

## Decision-Making Transparency and Individual Accountability

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Hello, my name is Susanna Grigoryan. I'm a Level One student at the Global Forecasting School and an economist at the Central Bank of Armenia.

In this video, we explore how FPAS Mark II strengthens policy credibility through decision-making transparency and individual accountability.

Decision-making transparency is a defining feature of FPAS Mark II. It strengthens credibility by showing how individual policymakers interpret risks, how they apply the least-regrets mindset, and how their votes shape policy outcomes. For the Central Bank of Armenia, institutionalizing decision-making transparency and individual accountability marks a major step toward world-class standards in monetary policy governance.

Under FPAS Mark II, accountability is not limited to the institution—it extends to individual Board members. Accountability builds trust because it allows the public to see who supported what decision, why they supported it, and how their reasoning fits within the FPAS Mark II framework. Clear accountability incentivizes disciplined analysis, transparency in reasoning, and coherence in policy communication. It reinforces credibility by showing that decisions are made thoughtfully and consistently with the Bank's mandate.

One of the most important innovations in FPAS Mark II is the publication of attributed minutes. Each Board member's vote is recorded along with a brief explanation of their reasoning. This level of transparency is exceptional globally. It enhances democratic legitimacy, public and market understanding, policy predictability, and trust in the decision-making process. Attributed minutes reveal not only the final decision, but the differing interpretations of risks and scenarios among Board members—providing insight into the uncertainty behind each round.

FPAS Mark II treats disagreement not as a weakness but as a strength. When Board members interpret risks differently, their perspectives help refine the institution’s understanding of uncertainty. The framework encourages reasoned disagreement, openness to alternative scenarios, clarification of asymmetric risks, and discipline in explaining judgments. Individual accountability allows the public to see these differences without undermining the unity of the institution’s final decision.

FPAS Mark II also includes strict timelines for publishing the Executive Statement, attributed minutes, the Monetary Policy Report, and supporting analytical materials. Timeliness reinforces credibility. Delayed communication creates uncertainty and weakens policy transmission. The structured timing ensures that the public receives information consistently and predictably, without room for speculation.

Individual accountability limits arbitrary decision-making. When Board members know their reasoning will be publicly available, policy discussions become more disciplined, evidence-based, and aligned with the FPAS Mark II framework. Transparency reduces political pressure, hidden biases, excessive reliance on unstructured judgment, and discretionary deviations from the analytical system. It promotes a culture in which decisions are supported by coherent reasoning and scenario-based analysis.

Decision-making transparency and individual accountability form a cornerstone of FPAS Mark II. By publishing votes, explanations, and minutes, the Central Bank of Armenia demonstrates its commitment to openness, disciplined reasoning, and credible policymaking under uncertainty. This strengthens trust, anchors expectations, and enhances the effectiveness of monetary policy.

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### **Literature & Further Reading**

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