



CROATIAN NATIONAL BANK

Standard presentation format

1st quarter 2012

Agenda

- **Central bank's objectives and structure**
- Real sector
- Monetary policy
- External sector
- Banking sector

Central bank's objectives and tasks

- ❑ STABILITY OF PRICES
- ❑ SUPPORTING THE ECONOMIC POLICY OF THE GOVERNMENT, WITHOUT PREJUDICE TO ITS PRIMARY OBJECTIVE
- ❑ Management of the international reserves
- ❑ Issuing banknotes and coins
- ❑ Issuing and revoking licenses for banks and bank supervision
- ❑ Regulating, improving and supervising the payment system
- ❑ Performance of operations on behalf of the Republic of Croatia, as provided by law

Independence of the CNB

- ❑ Institutional: decisions are reached independently of other institutions' influence
- ❑ Functional: clear by defined goal and independence in choosing the instruments and measures for achieving that goal
- ❑ Personal: guarantees the protection of the Governor and the Council members from various kinds of pressure, precisely determines the conditions for the appointment and removal from office, and guards against the conflict of interest
- ❑ Financial: revenues and expenditures of the CNB are solely determined by the nature of the monetary and exchange rate policies

Structure of the CNB

