Missions

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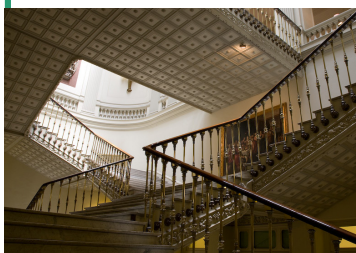


## Interview



Jaime Herrero.

## Missions



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

## Memoranda of understanding signed



Executive Commission Boardroom in the Cibeles headquarters. Notable for the large window overlooking the square.

## Activities



*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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## JAIME HERRERO

Deputy General Secretary and Associate Director General of the Banco de España and Deputy Secretary to its Governing Council and Executive Commission



Jaime Herrero.

**J**aime, you're a regular fixture at various international fora, as a guest or a speaker, so we'd like to ask you a few questions.

### What aspects of international cooperation would you highlight?

Fundamentally, international cooperation offers the chance to directly and efficiently learn from and work with other central banks and their staff. It is also a way for the Banco de España to head global initiatives, which makes us a leading central bank in areas in which we have a great deal of know-how and experience.

### What has most surprised you about the work of International Cooperation?

How open other central banks are to the various programmes we can offer them. This is especially noticeable when we are able to deliver concrete solutions that can be implemented in other institutions, and even more so when they are based on our own internal regulations or best practice that we have developed over the years. I would also like to highlight that, as central banks, we often have

common approaches to both the issues that arise in the exercise of our functions and the changes needed to our own structures and duties.

### In your experience at the Banco de España, how is International Cooperation seen in other areas? Do you think there is an internal awareness of what it involves?

Of course, it should come as no surprise that individual areas tend to know more about what goes on in the other areas closest to them. However, various initiatives have been put in place recently that help to raise awareness of the work of International Cooperation across the Bank. Among these are the International Seminar on Central Banking (involving various areas), this Review and pieces in the Institutional Report, in addition to the work done by the International Cooperation Committee, which is made up of representatives from across the Bank.

### From your perspective as Deputy General Secretary, at a time when central banks are adjusting to a new international environment, how do you think International Cooperation can help to build up the institutions of other countries and strengthen the Banco de España itself?

International Cooperation definitely has a role to play in both aspects. For example, we have the experience of the two programmes that we oversee within the General Secretariat (relating to governance and document management), as a result of which the Banco de España has become a leading central bank in these fields. You have to remember that when we started – more than a decade ago – with the launch of the Governance Programme (which covers numerous issues, such as central bank independence, transparency, functions, structure and organisation), these topics were not at the forefront as they are now, when they're growing in importance

day by day. We see the same thing happening in document management and archiving, with the launch of several initiatives focusing on modernising how our institutions handle documents.

**After two years of the pandemic and the severe economic impact it has had on most countries, do you think that International Cooperation should change tack and focus on certain areas that can ease these adverse effects?**

In my opinion, against that backdrop and other, later, developments (the invasion of Ukraine), International Cooperation has to focus on those areas of action most affected by recent events. So, some of the traditional functions of central banks, with regard to monetary policy, financial stability and economic projections, for example, are absolutely key. That said, we also have to realise that, in recent years, some issues that pose a global challenge for public and private institutions have acquired greater importance. They include the digital transformation of institutions, and entities, like ours, which are fundamental to the workings of the State, becoming more transparent and open to society.

**On a more personal note, which of International Cooperation's activities that you've been involved in has left the biggest impression?**

The work has always been satisfying, especially where it concerns Latin American institutions, so this is a difficult question for me to answer. But if I had to choose, I'd say two things. First would be the governance programmes, where I worked hand in hand with the leaders and senior staff of a number of Latin American central banks (including Uruguay, Chile, Argentina, the Dominican Republic and Cuba, as well as some from Central America). This gave me

the chance to be involved in a wide range of issues, including launching strategic initiatives and adapting their legal charters or structures, as well as making other organisational changes. Second would be the two programmes that we led. With our drive and coordination, we managed to put together stable groups of national experts in both areas, raising awareness of certain fora that previously lacked those communication channels.

**What does the future hold for International Cooperation?**

I'm optimistic, for sure. First, because we receive ever more requests for advice from third countries as far apart as the Balkans and Africa and the Maghreb. Second, because the global reach of virtual media and resources enables us to work with institutions around the world and to create stable partnership networks much more easily than in the past.

## BIOGRAPHY

Jaime Herrero is the Deputy General Secretary and Associate Director General of the Banco de España and Deputy Secretary to its Governing Council and Executive Commission. He is also the secretary of the Audit Committee and sits on various internal Banco de España committees.

With a Degree in Law from the University of Salamanca and another in Public and Budget Accounting, he is a lawyer and auditor who joined the Banco de España in 1989 as Legal Counsel. He has since held various roles, including Deputy Director of the Legal Service and Director of the Technical Secretariat.

He specialises in central bank and financial supervision organisation, and has held leadership roles in various (institutional, legal and financial) areas at the Banco de España. He represents the Banco de España on several committees and is a regular speaker at various renowned national and international fora. He is a professor at the Judicial School and the Centre for Legal Studies of the Spanish Ministry of Justice.

# INTERNATIONAL COOPERATION



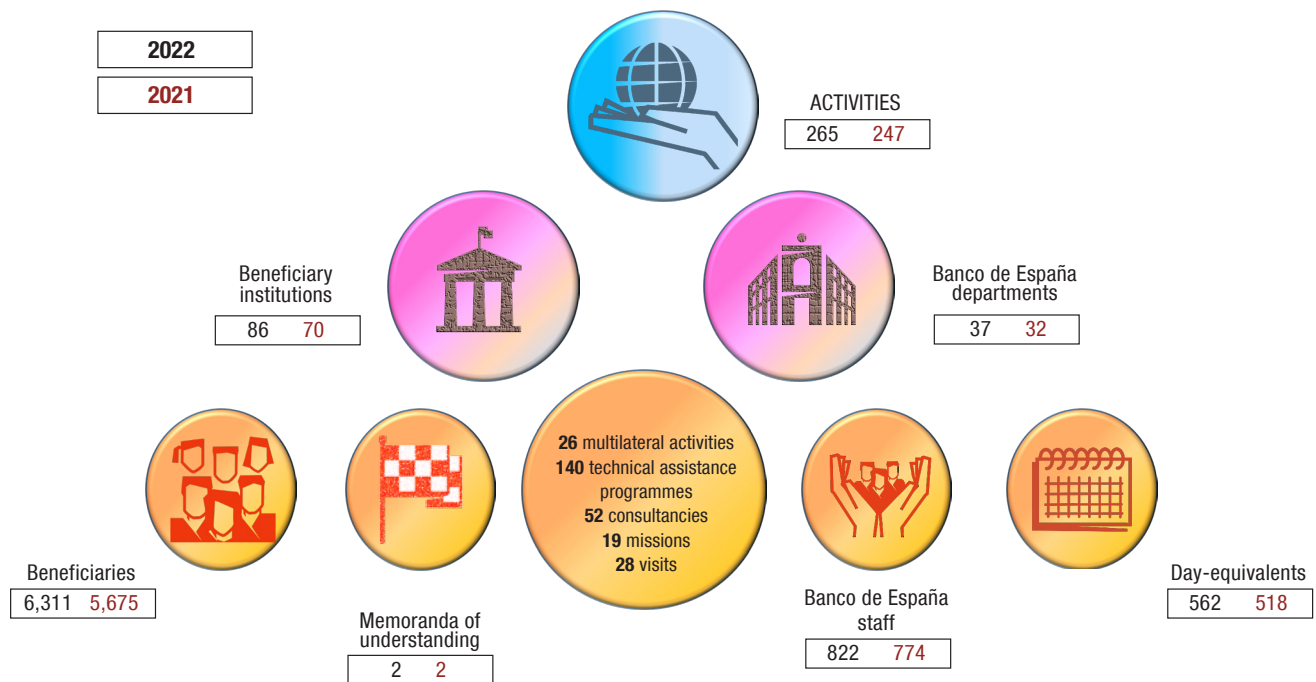
## COOPERATION IN FIGURES

Following the easing of the pandemic-related restrictions, in-person activities picked up again in 2022, although many lessons have been learned regarding the usefulness and effectiveness of virtual formats. The year saw a new high for international cooperation activities since records began.

This year, both virtual and in-person formats were used once more, which meant that our reach continued to grow, leading to a significant increase in the number of beneficiaries.

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 international cooperation activities in 2022 (almost 60%). Memoranda of understanding were also signed with the **Banco Central del Ecuador** and the **Banco Central de Bolivia** to bolster bilateral relationships in the region.

In conclusion, the Banco de España's international cooperation work has become entrenched, in line with its priorities and strategic guidelines. This can be seen in the volume, content and format of the activities carried out.



### INTERNATIONAL COOPERATION IN FIGURES

2020	2021	2022
— 178 activities	— 247 activities	— 265 activities
— 537 Banco de España staff	— 774 Banco de España staff	— 622 Banco de España staff
— 3,883 beneficiaries in other institutions	— 5,675 beneficiaries in other institutions	— 6,311 beneficiaries in other institutions

## BANCO CENTRAL DEL URUGUAY

### Financial Innovation and Market Infrastructures Department

In July, the current Director of the Financial Innovation and Market Infrastructures Department, José Manuel Marqués, made a technical cooperation visit to the Banco Central del Uruguay. A series of open presentations and specialised meetings were held on the implications of financial innovation for central banks.

Two sessions that were open to all the central bank staff addressed financial innovation monitoring and trends, focusing specifically on the use of artificial intelligence in financial services. In addition, specialist meetings with the areas concerned were held on a wide range of matters, tackling key issues such as crypto-asset risks, drivers of innovation and the use of new technology to solve the problems posed by fostering sustainable finance. The sessions also served as a framework for organising joint meetings for the various key initiatives under way in the region, such as the LACChain Alliance, which aims to bolster the use of distributed networks in different environments. The issue of central bank digital currency attracted great interest when it was mentioned during a meeting of the Board of Directors and Governor of the Banco Central del Uruguay. The discussion shed light on the similarities and differences between Uruguay's approach, with its



Innovación en la Banca Central  
La experiencia del Banco de España

El BCU da la bienvenida a Uruguay a José Manuel Marqués, jefe de la División de Innovación Financiera del Banco de España.

Una oportunidad para intercambiar sobre innovación en el sistema financiero y la gestión institucional

Sessions on financial innovation for central banks.

pioneering digital peso pilot, and the ongoing digital euro project.



**BANCO CENTRAL  
DEL URUGUAY**



## BANKING SUPERVISION IN GUATEMALA IT Risk Group

**In June 2022 I had the opportunity to travel to Guatemala to work with the *Superintendencia de Bancos* (SIB), the country's banking supervision body, to further develop its cyber resilience strategy, building on an earlier International Monetary Fund (IMF) mission in which I had participated.**

The aim of my visit was to share Spanish and European experience in this key area for the financial sector, help the teams in charge of putting it into practice and assist in rolling out the project more widely. A breakfast meeting, at which I gave a presentation and answered questions, was organised to raise the project's profile, bringing together banks' general managers, risk managers and chief information security officers (CISOs). During the week of my stay I met with the National Committee for Cybersecurity, the Banco de Guatemala and the Resilience Committee of the Central American Council of Superintendents of Banks, Insurance and Other Financial Institutions to discuss how

to improve digital resilience in Guatemala and the region. I also held numerous working meetings with SIB staff, especially those working in the IT, Internal Audit, Business Continuity, Data Governance, IT Risk Supervision and Cyber Resilience departments.

Even though there was a great deal of work to get through, it was an excellent week. Not only because I had the chance to meet some first rate professionals and discuss cyber resilience with them, but also because my SIB colleagues were so welcoming and warmly hospitable. I am very grateful for how kindly they treated me and for having carved out a few moments to show me something of their beautiful country.

Silvia Senabre, head of the IT Risk Group in the SSM Coordination and Supervisory Strategy Department.



Silvia Senabre during the press conference in Guatemala.

## CENTRAL AMERICAN OBSERVATORY

Visit by the Director of the International Economics and Euro Area Department of the Banco de España to the Executive Secretariat of the Central American Monetary Council

**O**n 8 and 9 November 2022, Javier Pérez, Director of the International Economics and Euro Area Department visited the Executive Secretariat of the Central American Monetary Council (SECMCA). He met Domingo González, Executive Secretary, Odalis Marte, Deputy Executive Secretary (now Executive Secretary), Jorge Madrigal, Chief Economist, and many other staff members from the SECMCA's technical department. The purpose of the visit was to strengthen the existing links between the two institutions and explore new areas for cooperation in economic analysis.

In the first part of the visit, the SECMCA gave a presentation on the progress made in its Macroeconomic Statistics Harmonisation Programme, the recent development of tools to store and share the region's macroeconomic statistics and automated report generation. Details were also given on recent publications relating to economic analysis. Javier expressed interest in the workings of the Executive Secretariat in this area and the possibility was raised of including a joint analysis of the region in the Banco de España's "Report on the Latin American economy", along with discussion of other areas of collaboration, in the hope of finding something that would provide a quick win. As a result, the first outcome of this joint work was published in the February 2023 edition ("[Box 1. Central America and the Dominican Republic: macroeconomic outlook](#)"). The aim is to make this a regular contribution in future reports.



José Javier Pérez with Odalis Marte and Jorge Madrigal.

Under the cooperation agreement already in place between the two institutions, several projects of mutual interest were planned for 2023. These include the following, which are currently under way or about to begin:

- Collaboration in the production of macroeconomic indicators for Central America and the Dominican Republic (CADR) and their inclusion on the Latin American page of the Banco de España's website.
- A joint research project will soon launch to produce indicators of uncertainty surrounding the future course of economic policies, social unrest and political tensions, using the methodologies that the Banco de España already employs for such indicators for other countries of Latin America.
- In terms of social analysis, work will also soon begin to analyse the migratory flows from CADR to Spain and the rest of Europe, since the SECMCA has begun to observe some growth in these numbers compared with flows to the United States, which is the usual destination.



## MEMORANDA OF UNDERSTANDING SIGNED IN 2022

**Two new memoranda of understanding were signed in 2022 with the central banks of Ecuador and Bolivia, both nurtured and handled by the International Cooperation unit.**

The first was signed with the Banco Central del Ecuador during the 112th Meeting of CEMLA Central Bank Governors in Seville. It aims to strengthen the partnership between the two institutions in all areas relevant to central banks, including the potential development of new mutually beneficial projects and initiatives. The Banco de España and the Banco Central del Ecuador have worked closely together in the past on technical assistance projects and many other multilateral activities. They have also held meetings of experts on a wide range of economic and macroprudential matters.

The second with the Banco Central de Bolivia, which has worked regularly with the Banco de España over the last three years, was signed on 12 October 2022 in Washington during the Annual Meetings of the IMF. The agreement sets out several different formats for cooperation in areas of interest to both central banks, such as research, coordinating meetings of experts and providing specialised technical assistance, as well as other activities to share central banking know-how and experience, particularly in terms of monetary and macroprudential policy and payment systems.

These two agreements join those already in force with the central banks of Mexico, Brazil, Chile, Peru, Colombia, Argentina and Uruguay, and with CEMLA, the SECMCA, the CAF-Development Bank of Latin America and the Latin American Reserve Fund.

The collage features several elements: a tweet from Banco de España announcing the agreement with the Banco Central de Bolivia; a 'GET YOUR GUIDE' section with travel recommendations; a large article from 'Europa Press Economía Finanzas' titled 'El Banco de España y el Banco Central de Bolivia firman un acuerdo de cooperación y asistencia técnica'; a photo of three people (two men and one woman) standing together; and a smaller article from 'servimedie' titled 'El Banco de España y el Banco Central de Ecuador firman un acuerdo de cooperación y asistencia técnica'.

Press clippings on the signing of the agreement.

## *Training event on Communication.* Balkans Programme

**In December, the Banco de España hosted the first of several sessions aimed at strengthening central bank capacities in the Western Balkans with a view to their integration in the European System of Central Banks (ESCB).**

The session was organised by the European Commission and saw participation by representatives of the communication departments of the Banque de France, the European Central Bank (ECB) and Lietuvos bankas. Víctor Márquez, Director of the Communication Department, and Nuria García Valle, from the Media and Image Division, represented the Banco de España, meeting with delegations from the central banks of Albania, Bosnia-Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia. The discussions on central bank communication spanned four sessions, touching on communication risks,

communicating monetary policy and handling leaks and rumours, among other issues.

The feedback from the representatives of the central banks attending these sessions was very positive, especially on the matters addressed by the Banco de España representatives, who received the best rating of all the training imparted.



Víctor Márquez and Nuria García at the Banco de España's session on risk management in communication.

## Accounting and document management and policy. Digitisation

**Within the cooperation framework established by CEMLA, the Banco Central de Honduras asked the Banco de España for technical assistance for the digitisation of accounting documents.**

This assistance was provided jointly by the Accounting and the Document Management and Policy areas. From the accounting standpoint, the approach taken was eminently practical. It was an opportunity to share our several-year journey towards a “paperless” environment, in line with the digital transformation initiative set out in the Banco de España's Strategic Plan. The certified digitisation model implemented at the Bank allows a paper document to be converted into an electronic document which has the same legal validity for third parties as the original paper document. The model was presented from a theoretical and practical

standpoint, generating the necessary debate to assess its components and logic from a technical, functional and operational angle. It was also demonstrated that processing electronic documentation allows safe and controlled access to information through the (in this case, accounting) document manager or application, optimising the processes to obtain documentation that is readily available and operational.

The ultimate and essential aim of the presentation was to satisfy the interest aroused (around 70 attendees, including some from the Banco de Guatemala, which also took part). The experience proved hugely positive, as not only did it serve to assess the progress made, but the numerous questions posed were also enlightening and served to place the work performed in an international context.

Lastly, mention must also be made of the advice received by the International Cooperation team and the role played by CEMLA's Gerardo Hernández.

## MULTILATERAL ACTIVITIES

### 2<sup>nd</sup> International Forum on Central Banking Communication

In October, the Banco de España hosted the 2<sup>nd</sup> Forum on Central Banking Communication at its Cibeles headquarters.

The Forum resumed its activity after the pandemic-enforced pause. It was attended by 33 representatives of central banks from the euro area, Latin America, Canada, North Africa and Switzerland, and by the National Bank of Ukraine online. The Bank for International Settlements (BIS) also took part, represented by its Communication Department. The forum, which was organised by the Banco de España's Communication Department, comprised a series of enlightening debates on different aspects of central bank communication, such as communication in times of uncertainty (Ukraine, Uruguay and the ECB), assessment of communication and presentation of corporate image on bank websites. All the participants



Víctor Márquez with the Forum participants.

highlighted the importance of creating a common space in the field of central bank communication, to allow the staff of communication departments and areas to share experiences and acquire knowledge they can apply in their day-to-day tasks.

### 112<sup>th</sup> Meeting of CEMLA Central Bank Governors (Seville, 5-6 May 2022)

The Banco de España and CEMLA organised the 112<sup>th</sup> Meeting of CEMLA Central Bank Governors in Seville, a city that has close historical ties with the Americas. After two years of these meetings having to be held online, owing to the pandemic-related travel restrictions, the participants were once again able to enjoy exchanging views in a warm and cordial environment.

Pablo Hernández de Cos, Governor of the Banco de España, and Manuel Ramos Francia, Director General of CEMLA, opened the meeting. The region's central bank governors discussed the main global economic and financial issues in depth, focusing especially on those most affecting Latin America. Three special subjects were also addressed: Agustín Carstens, BIS General Manager, Professor Willem Buiter from

Columbia University, Luis de Guindos, Vice-President of the ECB, and Gillian Tett, chair of the editorial board of the Financial Times, discussed central bank digital



The Governor of the Banco de España with CEMLA's management and the attendees at the 112<sup>th</sup> Meeting of Central Bank Governors.



currencies, the challenges for monetary policy and financial stability in the current environment, and the consequences of the Russian invasion of Ukraine for the international economic order.

Meetings of the Governing Board and Assembly of CEMLA were also held, chaired in both cases by Leonardo Villar, governor of the Banco de la República (Colombia) and chair of the Governing Board of CEMLA.

## BILATERAL ACTIVITIES

### Visit by the National Bank of Ethiopia and the World Bank

**T**he Banco de España's Central Credit Register (CCR) is an international benchmark. Created in 1962, it compiles the data that all reporting entities must send to the Banco de España on their customer exposures monthly. Since 2016, these are highly granular loan-level data. This information is essential to enable banks to assess the creditworthiness of their present or future customers. Many countries have public credit registers that perform this function on an exclusive basis or in conjunction with private credit bureaux. The CCR Annual Reports, published since 2005 and available (in Spanish only) on our website, have detailed information on the CCR's functions and features.

The Banco de España regularly receives requests from other central banks and international bodies interested in understanding how the CCR works and how it is organised. The World Bank assists and

advises the National Bank of Ethiopia (NBE) in various matters. In view of the project to modernise the NBE's current credit reporting, the World Bank suggested that it contact the CCR. Thus, in September 2022, a joint delegation of three NBE staff and three World Bank staff visited the Banco de España.

The NBE was interested in knowing what data are compiled by the CCR, how they are managed and quality controlled, who has access to the data and how that access works, and how the data are used at the Banco de España. It was also keen to learn about the technological infrastructure required. The meeting was highly interactive: the CCR experts presented the basic components and explained the challenges faced in each aspect of the CCR's work.



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NATIONAL BANK OF ETHIOPIA

Both the NBE and the World Bank staff expressed great interest and asked many questions, shedding light on the difficulties involved in compiling and managing a risk database like the CCR.

### Visit by the Banco Central de Honduras

**O**n 9 and 10 May 2022 an information seminar was held for a delegation from the Banco Central de Honduras on the Banco de España's quarterly macroeconomic projection exercises. Over the two days, a total

of 15 Banco de España experts from the Economic Developments Department of the Directorate General Economics, Statistics and Research presented the key features of our macroeconomic forecasting process to three delegates from the Banco Central de Honduras. At the first session, held on 9 May, a general overview of the projection exercises and the

data sources employed was presented, together with the principal characteristics of the projection models used for real-time, more structural forecasting of the Spanish economy. The session ended with an explanation of how private consumption and the saving rate were monitored. The second session comprised an overview of the main analytical aspects and tools used to assess the behaviour of all the other final demand components (gross capital formation and the external sector), competitiveness, prices, the labour market, budget policy and sectoral activity. Between 11 and 13



May the Banco Central de Honduras delegation also visited the Spanish National Statistics Institute to gather information on the statistical framework and methods used to estimate the National Accounts.

The visit was an opportunity to exchange experiences and viewpoints on the methodologies and tools used in macroeconomic forecasting with the Banco Central de Honduras team. They viewed the visit positively, as regards the knowledge gained of better tools and methodologies for macroeconomic forecasting and their adoption.

## Visit by Bank Indonesia

**O**n 21 June 2022 a delegation from the **Lembaga Pengembangan Perbankan Indonesia (LPPI)**,<sup>1</sup> a banking development institute founded by Bank Indonesia, made a working visit to the Banco de España. The visit forms part of a School of Staff and Bank Leadership (SESPIBANK) programme to develop strategic thinking and strengthen decision-making among its participants, with the aim of providing them with information on best banking practice. The delegation consisted of 35 senior officers from several public and private Indonesian banks and three representatives of the Indonesian Embassy in Madrid.

The latest edition of the SESPIBANK programme included the decision to visit Spain, in view of the country's economic recovery and the degree of digital development of its banking sector. The aim of the visit was to gather information on the way in which the Spanish banking sector, and its regulation and supervision, have helped achieve sustainable economic progress against a backdrop of global economic turmoil, focusing in particular on digitalisation and sustainable finance related aspects.



Group photograph in the Europa conference room.

During the working visit, experts from the Horizontal Functions Department of the Directorate General Banking Supervision presented the main aspects of digital transformation in Spain and Europe from a banking supervision standpoint. They also described the latest sustainable finance developments, especially the progress made in the supervision of climate change and environmental degradation risks, and the main international initiatives in this field.

The delegation also held meetings during the visit with a number of leading Spanish private sector banks, to address the same issues from the industry standpoint.

<sup>1</sup> Founded in 1958 by the Indonesian central bank (Bank Indonesia), the LPPI's main activities include financial services research and consultancy, and education and training for banking sector staff.

## COOPERATION AT THE BANCO DE ESPAÑA

A view from outside. Maria João Azevedo<sup>1</sup>

**A**t the end of my secondment with the International Cooperation unit of the International and European Relations Department of the Banco de España, I am delighted to have the chance to share the experience and the knowledge acquired, and to firmly recommend the opportunity afforded to me by the ESCB for this exchange and knowledge broadening.

### 1 Cooperation at the Banco de España has consolidated its position in the ESCB

In terms of international cooperation, the Banco de España's trajectory has been unique within the ESCB. As a founding member of the Working Group on Central Bank Cooperation (WGCB), which coordinates international technical cooperation activities under the auspices of the International Relations Committee of the ESCB, I can attest to its extraordinary development and consolidation over time. Today it is present in all the cooperation projects coordinated by the WGCB with European funding. Moreover, the Banco de España's total cooperation volume – with more than 250 activities per year – is now more than double that reported annually in the noughties when quantitative activity reporting first started in the ESCB (then the Eurosystem). Similarly, taking a different indicator, for example the number of days of cooperation activity, the growth rates are very much the same. With a total of four FTEs<sup>2</sup> in the International Cooperation unit, the ratio of activities to FTEs is possibly one of the best in the ESCB.

The growth in bilateral and multilateral cooperation relations today translates into a wide-ranging and diversified set of activities across all directorates general and departments. These activities, which as I



Maria João Azevedo.

have said now number around 250 per year, mobilise more than 700 Banco de España staff members, amounting to 5.5 FTEs. In the cooperation area the Banco de España has contacts with over 100 central banks and similar institutions worldwide.

First, I believe we are witnessing a change in attitude, in keeping, naturally, with the Banco de España's strategic outlines. Although cooperation is demand driven, the Bank's openness in this field and the significant role that cooperation plays in its institutional facet are clearly a result of its strategic objective to become a leading player, in the ESCB also.

The geographical scope of the cooperation activities is one particularly clear sign of this strategic option. The European Union's widening agenda and the consequent nurturing of stability and prosperity in eastern Europe have had a bearing on the geography

<sup>1</sup> The author is the head of the Cooperation Division of the International Relations Department of the Banco de Portugal. Between September 2022 and April 2023 she collaborated, under the Schuman Programme funded by the ECB, with the International Cooperation unit of the International and European Relations Department of the Banco de España. The text is her personal view.

<sup>2</sup> 1 Full Time Equivalent = one person working full-time.





The International Cooperation team.

of these activities. Latin America is still the main focus point, but the effect of the widening agenda, especially in its more advanced stage, that is, towards the Western Balkans, is patent. The Banco de España's participation in the ongoing technical assistance project with that region's central banks, and in the preparatory work for the project in Africa in the ambit of the EU's new global strategy with that continent, both funded by the EU, are current examples of this approach.

Second, the role played by the way in which cooperation is organised at the Banco de España must be recognised. Every year it receives requests for – and undertakes – a huge volume of cooperation activities. In response to almost unlimited demand, and with limited resources, it has to establish criteria and guidelines to prioritise activities. Achieving a balance between the interests of the requesting parties and the Bank's experience and availability is certainly the greatest challenge.

In this setting, I believe the present organisational model is the right one. The International Cooperation Committee – the highest-level cooperation body, chaired by the Deputy Governor – ensures that cooperation is not a patchwork of contributions by the different directorates general, but rather a set of activities with a common thread, backed by feasible guidelines and principles to enhance

its effectiveness. The contribution made by the International Cooperation unit, and naturally by its departmental hierarchy, is equally crucial. Taking into account the importance of regional and multilateral activities, it acts as a facilitator with the requesting parties and, drawing on the collaboration of the different areas of the Bank, develops and promotes the annual programme of international seminars and activities across almost all the areas covered by the Banco de España's mission. This approach facilitates efficiency gains, as it allows a huge and potentially disparate demand to be concentrated on these areas. In addition, all the International Cooperation unit's support and dissemination work – internal cooperation reports and statistics, analysis of satisfaction studies relating to activities, cooperation publications, as just an illustration of some of its outputs – are clearly a hugely important factor for sustainability and guidance.

## 2 Cooperation outlook

I believe cooperation will naturally remain aligned with the Banco de España's strategic outlines and priorities, shaping the dialogue with the main requesting parties and directorates general. Today, in the face of a common challenge – bringing down inflation while avoiding a recession or episodes of financial instability – cooperation has gained a new impetus.

From a programmatic standpoint, considering the challenges for central banks' mandates posed by the present international environment, I believe cooperation activity will prioritise its target areas, while continuing to focus on the new structural challenges facing central banks, especially cybersecurity and, naturally, climate change, which is a concern that affects all its areas of activity.

Regarding the cooperation format, I expect that in specific types of activities, mainly training, multilateralism and online events will continue, combined with a return to face-to-face activities. The virtual option has enabled us to extend the scope of cooperation activities at a very low financial and environmental cost.

As a way to make these activities more efficient, the internal reflection currently under way in the International Cooperation unit on strengthening the assessment of cooperation deserves a mention. The aim is to develop a project, under the auspices of the WGCB, that will enable a better understanding of the true impact of the activity and boost its efficiency.

Lastly, in the future, why not organise more joint cooperation activities with the Banco de Portugal? There are many shared interests and a shared vision in certain geographical areas (Africa, Latin America and CEMLA, EU candidate countries, the Mediterranean

basin,...), and possibly complementarities in the areas of action. And we are just next door. Let me now end with a word about new joint initiatives.

### 3 WGCB exchanges

To conclude, I wish to express my thanks to the International Cooperation unit, for the experience and the exchange per se, for their receptiveness, openness and readiness to help, and for the friendships forged. I have learnt a great deal and I intend to copy many ideas. I trust there will be many such exchanges in the WGCB going forward.



Margarita Delgado Tejero.

**The recent surge in geopolitical tensions not only poses a threat to peace, but has also escalated the risks to macroeconomic and financial stability, posing a challenge to central banks. In this setting, cooperation between central banks, in the search for better responses and multilateral solutions, has become ever more important.**

After two consecutive years when the effects of the pandemic prompted a huge increase in virtual formats, in 2022 some normality was restored to our cooperation activities. Through a total of 265 activities, and with the collaboration of 822 Banco de España experts, we reached out to 6,311 beneficiaries.

Our activity in Ibero-America also continued to grow, with two new memoranda of understanding signed with the central banks

of Ecuador and Bolivia. These agreements entail a mutual institutional commitment and are a key instrument for cooperation.

The strategic focus on Ibero-America was also reflected in the renewed momentum and new collaboration projects with CEMLA, the Association of Supervisors of Banks of the Americas and the SECMCA. At the same time, under the umbrella of the ESCB, we continue to participate in the project for institutional strengthening in the Western Balkans and to explore the possibility of designing and implementing a similar project for coordinated European cooperation in Africa.

I am delighted with our excellent institutional and technical response to a virtually ceaseless demand, requiring a response whose content must be continuously updated and an assessment of the efficacy of different initiatives. I am sincerely grateful for the work and dedication of all the many Banco de España staff members who have been involved in our cooperation activities.

**Margarita Delgado Tejero**

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

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# INTERNATIONAL COOPERATION

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## Comments and suggestions

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