# BANGLADESH

**Chief Executive Officer** (weight = .20)

***Term of office  
Bangladesh 2003***: The Governor shall hold office for a period of four years and shall be eligible for re-appointment :

Provided that the Governor shall not hold office if he attains the age of sixty five years;] (Section 10,5) (added 2003) (coded as .25 from 2003; CB Directory says 3 year term going back to 1995 at least; <https://www.bb.org.bd/aboutus/bbgovernors.php> suggests 3 year terms from beginning)

*Bangladesh 2021: No change*

***Who appoints CEO?  
Bangladesh 2003***: The Governor shall be appointed by the Government on such salary and terms and conditions as may be determined by the Government except that neither the salary of the Governor nor his other terms and conditions of service shall be varied t o his disadvantage after his appointment. (Section 10, 3) (dates back to 1972) (Coded as .25)

*Bangladesh 2021: No change*

***Dismissal  
Bangladesh 2003***: (1) No person shall be or shall continue to be a Director—

(a) [Who is a Member of the Legislature or a Local Government; or]1;

(b) [who has defaulted in payment of dues of the Government or of any banking company or any financial institution; or]2;

(c) who is, or at any time has been, adjudicated an insolvent or had suspended payment or has compounded with his creditors; or

(d) who is found lunatic or becomes of unsound mind; or

(e) who is an officer or employee of any [banking company]3 or any financial institution; or

(f) who is a Director of [any banking company or financial institution]4, but he shall not be disqualified or cease to be a Director if he is a Director of a bank which is a society registered under the [mgevq mwgwZ AvBb, 2001 (2001 m‡bi 47 bs AvBb)] 5 or any other law fo r the time being in force relating to co-operative societies; or

(g) who absents himself from three consecutive meetings of the Board, without leave from the Board; [or

(h) who has been convicted of an offence involving moral turpitude or has been sentenced by a court for a term of imprisonment exceeding one year.] (section 13)   
(1) The Government may remove from office—

(a) the Governor or a Deputy Governor if he becomes permanently incapable of performing his duties or subject to any of the disqualifications specified in clause (9) of Article 10 or has done any act which is a breach of the trust reposed in him, or if his continuance in office is regarded as manifestly opposed to the interests of the Bank; and

(b) any Director. (Section 15) (dates back to 1972)

*Bangladesh 2021: No change*

***May CEO hold other offices in government?  
Bangladesh 2003***: (8) The Governor, or a Deputy Governor, as the case may be, may, in addition to his duties as t he Governor or a Deputy Governor, be entrusted by an order of the Government with such duties for such period as may be specified in the order.  
No person shall hold office as [Governor or Deputy Governor] 3 :

(a) [Who is a member of the Legislature or a Local Government] 4;

(b) who is employed in any capacity in the public service of Bangladesh or holds any office or position for which any salary or other remuneration is payable out of public funds;

(c) who is a Director, officer or employee of any other [banking company or financial institution]5 or of any other business concern:   
Provided that nothing in this sub-clause shall apply where the [Governor or Deputy Governor]1 is entrusted with additional duties under clause (8); (Section 10, 9) (from 2003) (coded as .5)

*Bangladesh 2021: No change*

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

***Bangladesh 2003*:** The main functions of the Bank shall be :

(a) to formulate and implement monetary policy;

(b) to formulate and implement intervention policies in the foreign exchange market;  
(c) to give advice to the Government on the interaction of monetary policy with fiscal and exchange rate policy, on the impact of various policy measures on the economy and to propose legislative measures it considers necessary or appropriate to attain its objectives and perform its functions; (Section 7a – added 2003)

(2) The Co-ordination Council shall—

(a) co-ordinate the macro -economic framework including fiscal, monetary and

exchange rate strategies and policies;

(b) ensure consistency among macro -economic targets of growth, inflation and fiscal,

monetary and external accounts;

(c) meet for the purposes of clauses (a) and (b) before the finalization of the budget to

determine the extent of public sector borrowing taking into account credit requirements of the private sector, monetary expansion based on projected growth,

price inflation, and net foreign assets of the banking system;

(d) meet at least on a quarterly basis to review the consistency of macro -economic

policies and to revise limits and targets set at the time of t he formulation of the

budget, keeping in view the latest developments in the economy; (Coded as .33) (Coded as 0 before 2003 based on <http://dspace.bracu.ac.bd/xmlui/bitstream/handle/10361/889/CGS%20working%20paper%20Bangladesh%20Bank%20reform.pdf?sequence=1&isAllowed=y>)

*Bangladesh 2021: No change*

*(b) Resolution of conflict*

***Bangladesh 2003*:** The main functions of the Bank shall be :

(a) to formulate and implement monetary policy;

(b) to formulate and implement intervention policies in the foreign exchange market;  
(c) to give advice to the Government on the interaction of monetary policy with fiscal and exchange rate policy, on the impact of various policy measures on the economy and to propose legislative measures it considers necessary or appropriate to attain its objectives and perform its functions; (Section 7a – added 2003)

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(c) meet for the purposes of clauses (a) and (b) before the finalization of the budget to

determine the extent of public sector borrowing taking into account credit requirements of the private sector, monetary expansion based on projected growth,

price inflation, and net foreign assets of the banking system;

(d) meet at least on a quarterly basis to review the consistency of macro -economic

policies and to revise limits and targets set at the time of t he formulation of the

budget, keeping in view the latest developments in the economy; (Coded as .2)

*Bangladesh 2021: No change*

*(c) Role in government’s budgetary process* (No mention – coded as 0)

***Bangladesh 2003*:** The main functions of the Bank shall be :

(a) to formulate and implement monetary policy;

(b) to formulate and implement intervention policies in the foreign exchange market;  
(c) to give advice to the Government on the interaction of monetary policy with fiscal and exchange rate policy, on the impact of various policy measures on the economy and to propose legislative measures it considers necessary or appropriate to attain its objectives and perform its functions; (Section 7a – added 2003)

(2) The Co-ordination Council shall—

(a) co-ordinate the macro -economic framework including fiscal, monetary and

exchange rate strategies and policies;

(b) ensure consistency among macro -economic targets of growth, inflation and fiscal,

monetary and external accounts;

(c) meet for the purposes of clauses (a) and (b) before the finalization of the budget to

determine the extent of public sector borrowing taking into account credit requirements of the private sector, monetary expansion based on projected growth,

price inflation, and net foreign assets of the banking system;

(d) meet at least on a quarterly basis to review the consistency of macro -economic

policies and to revise limits and targets set at the time of t he formulation of the

budget, keeping in view the latest developments in the economy; (Coded as 0)

*Bangladesh 2021: No change*

Objectives (weight = .15)

*Bangladesh pre-2003*: According to this charter the broad objectives of the Bank were4 : (a) to regulate the issue of the currency and keeping the reserves (b) to manage the monetary and credit system with the view of stabilizing domestic monetary value (c) to preserve the per value of taka (d) to promote and maintain a high level of production, employment and real income (e) to foster growth and development of the country’s productive resources (from <http://dspace.bracu.ac.bd/xmlui/bitstream/handle/10361/889/CGS%20working%20paper%20Bangladesh%20Bank%20reform.pdf?sequence=1&isAllowed=y>) (Coded as .4)  
*Bangladesh 2003*: [Whereas, it is necessary to establish a central bank in Bangladesh to manage the monetary and credit system of Bangladesh with a view to stabilising d omestic monetary value and maintaining a competitive external par value of the Bangladesh Taka towards fostering growth and development of country’s productive resources in the best national interest;]1 (changed in 2003) (Preamble) (Coded as .6)

*Bangladesh 2021: No change*

Limitations on lending to the government

*Advances (Weight = .15)*

*Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(9) the making to the Government of advances repayable in each case not later than three months from the date of the making of the advance;

(15) (a) the purchase and sale of securities of the Government, or of such securities of a Local Authority as may be specified in this behalf by the Government by notification in the Official Gazette on the recommendation of the Board;

(b) securities, debentures and shares fully guaranteed as to principal and interest by the Government shall be deemed for the purpose of this clause to be securities of the Government;

(c) the amount of such securities held at any time in the Banking Department shall be so regulated that the total value of such securities shall not exceed the aggregate amount of the capital of the Bank, the Reserve Fund and four-fifths of the Liabilities of the Banking Department in respect of deposits; (section 16)  
(c) The Government shall entrust the Bank, on such conditions as may be agreed upon between the Government and the Bank, with the management of the public debt and with the issue of any new loans.

(3) In the event of any failure to reach agreement on the conditions referred to in this Article, the Government shall decide the conditions and its decision shall be final.

(4) Any agreement made under this Article shall be laid, as soon as may be after it is made, before the Legislature. (Section 16) (Coded as .33)

*Bangladesh 2021: No change*

*(b) Securitized lending (.10)*

*Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(9) the making to the Government of advances repayable in each case not later than three months from the date of the making of the advance;

(15) (a) the purchase and sale of securities of the Government, or of such securities of a Local Authority as may be specified in this behalf by the Government by notification in the Official Gazette on the recommendation of the Board;

(b) securities, debentures and shares fully guaranteed as to principal and interest by the Government shall be deemed for the purpose of this clause to be securities of the Government;

(c) the amount of such securities held at any time in the Banking Department shall be so regulated that the total value of such securities shall not exceed the aggregate amount of the capital of the Bank, the Reserve Fund and four-fifths of the Liabilities of the Banking Department in respect of deposits; (section 16)  
(c) The Government shall entrust the Bank, on such conditions as may be agreed upon between the Government and the Bank, with the management of the public debt and with the issue of any new loans.

(3) In the event of any failure to reach agreement on the conditions referred to in this Article, the Government shall decide the conditions and its decision shall be final.

(4) Any agreement made under this Article shall be laid, as soon as may be after it is made, before the Legislature. (Section 20) (Coded as .33)

*Bangladesh 2021: No change*

*(c) Terms of lending (.10)*

*Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(9) the making to the Government of advances repayable in each case not later than three months from the date of the making of the advance;

(15) (a) the purchase and sale of securities of the Government, or of such securities of a Local Authority as may be specified in this behalf by the Government by notification in the Official Gazette on the recommendation of the Board;

(b) securities, debentures and shares fully guaranteed as to principal and interest by the Government shall be deemed for the purpose of this clause to be securities of the Government;

(c) the amount of such securities held at any time in the Banking Department shall be so regulated that the total value of such securities shall not exceed the aggregate amount of the capital of the Bank, the Reserve Fund and four-fifths of the Liabilities of the Banking Department in respect of deposits; (section 16)  
(c) The Government shall entrust the Bank, on such conditions as may be agreed upon between the Government and the Bank, with the management of the public debt and with the issue of any new loans.

(3) In the event of any failure to reach agreement on the conditions referred to in this Article, the Government shall decide the conditions and its decision shall be final.

(4) Any agreement made under this Article shall be laid, as soon as may be after it is made, before the Legislature. (Section 20) (Coded as .33)

*Bangladesh 2021: No change*

*(d) Potential borrowers from bank (.05)   
Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(d) The making to a corporation declared eligible by the Government in consultation with the Bank of loans and advances—

(i) repayable on demand or on the expiry of fixed periods not exceeding ninety days from the date of such loan or advance, against securities of the Government; or

(ii) repayable on the expiry of fixed periods not exceeding eighteen months from the date of such loan or advance, against securities of the Government of any maturity, or against bonds and debentures issued by the Corporation to which

the loan or advance is made, and guaranteed by the Government and maturing within a period not exceeding eighteen months from the date of such loan or advance; (Section 16) (Coded as 0) (dates back to 1972)

*Bangladesh 2021: No change*

*(e) Limits on central bank lending determined by (.025)*

*Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(9) the making to the Government of advances repayable in each case not later than three months from the date of the making of the advance;

(15) (a) the purchase and sale of securities of the Government, or of such securities of a Local Authority as may be specified in this behalf by the Government by notification in the Official Gazette on the recommendation of the Board;

(b) securities, debentures and shares fully guaranteed as to principal and interest by the Government shall be deemed for the purpose of this clause to be securities of the Government;

(c) the amount of such securities held at any time in the Banking Department shall be so regulated that the total value of such securities shall not exceed the aggregate amount of the capital of the Bank, the Reserve Fund and four-fifths of the Liabilities of the Banking Department in respect of deposits; (section 16)  
(c) The Government shall entrust the Bank, on such conditions as may be agreed upon between the Government and the Bank, with the management of the public debt and with the issue of any new loans.

(3) In the event of any failure to reach agreement on the conditions referred to in this Article, the Government shall decide the conditions and its decision shall be final.

(4) Any agreement made under this Article shall be laid, as soon as may be after it is made, before the Legislature. (Section 20) (coded as --) (Nothing about limits on advances)

*Bangladesh 2021: No change*

*(f) Maturity of loans (.025)   
Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(9) the making to the Government of advances repayable in each case not later than three months from the date of the making of the advance; (Section 20) (coded as 1)

*Bangladesh 2021: No change*

*(g) Interest rates on loans must be? (.025)*

*Bangladesh 2003*: NO mention of interest rate – coded as .25

*Bangladesh 2021: No change*

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Bangladesh 2003*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely : -  
(9) the making to the Government of advances repayable in each case not later than three months from the date of the making of the advance;

(15) (a) the purchase and sale of securities of the Government, or of such securities of a Local Authority as may be specified in this behalf by the Government by notification in the Official Gazette on the recommendation of the Board; (Section 16) (Coded as 0)

*Bangladesh 2021: No change*

# BRUNEI

**Chief Executive Officer** (weight = .20)

***Term of office***Article 12: (3) On the commencement of this Order, the initial terms of office of the directors mentioned in section 11(2)*(c),* shall be –  
*(a)* for the director who is appointed as managing director under section 13(1), 3 years;

*(b)* for all other directors, different terms not exceeding 3 years.

Article 13: (3) The managing director shall be an employee of the Authority on such conditions of service as His Majesty the Sultan and Yang Di-Pertuan may decide.. (Coded as 0)

*Brunei 2021*: No change

***Who appoints CEO?***Article 13: (1) His Majesty the Sultan and Yang Di-Pertuan shall appoint one of the directors to be the managing director. (Yang Di-Pertuan is head of state) (coded as 0)

*Brunei 2021*: No change

***Dismissal***Article 13: (3) The managing director shall be an employee of the Authority on such conditions of service as His Majesty the Sultan and Yang Di-Pertuan may decide..

(2) His Majesty the Sultan and Yang Di-Pertuan may, after having received a report mentioned under subsection (4), terminate the appointment of any director if he –

*(a)* becomes of unsound mind or incapable of carrying out his duties;

*(b)* has been adjudged bankrupt or suspends payment to or compounds with his creditors;

*(c)* is convicted of an offence involving dishonesty, fraud or moral turpitude;

*(d)* is guilty of serious misconduct in relation to his duties;

*(e)* is absent, without leave, from 3 consecutive meetings of the board; or

*(f)* fails to comply with his obligations under section 18(1). (Section 15) (coded as .83)

*Brunei 2021*: No change

***May CEO hold other offices in government?***

*Brunei 2010*: No restrictions mentioned – coded as 0

*Brunei 2021*: No change

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

Article 11: (4) Without prejudice to the powers conferred on His Majesty the Sultan and Yang Di-Pertuan by the Constitution of Brunei Darussalam and except as otherwise specified in this Order —

*(a)* the autonomy of the Authority shall be respected at all times;

*(b)* the directors of the board shall not take instructions from any other person or entity including Government entities; and

*(c)* no person or entity shall seek to influence the directors of the board in the exercise of their powers or to interfere in the activities of the Authority. (Coded as 1)

*Brunei 2021*: No change

*(b) Resolution of conflict*

Article 11: (4) Without prejudice to the powers conferred on His Majesty the Sultan and Yang Di-Pertuan by the Constitution of Brunei Darussalam and except as otherwise specified in this Order —

*(a)* the autonomy of the Authority shall be respected at all times;

*(b)* the directors of the board shall not take instructions from any other person or entity including Government entities; and

*(c)* no person or entity shall seek to influence the directors of the board in the exercise of their powers or to interfere in the activities of the Authority. (coded as .8)

*Brunei 2021*: No change

*(c) Role in government’s budgetary process  
Brunei 2010*: Nothing found – coded as 0

*Brunei 2021*: No change

Objectives (weight = .15)

Article 4: (1) The principal objects of the Authority shall be –

*(a)* to achieve and maintain domestic price stability;

*(b)* to ensure the stability of the financial system, in particular by formulating financial regulation and prudential standards;

*(c)* to assist in the establishment and functioning of efficient payment systems and to oversee them; and

*(d)* to foster and develop a sound and progressive financial services sector.

(2) Without prejudice to the above-mentioned principal objects, the Authority shall support the general economic policies of the Government to the extent that it considers to be appropriate. (Coded as .6)

*Brunei 2021*: No change

Limitations on lending to the government

*Advances (Weight = .15)*

Article 50: The Authority shall not grant credit to the Government or State-owned entity provided but –

*(a)* it may purchase Government securities provided that such purchases are made on the secondary market, on market terms and conditions, and are not used to circumvent the prohibition established in this section; and

*(b)* the provisions of this section shall not apply to publicly-owned banks and other supervised publicly-owned financial entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned financial entities. (Coded as 1)

*Brunei 2021*: No change

*(b) Securitized lending (.10)*Article 50: The Authority shall not grant credit to the Government or State-owned entity provided but –

*(a)* it may purchase Government securities provided that such purchases are made on the secondary market, on market terms and conditions, and are not used to circumvent the prohibition established in this section; and

*(b)* the provisions of this section shall not apply to publicly-owned banks and other supervised publicly-owned financial entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned financial entities. (Coded as 1)

*Brunei 2021*: No change

*(c) Terms of lending (.10)*

*(d) Potential borrowers from bank (.05)*

*(e) Limits on central bank lending determined by (.025)*

*(f) Maturity of loans (.025)*

*(g) Interest rates on loans must be? (.025)*

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

Article 50: The Authority shall not grant credit to the Government or State-owned entity provided but –

*(a)* it may purchase Government securities provided that such purchases are made on the secondary market, on market terms and conditions, and are not used to circumvent the prohibition established in this section; and

*(b)* the provisions of this section shall not apply to publicly-owned banks and other supervised publicly-owned financial entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned financial entities. (coded as 1)

*Brunei 2021*: No change

# CAMBODIA

**Chief Executive Officer** (weight = .20)

***Term of office****Cambodia 1996*: The members of the Board shall be persons of recognized experience or standing in economic and financial matters and shall be no more than sixty five years of age. They shall be appointment for a period of 4 years and shall be eligible for re-appointment for only one further term. Other than for the Governor, the Deputy Governor and the National Bank staff representative, two of the board members, chosen by lot, shall serve for 2 years, from the date of appointment of the first board. (coded as .25) *Cambodia 2006*: 1. The members of the Board shall be persons of recognized experience or standing in economic and financial matters and shall be no more than sixty five years of age. They shall be appointed for a period of 4 years and shall be eligible for reappointment. Other than for the Governor, Deputy Governor and the National Bank staff representative, two of the board members, chosen by lot, shall serve for 2 years, from the date of appointment of the first board. (Article 14) (coded as .25)

***Who appoints CEO?****Cambodia 1996*: The Governor and the Deputy Governor shall be appointed, replaced and dismissed by a royal decree on the recommendation of the Royal Government. (Article 13) (coded as .25) *Cambodia 2006*: The Governor and the Deputy Governor shall be appointed, replaced and dismissed by a royal decree on the recommendation of the Royal Government. (Article 13) (Coded as .25)

***(c) Dismissal****Cambodia 1996*: A member of the Board shall cease to hold office if he or she:

a) is convicted of a criminal, administrative offense or a breach of economic or commercial law;

b) is determined by the Board to have violated the prohibitions of Articles 15 and 16 of this law;

c) is absent for four consecutive meetings, unless due to illness, or in the case of force majeure recognized by the Board;

d) resigns by written notice;

e) is physically or mentally incapacitated from performing his or her duties;

f) is determined to be bankrupt by the courts. (Article 14) (coded as .83)

*Cambodia 2006*: 2. A member of the Board shall cease to hold office if he or she:

a. is convicted of a criminal, administrative offence or a breach of economic or commercial law;

b. is determined by the Board to have violated the prohibitions of Articles 15 and 16 of this Law;

c. is absent for four consecutive meetings, unless due to illness, or in the case of force majeure recognized by the Board;

d. resigns by written notice;

e. is physically or mentally incapacitated from performing his or her duties;   
f. is determined to be bankrupt by the courts. (Article 14) (coded as .83)

***May CEO hold other offices in government?  
Cambodia 1996***: The Governor and the Deputy Governor shall not be a public servant, a person serving as adviser of a public entity, or a member of the Royal Government, or a member of the National Assembly during their term of office. The above restrictions also apply to all other members except the representatives of the head of the Royal Government, the Ministry of Economy and Finance, and the academician who may maintain their civil service status. (article 12) (Coded as 1)  
***Cambodia 2006***: The Governor and the Deputy Governor, shall not be a public servant, a person serving as adviser of a public entity, or a member of the Royal Government, or a member of the National Assembly during their term of office. The above restriction also applies to all other members except the representatives of the head of the Royal Government, the Ministry of Economy and Finance, and the academic who may maintain their civil service status. (Article 12) (Coded as 1)

Policy Formation (weight = .15)

***(a) Who formulates monetary policy?****Cambodia 1996*: The Central Bank shall have the following functions and duties:

1. to determine monetary policy objectives, in consultation with the Royal Government and consideration of the framework of the economic and financial policy of the Kingdom,

2. to formulate, implement and monitor monetary and exchange policies aimed at the determined objectives,

3. to conduct regular economic and monetary analysis, make public the results, and submit proposals and measures to the Royal Government, (Article 7) [Same in 2006]

To accomplish its mission the Central Bank shall be permanently empowered and shall have operating autonomy and shall submit reports of the implementation and results of its mission to the National Assembly and the Royal Government.

The Governor of the Central Bank may address meetings of the Council of Ministers at the invitation of the Royal Government. The Minister or the Secretary of State of the Ministry of Economy and Finance may address meetings of the Board of Directors of the Central Bank at the invitation of the Board.

The Governor or members of the Board shall appear before the National Assembly or standing committee thereof to explain the policies of the Central Bank or to comment on proposed legislation, at the request of the National Assembly. (article 9) *Cambodia 2006*: To accomplish its mission the Central Bank shall be permanently empowered and shall have operating autonomy and shall submit reports of the implementation and results of its mission to the National Assembly and the Royal Government.

The Governor of the Central Bank may address meetings of the Council of Ministers at the invitation of the Royal Government. The Minister or the Secretary of State of the Ministry of Economy and Finance may address meetings of the Board of Directors of the Central Bank at the invitation of the Board.

The Governor or members of the Board shall appear before the National Assembly or standing committee thereof to explain the policies of the Central Bank or to comment on proposed legislation, at the request of the National Assembly. (Article 9) (Coded as .67)

*(b) Resolution of conflict*

***Cambodia 1996***: Bank must report to National Assembly and consults with Royal Government on policy. But also has autonomy. [same in 2006 – coded as .6]

*(c) Role in government’s budgetary process****Cambodia 1996***: The Central Bank may purchase, sell or repurchase government securities maturing within 90 days which have previously been publicly issued, in open market operations, or in discount operations for, or extension of credit to, financial institutions. (article 26) (coded as 1) ***Cambodia 2006*:** The Royal Government shall consult the Central Bank every year before the budget is finalized with a view to establishing the total amount of credit which the Royal Government and public entities may seek to secure from the Central Bank within the limits prescribed by Article 25. (Article 27) (coded as 1)

***Objectives (weight = .15)  
Cambodia 1996***: The principle mission of the Central Bank is to determine and direct the monetary policy aimed at maintaining price stability in order to facilitate economic development within the framework of the Kingdom’s economic and financial policy. (Article 3) (coded as .8) ***Cambodia 2006*:** The principal mission of the Central Bank is to determine and direct the monetary policy aimed at maintaining price stability in order to facilitate economic development within the framework of the Kingdom's economic and financial policy. (Article 3) (coded as .8)

Limitations on lending to the government

*Advances (Weight = .15)*

*Cambodia 1996*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Article 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budget revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (Coded as .67)

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1. For each suextension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

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*(b) Securitized lending (.10)   
Cambodia 1996*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

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*(c) Terms of lending (.10)   
Cambodia 1996*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Article 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budget revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (Coded as .67) *Cambodia 2006*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each suextension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Articles 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budgetary revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (Coded as .67)

*(d) Potential borrowers from bank (.05)* (Only National Treasury and Royal Government mentioned as borrowers – coded as 1)

*(e) Limits on central bank lending determined by (.025)   
Cambodia 1996*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Article 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budget revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (coded as .33)

*Cambodia 2006*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each suextension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Articles 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budgetary revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (Coded as .33)

*(f) Maturity of loans (.025)   
Cambodia 1996*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Article 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budget revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (coded as 1)

*Cambodia 2006*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each suextension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Articles 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budgetary revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (Coded as 1)

*(g) Interest rates on loans must be? (.025)   
Cambodia 1996*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each extension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Article 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budget revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (coded as .75)

*Cambodia 2006*: The Central Bank may temporarily extend credit to the National Treasury at the refinancing rate and a maturity not exceeding three months.

1. For each suextension of credit, there shall be a credit agreement between the Central Bank and the borrower, which shall specify the amount of the credit, its maturity, and the interest rate.

2. Such extensions of credit shall be certificated by negotiable government securities delivered to the Central Bank.

3. The aggregate amount of the outstanding extensions of credit and holdings of securities described under Articles 24 for each financial year shall not exceed 10% (ten percent) of the ordinary domestic budgetary revenues, excluding grants and proceeds from the sale of assets, for the previous financial year. (Article 25) (Coded as .75)

***(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Cambodia 1996***: The Central Bank shall not directly or indirectly extend to the Royal Government, including by the purchase in a primary issue of securities issued or guaranteed by the government or by public entities, except in accordance with the provisions of this Title. (Article 24)

The Central Bank may purchase, sell or repurchase government securities maturing within 90 days which have previously been publicly issued, in open market operations, or in discount operations for, or extension of credit to, financial institutions. (coded as 1) ***Cambodia 2006*:** The central Bank shall not directly or indirectly extend credit to the Royal Government, including by the purchase in a primary issue of securities issued or guaranteed by the government or by public entities, except in accordance with the provisions of this Title. (Article 24)  
The Central Bank may purchase, sell or repurchase government securities maturing within 90 days which have previously been publicly issued, in open market operations, or in discount operations for, or extensions of credit to, financial institutions. (Article 26) (Coded as 1)

# CHINA

**Chief Executive Officer** (weight = .20)

***Term of office****China 1995*: No mention of term length – coded as –

*China 2021*: No change

***Who appoints CEO?****China 1995*: The People's Bank of China shall have a Governor and a certain number of Deputy Governors. The candidate for the Governor of the People's Bank of China shall be nominated by the Premier of the State Council and decided by the National People's Congress; when the National People's Congress is not in session, the Governor shall be decided by the Standing Committee of the National People's Congress and appointed or removed by the President of the People's Republic of China. The Deputy Governors of the People's Bank of China shall be appointed or removed by the Premier of the State Council. (Article 9) (Coded as .5)

*China 2021*: No change

***Dismissal***

*China 1995*: No provision for dismissal – coded as 1

*China 2021*: No change

***May CEO hold other offices in government?***

*China 1995*: No restriction on holding other offices – coded as 0

*China 2021*: No change

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*China 1995*: The People's Bank of China shall report its decisions to the State Council for approval concerning the annual money supply, interest rates, foreign exchange rates and other important matters specified by the State Council before they are implemented. The People's Bank of China shall immediately implement the decisions on monetary policies for matters other than those specified in the preceding paragraph and report them to the State Council for the record. (Article 5)  
The People's Bank of China shall, under the leadership of the State Council, implement monetary policies, perform its functions and carry out its business operations independently according to law and be free from intervention by local governments, government departments at various levels, public organizations or individuals. (Article 7) (Coded as .67)

*China 2021*: No change

*(b) Resolution of conflict*

*China 1995*: The People's Bank of China shall report its decisions to the State Council for approval concerning the annual money supply, interest rates, foreign exchange rates and other important matters specified by the State Council before they are implemented. The People's Bank of China shall immediately implement the decisions on monetary policies for matters other than those specified in the preceding paragraph and report them to the State Council for the record. (Article 5)  
The People's Bank of China shall, under the leadership of the State Council, implement monetary policies, perform its functions and carry out its business operations independently according to law and be free from intervention by local governments, government departments at various levels, public organizations or individuals. (Article 7) (Coded as .2)

*China 2021*: No change

*(c) Role in government’s budgetary process* (no mention – coded as 0)

*China 2021*: No change

Objectives (weight = .15)  
*China 1995*:

The aim of monetary policies shall be to maintain the stability of the value of the currency and thereby promote economic growth. (Article 3) (Coded as .4)

*China 2021*: No change

Limitations on lending to the government

*Advances (Weight = .15)*

*China 1995*: The People's Bank of China may not make an overdraft for the government, and may not directly subscribe or underwrite State bonds or other government bonds.  
The People's Bank of China may not provide loans to the local governments or government departments at various levels, to non-banking institutions, other units or individuals, with the exception of the specific non-banking institutions as decided by the State Council. The People's Bank of China may not provide guaranty for any unit or individual. (Articles 28-29) (Coded as 1)

*China 2021*: No change

*(b) Securitized lending (.10)*

*(c) Terms of lending (.10)*

*(d) Potential borrowers from bank (.05)*

*(e) Limits on central bank lending determined by (.025)*

*(f) Maturity of loans (.025)*

*(g) Interest rates on loans must be? (.025)*

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
China 1995*: The People's Bank of China may not make an overdraft for the government, and may not directly subscribe or underwrite State bonds or other government bonds.  
The People's Bank of China may not provide loans to the local governments or government departments at various levels, to non-banking institutions, other units or individuals, with the exception of the specific non-banking institutions as decided by the State Council. The People's Bank of China may not provide guaranty for any unit or individual. (Articles 28-29) (Coded as 1)

*China 2021*: No change

FIJI

**Chief Executive Officer** (weight = .20)

***Term of office****Fiji 1985*: (1) The Governor shall be a person of recognised experience in financial matters, and shall be appointed by the Minister for a period of not less than 3 or more than 5 years but shall be eligible for re-appointment. (Section 11 - coded as .25 – middle)

*Fiji 2021*: No change

***Who appoints CEO?****Fiji 1985*: (1) The Governor shall be a person of recognised experience in financial matters, and shall be appointed by the Minister for a period of not less than 3 or more than 5 years but shall be eligible for re-appointment. (coded as 0)

*Fiji 2021*: No change

***Dismissal***  
*Fiji 1985*: (2) A director, other than the Permanent Secretary for Finance, may resign his office on giving notice in writing to the Minister.

(3) No person shall be appointed or remain a director –

(a) who becomes or has anywhere been declared bankrupt and has not been discharged;

(b) [ILLEGIBLE]

(c) who has, in the case of a person having professional qualifications, been disqualified or suspended from practicing his profession by the order of any competent authority made in respect of him personally by reason of his misconduct.

(d) if the Minister, after consultation with the Governor, is satisfied that he is incapable of carrying out, or is guilty of serious misconduct in the performance of, the duties of his office. (Section 13) (Coded as .83)

*Fiji 2021*: No change

***May CEO hold other offices in government?****Fiji 1985*: (1) No person, other than the Permanent Secretary for Finance, shall serve on the Board who is at the time of his appointment or later becomes-

*(a)* a member of either House of Parliament;

*(b)* a director, officer or employee of a corporation (other than the Reserve Bank) engaged wholly or mainly in banking business; or

*(c)* a public officer. (Section 13)  
(2) The Governor shall devote the whole of his professional services to the Reserve Bank and shall not, without approval of the Minister-

*(a)* receive any salary or supplement thereto from any source other than the Reserve Bank;

*(b)* occupy any other office or employment, whether remunerated or not, except as nominee of the Reserve Bank except that he may-

(i) act as a member of any statutory board, committee or commission established by

the Government;

(ii) become a governor, director or member of the board of any international financial

institution of which Fiji is a member. (Section 15) (Coded as 1)

*Fiji 2021*: No change

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?****Fiji 1985*:** The Minister may, after consultation with the Board, issue to the Reserve Bank such written directives of a general nature as may be necessary to give effect to the economic policies of the Government, and the Reserve Bank shall comply therewith. (Section 52) (Coded as .33)

*Fiji 2021*: No change

*(b) Resolution of conflict*

***Fiji 1985*:** The Minister may, after consultation with the Board, issue to the Reserve Bank such written directives of a general nature as may be necessary to give effect to the economic policies of the Government, and the Reserve Bank shall comply therewith. (Section 52) (Coded as .2)

*Fiji 2021*: No change

*(c) Role in government’s budgetary process****Fiji 1985*:** (4) The Reserve Bank shall be consulted by-

*(a)* the Minister, on the occasion of the preparation of the Government’s budget, to the end of reaching an understanding on the total amount of credit that may be expected to be extended by the Reserve Bank to the Government during the following year;

*(b)* the Government, its institutions, agencies, statutory corporations and local government bodies at any time that either domestic or foreign credit operations are contemplated; in the event that, in the opinion of the Board, such operations individually or collectively appear to be of a magnitude inappropriate to prevailing economic conditions, the Reserve Bank shall report to the Minister drawing attention to the situation and recommending measures to rectify the situation. (Section 49) (Coded as 1)

*Fiji 2021*: No change

Objectives (weight = .15)

*Fiji 1985*: The Principal purposes of the Reserve Bank shall be-

*(a)* to regulate the issue of currency, and the supply, availability and international exchange of money;

*(b)* to promote monetary stability;

*(c)* to promote a sound financial structure; and

*(d)* to foster credit and exchange conditions conducive to the orderly and balanced economic development of the country. (Section 4) (Coded as .6)

*Fiji 2021*: No change

Limitations on lending to the government

*Advances (Weight = .15)*

*Fiji 1985*: (1) The Reserve Bank may grant temporary advances to the Government or any statutory corporation in respect of temporary deficiencies of current budget revenue, subject to repayment within 6 months following the end of the financial year in which they were granted, at such rates of interest as the Board may determine.

(2) If at the end of any financial year, any advance remains unpaid within the period provided for by subsection (1), that advance shall be taken into account when determining the maximum advances that may be made under that subsection in the following year.

(3) Without limiting the generality of subsection (1), the Reserve Bank is expressly authorised to make advances to the Government, on such terms and conditions as may be agreed between them, in respect of subscriptions and other payments resulting from, or incidental to, the membership of Fiji in any international financial institution, the participation of Fiji in any account thereof or any transactions and operations undertaken in connection therewith. (Section 49) (Coded as .33)

*Fiji 2021*: No change

*(b) Securitized lending (.10)   
Fiji 1985*: (1) The Reserve Bank may grant temporary advances to the Government or any statutory corporation in respect of temporary deficiencies of current budget revenue, subject to repayment within 6 months following the end of the financial year in which they were granted, at such rates of interest as the Board may determine.

(2) If at the end of any financial year, any advance remains unpaid within the period provided for by subsection (1), that advance shall be taken into account when determining the maximum advances that may be made under that subsection in the following year.

(3) Without limiting the generality of subsection (1), the Reserve Bank is expressly authorised to make advances to the Government, on such terms and conditions as may be agreed between them, in respect of subscriptions and other payments resulting from, or incidental to, the membership of Fiji in any international financial institution, the participation of Fiji in any account thereof or any transactions and operations undertaken in connection therewith. (Section 49) (Coded as .33)

*Fiji 2021*: No change

*(c) Terms of lending (.10)   
Fiji 1985*: (1) The Reserve Bank may grant temporary advances to the Government or any statutory corporation in respect of temporary deficiencies of current budget revenue, subject to repayment within 6 months following the end of the financial year in which they were granted, at such rates of interest as the Board may determine.

(2) If at the end of any financial year, any advance remains unpaid within the period provided for by subsection (1), that advance shall be taken into account when determining the maximum advances that may be made under that subsection in the following year.

(3) Without limiting the generality of subsection (1), the Reserve Bank is expressly authorised to make advances to the Government, on such terms and conditions as may be agreed between them, in respect of subscriptions and other payments resulting from, or incidental to, the membership of Fiji in any international financial institution, the participation of Fiji in any account thereof or any transactions and operations undertaken in connection therewith. (Section 49) (Coded as .67)

*Fiji 2021*: No change

*(d) Potential borrowers from bank (.05)*

***Fiji 1985*:** The total amount of outstanding advances made by the Reserve Bank to the Government or to any statutory corporation and of the holdings by the Reserve Bank of notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation exclusive of credit permitted under subsection (5) of section **6** and subsection (2) of section **34** and of the amount of credits established for the Government or any statutory corporation shall, at no time, exceed 30 percent of the average annual ordinary revenue of the Government, except as provided in subsection (5) of this section.  
(5) If the limitation provided for in subsection (2) is reached, the Reserve Bank shall forthwith notify the Minister of the fact and shall permit no further increase, whether directly or indirectly, in the Reserve Bank’s advances and holdings referred to in subsection (2):

Provided that the Minister may direct the Reserve Bank to permit temporary further increases in total of the advances, holdings and credits referred to in subsection (2) subject to an overall limitation of 40 percent of the average annual ordinary revenue to Government for a period not exceeding 6 months and the Reserve Bank shall thereupon give effect to that policy while the direction remains in operation. (Section 51) (Coded as .33) (statutory corporations assumed to be public enterprises)

*Fiji 2021*: No change

*(e) Limits on central bank lending determined by (.025)****Fiji 1985*:** The total amount of outstanding advances made by the Reserve Bank to the Government or to any statutory corporation and of the holdings by the Reserve Bank of notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation exclusive of credit permitted under subsection (5) of section **6** and subsection (2) of section **34** and of the amount of credits established for the Government or any statutory corporation shall, at no time, exceed 30 percent of the average annual ordinary revenue of the Government, except as provided in subsection (5) of this section.  
(5) If the limitation provided for in subsection (2) is reached, the Reserve Bank shall forthwith notify the Minister of the fact and shall permit no further increase, whether directly or indirectly, in the Reserve Bank’s advances and holdings referred to in subsection (2):

Provided that the Minister may direct the Reserve Bank to permit temporary further increases in total of the advances, holdings and credits referred to in subsection (2) subject to an overall limitation of 40 percent of the average annual ordinary revenue to Government for a period not exceeding 6 months and the Reserve Bank shall thereupon give effect to that policy while the direction remains in operation. (Section 51) (Coded as .33)

*Fiji 2021*: No change

*(f) Maturity of loans (.025)   
Fiji 1985*: (1) The Reserve Bank may grant temporary advances to the Government or any statutory corporation in respect of temporary deficiencies of current budget revenue, subject to repayment within 6 months following the end of the financial year in which they were granted, at such rates of interest as the Board may determine.

(2) If at the end of any financial year, any advance remains unpaid within the period provided for by subsection (1), that advance shall be taken into account when determining the maximum advances that may be made under that subsection in the following year. (Section 49) (Coded as .33)

*Fiji 2021*: No change

*(g) Interest rates on loans must be? (.025)   
Fiji 1985*: (1) The Reserve Bank may grant temporary advances to the Government or any statutory corporation in respect of temporary deficiencies of current budget revenue, subject to repayment within 6 months following the end of the financial year in which they were granted, at such rates of interest as the Board may determine. (Section 49) (Coded as .75)

*Fiji 2021*: No change

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)****Fiji 1985*:** The Reserve Bank may buy, sell or deal in notes, bills, stocks, securities or other evidence of indebtedness issued or guaranteed by the Government or any statutory corporation, which were publicly offered for sale or form part of an issue which is being made to the public at the time of acquisition by the Reserve Bank and which mature in not more than 20 years. (Section 50) (coded as 0)

*Fiji 2021*: No change

**INDIA**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*India 1934*: The Governor and a Deputy Governor shall hold office for such term not exceeding five years as the Central Government may fix when appointing them, and shall be eligible for reappointment. (Art. 8, 4) Coded as .5

*India 2010*: The Governor and a Deputy Governor shall hold office for such term not exceeding five years as the Central Government may fix when appointing them, and shall be eligible for reappointment. (Art. 8, 4) Coded as .5

*India 2021*: No change

1. ***Who appoints CEO?***

*India 1934*: The Central Board shall consist of the following Directors, namely: (a) a Governor and three Deputy Governors to be appointed by the Central Government; (b) four directors to be nominated by the Central Government, one from each of the four Local Boards as constituted by section 9; (c) six Directors to be nominated by the Central Government; and (d) one Government official to be nominated by the Central Government. (Sec. 8, 1) Coded as .25

*India 2010*: The Central Board shall consist of the following Directors, namely: -

(a) a Governor and not more than four Deputy Governors to be appointed by the Central Government (Sec 8, 1) Coded as .25  
*India 2021*: No change

1. ***Dismissal***

*India 1934*: The Central Government may remove from office the Governor, or a Deputy Governor or any other Director or any member of a Local Board. (Sec. 11, 1) Coded as 0

*India 2010*: The Central Government may remove from office the Governor, or a Deputy Governor or any other Director or any member of a Local Board. (Sec. 11, 1) Coded as 0

*India 2021*: No change

1. ***May CEO hold other offices in government?***

*India 1934*: The Governor and Deputy Governors shall devote their whole time to the affairs of the Bank, and shall receive such salaries and allowances as may be determined by the Central Board, with the approval of the Central Government. (Sec. 8, 2) Coded as 1

*India 2010*: The Governor and Deputy Governors shall devote their whole time to the affairs of the Bank, and shall receive such salaries and allowances as may be determined by the Central Board, with the approval of the Central Government.

Provided that the Central Board may, if in its opinion it is necessary in the public interest so to do, permit the Governor or a Deputy Governor to undertake, at the request of the Central Government or any State Government, such part-time honorary work, whether related to the purposes of this Act or not, as is not likely to interfere with his duties as Governor or Deputy Governor, as the case may be (Sec. 8, 2)

No person may be a Director or a member of a Local Board who -

(a) is a salaried Government official **4**[\* \* \*] **5**[\* \* \*], or (Section 10) Coded as 1

*India 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*India 1934*: The Central Government may from time to time give such direction to the Bank as it may, after consultation with the Governor of the Bank, consider necessary in the public interest. (Sec. 7, 1)

# *(b) Resolution of conflict*

*India 1934*: The Central Government may from time to time give such direction to the Bank as it may, after consultation with the Governor of the Bank, consider necessary in the public interest. (Sec. 7, 1) Coded as 0

*India 2010*: (1) If in the opinion of the **2**[Central Government] the Bank fails to carry out any of the obligations imposed on it by or under this Act **3**[\* \* \*] **4**[the Central Government] may, by notification in the Gazette of India, declare the Central Board to be superseded, and thereafter the general superintendence and direction of the affairs of the Bank shall be entrusted to such agency as the **5**[Central Government] may determine, and such agency may exercise the powers and do all acts and things which may be exercised or done by the Central Board under this Act.

(2) When action is taken under this section the **6**[Central Government] shall cause a full report of the circumstances leading to such action and of the action taken to be laid before **7**[Parliament] at the earliest possible opportunity and in any case within three months from the issue of the notification superseding the Board. (Section 30) Coded as 0

*India 2021*: No change

# *(c) Role in government’s budgetary process*

Nothing found. Coded as 0

*India 2021*: No change

# Objectives (weight = .15)

*India 1934*: Whereas it is expedient to constitute a Reserve Bank of India to regulate the issue of Bank notes and the keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit system of the country to its advantage. (Preamble; no change) Coded as .4

*India 2021*: No change

# Limitations on lending to the government

# *Advances (Weight = .15)*

*India 2010*: The Bank shall be authorized to carry on and transact the several kinds of business hereinafter specified, namely:- (5) the making to the **1**[Central Government] **2**[**3**[\* \* \*] **4**[and **5**[State Governments]] of advances repayable in each case not later than three months from the date of the making of the advance; (Section 17) Coded as .33

*India 2021*: No change

# *Securitized lending (.10)*

*India 2010*: The Bank shall be authorized to carry on and transact the several kinds of business hereinafter specified, namely:- (8) the Purchase and sale of securities **2**[of the Central **3**[Government or a **4**[State] Government]] of any maturity or of such securities of a local authority **5**[\* \* \*] as may be specified in this behalf by the **6**[Central Government] on the recommendation of the Central Board:

Provided that securities fully guaranteed as to principal and interest by 7[any such Government **8**[or authority]] shall be deemed for the purposes of this clause to be securities of such government **9**[or authority]; (Article 17, 8) Coded as 0

*India 2021*: No change

# *(c) Terms of lending (.10)*

*India 2010*: The **14**[Central Government] **15**[\*\*\*] shall entrust the Bank, on such conditions as may be agreed upon, with the management of the public debt and with the issue of any new loans.

(3) In the event of any failure to reach agreement on the conditions referred to in this section the **1**[Central Government] shall decide what the conditions shall be.

**2**[(4) Any agreement made under this section shall be laid, as soon as may be after it is made, before Parliament.] (Article 21) Coded as .33

*India 2021*: No change

# *(d) Potential borrowers from bank (.05)*

*India 2010*: The Bank shall be authorized to carry on and transact the several kinds of business hereinafter specified, namely:-

(4) the making to **5**[\* \* \*] local authorities, scheduled banks **6**[**7**[\* \* \*] **8**[State] co-operative banks **1**[and State Financial Corporations **2**[\* \* \*]] of loans and advances, repayable on demand or on the expiry of fixed periods not exceeding ninety days, against the security of – (section 17) Coded as .33

*India 2021*: No change

# *(e) Limits on central bank lending determined by (.025)*

*India:* Nothing found. Coded as – from beginning

# *(f) Maturity of loans (.025)*

*India 2010*: The Bank shall be authorized to carry on and transact the several kinds of business hereinafter specified, namely:- (8) the Purchase and sale of securities **2**[of the Central **3**[Government or a **4**[State] Government]] of any maturity or of such securities of a local authority **5**[\* \* \*] as may be specified in this behalf by the **6**[Central Government] on the recommendation of the Central Board:

Provided that securities fully guaranteed as to principal and interest by 7[any such Government **8**[or authority]] shall be deemed for the purposes of this clause to be securities of such government **9**[or authority]; (Article 17, 8) Coded as .33

*India 2021*: No change

# *(g) Interest rates on loans must be? (.025)*

*India 2010*: The Bank shall be authorized to carry on and transact the several kinds of business hereinafter specified, namely:- (5) the making to the **1**[Central Government] **2**[**3**[\* \* \*] **4**[and **5**[State Governments]] of advances repayable in each case not later than three months from the date of the making of the advance;

*India 2010*: The Bank shall be authorized to carry on and transact the several kinds of business hereinafter specified, namely:- (8) the Purchase and sale of securities **2**[of the Central **3**[Government or a **4**[State] Government]] of any maturity or of such securities of a local authority **5**[\* \* \*] as may be specified in this behalf by the **6**[Central Government] on the recommendation of the Central Board:

Provided that securities fully guaranteed as to principal and interest by 7[any such Government **8**[or authority]] shall be deemed for the purposes of this clause to be securities of such government **9**[or authority]; (Article 17, 8) Coded as .25

*India 2021*: No change

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*India 2010*: The **14**[Central Government] **15**[\*\*\*] shall entrust the Bank, on such conditions as may be agreed upon, with the management of the public debt and with the issue of any new loans. (Section 21, 2) Coded as 0

*India 2021*: No change

**INDONESIA**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Indonesia 1998*: The member of the Board of Governors shall be appointed for 5 (five) year term of office and may be reappointed for the same office at the maximum of one subsequent term of office. (Art. 41, 5) Coded as .5

*Indonesia 2010*: The member of the Board of Governors shall be appointed for 5 (five) year term of office and may be reappointed for the same office at the maximum of one subsequent term of office. (Article 41, 5) Coded as .5

*Indonesia 2021*: No change

1. ***Who appoints CEO?***

*Indonesia 1998*: (1) The Governor and the Senior Deputy Governor shall be nominated and appointed by the President upon the approval of the House of Representatives. (Ch. 7, Art. 41) Coded as .5

*Indonesia 2010*: (1) The Governor and the Senior Deputy Governor shall be nominated and appointed by the President upon the approval of the House of Representatives. (Article 41) Coded as .5

*Indonesia 2021*: No change

1. ***Dismissal***

*Indonesia 1998*: Any member of the Board of Governors shall not be discharged during his/her term of office, unless it is conducted upon a resignation of such member, or upon any evidence which proves that such member have committed a crime, or permanently prevented from serving his/her office. In the event that a member of the Board of Governors is presumed to commit a crime, a prior written approval of the President shall be obtained in order to summon, to hold a hearing, and to conduct an investigation. (Art. 48-49) Coded as .83

*Indonesia 2010*: Any member of the Board of Governors shall not be discharged during his/her term of office, unless it is conducted upon a resignation of such member, or upon any evidence which proves that such member have committed a crime, or permanently prevented from serving his/her office. In the event that a member of the Board of Governors is presumed to commit a crime, a prior written approval of the President shall be obtained in order to summon, to hold a hearing, and to conduct an investigation. (Articles 48-49) Coded as .83

*Indonesia 2021*: No change

1. ***May CEO hold other offices in government?***

*Indonesia 1998*: The member of the Board of Governors shall, individually or collectively, be prohibited from: a. having any direct or indirect interests on any enterprises; b. holding any other position concurrently in other entities, except his/her tasks require him/her to hold such position; c. holding a position in the management of and or being a member of a political party. (Art. 47, 1) Coded as 1

*Indonesia 2010*: The member of the Board of Governors shall, individually or collectively, be prohibited from: a. having any direct or indirect interests on any enterprises; b. holding any other position concurrently in other entities, except his/her tasks require him/her to hold such position; c. holding a position in the management of and or being a member of a political party. (Article 47, 1) Coded as 1

*Indonesia 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*Indonesia 1998*: The Government shall request Bank Indonesia’s opinion and or invite Bank Indonesia in a cabinet meeting which discusses economic, banking and financial matters related to the tasks of Bank Indonesia or other matters within the authority of Bank Indonesia. (Art. 54, 1)

*Indonesia 2010*: Bank Indonesia is an independent state institution, which is free from any interferences of the Government and or other parties, except for matters explicitly prescribed in this act. (Article 4, 2)

Other parties shall not interfere with the implementation of the tasks of Bank Indonesia as referred to in Article 8.

Bank Indonesia shall refuse and or ignore any form of interferences conducted by any parties in the implementation of its tasks. (Article 9) Coded as 1

*Indonesia 2021*: No change

# *(b) Resolution of conflict*

*Indonesia 1953*: A member of the Monetary Board whose opinion is with the minority of votes shall, during a period of one week, have the right to request that the dispute be submitted for decision to the Cabinet Council. Pending this decision, said member shall be entitled to claim suspension of the decision of the Monetary Board, which request shall be complied with expect in very urgent cases. Should the Governor of the Bank at any time be placed in the wrong in such a way as referred to in paragraph (4) of this article, he shall have the right to publish his opinion in “Berita Negara”, unless the Cabinet Council decides this to be incompatible with the interests of the country. (Art. 24, 4-5) Coded as .2

*Indonesia 2010*: There is nothing allowing the government to override CB decisions. Coded as 1

*Indonesia 2021*: No change

# *(c) Role in government’s budgetary process*

*Indonesia 1998*: Bank Indonesia shall provide an opinion and consideration to the Government concerning the State Budget and other policies related to the tasks and authority of Bank Indonesia. (Art. 54, 2)

*Indonesia 2010*: Bank Indonesia shall provide an opinion and consideration to the Government concerning the State Budget and other policies related to the tasks and authority of Bank Indonesia. (Article 54, 2) Coded as 1

*Indonesia 2021*: No change

# Objectives (weight = .15)

*Indonesia 1953*: It shall be the Bank’s duty to regulate the value of the Indonesian currency in a way as will be most expedient to the welfare of the State, and in so doing, to aim at the utmost stability of the currency. (Article 7, 1) Coded as .4

*Indonesia 2010*: The objective of Bank Indonesia is to achieve and maintain the stability of the rupiah value. (Article 7) Coded as 1

*Indonesia 2021*: No change

# Limitations on lending to the government

# *(a) Advances (Weight = .15)*

*Indonesia 2010*: Bank Indonesia shall not provide any credit to the Government.

In the event that Bank Indonesia violate the provision as referred to in paragraph (1), the agreement to extend credit to the Government shall be null and void. (Article 56) Coded as 1

*Indonesia 2021*: No change

# *(b) Securitized lending (.10)*

*Indonesia 2010*: Bank Indonesia shall not provide any credit to the Government.

In the event that Bank Indonesia violate the provision as referred to in paragraph (1), the agreement to extend credit to the Government shall be null and void. (Article 56) Coded as 1

*Indonesia 2021*: No change

# *(c) Terms of lending (.10)*

# *(d) Potential borrowers from bank (.05)*

# *(e) Limits on central bank lending determined by (.025)*

# *(f) Maturity of loans (.025)*

# *(g) Interest rates on loans must be? (.025)*

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Indonesia 1998*: Bank Indonesia shall not purchase for itself the state debt securities as referred to in paragraph (1), except in a secondary market. (Art. 55, 4) Coded as 1

*Indonesia 2010*: Bank Indonesia shall not purchase for itself the state debt securities as referred to in paragraph (1), except in a secondary market. (Article 55, 4) Coded as 1

*Indonesia 2021*: No change

**JAPAN**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Japan 1998*: The term of office shall be five years for the Governor, the Deputy Governors, and the Deliberative Members, four years for the Executive Auditors and the Executive Directors and two years for the Counsellors. (Art. 24, 1) Coded as .5

*Japan 2010*: The terms of office shall be five years for the Governor, Deputy Governors, and Members of the Policy Board, four years for Auditors and Executive Directors, and two years for Counsellors. However, if a vacancy occurs in the office of a Governor, Deputy Governor, or Member of the Policy Board, the term of office for a substitute Governor, Deputy Governor, or Member of the Policy Board shall be limited to the remaining term of his/her predecessor. (Article 24, 1) Coded as .5

*Japan 2021*: No change

1. ***Who appoints CEO?***

*Japan 1998*: The Governor and the Deputy Governors shall be appointed by the Cabinet, subject to the consent of the House of Representatives and the House of Councillors. (Art. 23, 1) Coded as .5

*Japan 2010*: The Governor and the Deputy Governors shall be appointed by the Cabinet, subject to the consent of the House of Representatives and the House of Councillors. (Article 23 ,1) Coded as .5

*Japan 2021*: No change

1. ***Dismissal***

*Japan 1998*: Executives of the Bank of Japan shall not be dismissed against their will during their term in office except in the following situations: (1) an executive is adjudicated incompetent, quasi-incompetent, or bankrupt; (2) an executive receives penalties under this Law; (3) an executive is sentenced to imprisonment or given heavier punishment; (4) an executive is deemed incapable of carrying out his duties by the Board, because of physical or mental disorders. The Cabinet of the Minister of Finance shall dismiss a Bank executive if any of the four Sections applies. (Art. 25, 1-2) Coded as .83

*Japan 2010*: (1) Officers of the Bank of Japan (excluding Executive Directors in this paragraph) shall not be dismissed against their will during their terms of office, except in the case prescribed in the second sentence of Article 23, paragraph 6 or in the following cases:

(i) An officer has received a ruling of the commencement of bankruptcy proceedings;

(ii) An officer has received punishment under this Act;

(iii) An officer has been sentenced to imprisonment without work or a heavier punishment;

(iv) An officer has been deemed incapable of carrying out his/her duties due to mental or physical disorder by the Board (or by the Board and the Cabinet in the case of the Auditors).

(2) The Cabinet or the Minister of Finance shall dismiss an officer of the Bank of Japan if he/she falls under any of the cases listed in the items of the preceding paragraph. (Article 25) Coded as .83

*Japan 2021*: No change

1. ***May CEO hold other offices in government?***

*Japan 1998*: An executive may no engage in any of the following activities during his term of office: (1) become a candidate for the National Diet, for the assembly of any municipality or for any elected public office; (2) become an office of any political body including political parties or actively engage in political activities; (3) maintain or take other posts that bring remuneration (except when the Board considers that such post does not interfere with the proper execution of his duties at the Bank); (4) engage in commercial or other business for pecuniary gain. (Art. 26, 1) Coded as ~~.5~~ changed to 1

*Japan 2010*: (1) An officer of the Bank of Japan (excluding Counsellors; hereinafter the same shall apply in this Article and Articles 31 and 32) shall not conduct any of the following acts during his/her term of office:

(i) Becoming a candidate for the Diet, for any local council, or for any elected public office;

(ii) Becoming an officer of any political body including a political party or actively engaging in political activities;

(iii) Engaging in other work that brings remuneration (excluding work that the Board finds as meeting the requirements specified by the rules on service prescribed in Article 32 as the standards of work that does not interfere with the proper execution of his/her duties as an officer);

(iv) Carrying out commercial business or other business for the purpose of pecuniary gain.

(2) If an officer of the Bank of Japan becomes a candidate for the Diet, for any local council, or for any elected public office, he/she shall be deemed to have resigned as an officer of the Bank. (Article 26) Coded as 1

*Japan 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*Japan 1998*: The Bank of Japan’s autonomy regarding currency and monetary control shall be respected. (Art. 3, 1)

In recognition of the fact that currency and monetary control is a component of overall economic policy, the Bank of Japan shall always maintain close contact with the government and exchange views sufficiently, so that its currency and monetary control and the basic stance of the government’s economic policy shall be mutually harmonious. (Art. 4)

The Minister of Finance (or his designated delegate) and the Minister of Economic Planning Agency (or his designated delegate) when attending the Board meetings for monetary control matters, may submit proposals regarding monetary control matters, or request that the Board postpone a vote on monetary control matters until the next Board meeting of this type.

If a request is made to postpone a Board vote under the provisions of the preceding paragraph, the Board shall decide whether or not to accommodate the request, in accordance with the same voting procedures which apply to other matters. (Art. 19, 2-3) Coded as .67; no change by 2010

*Japan 2021*: No change

# *(b) Resolution of conflict*

*Japan 1998*: The Bank of Japan’s autonomy regarding currency and monetary control shall be respected. (Art. 3, 1)

In recognition of the fact that currency and monetary control is a component of overall economic policy, the Bank of Japan shall always maintain close contact with the government and exchange views sufficiently, so that its currency and monetary control

and the basic stance of the government’s economic policy shall be mutually harmonious. (Art. 4)

The Minister of Finance (or his designated delegate) and the Minister of Economic Planning Agency (or his designated delegate) when attending the Board meetings for monetary control matters, may submit proposals regarding monetary control matters, or request that the Board postpone a vote on monetary control matters until the next Board meeting of this type.

If a request is made to postpone a Board vote under the provisions of the preceding paragraph, the Board shall decide whether or not to accommodate the request, in accordance with the same voting procedures which apply to other matters. (Art. 19, 2-3) Coded as 1; no change by 2010

*Japan 2021*: No change

# *Role in government’s budgetary process*

Nothing found. Coded as 0

*Japan 2021*: No change

# Objectives (weight = .15)

*Japan 1998*: The objective of the Bank of Japan, as the central bank of Japan, is to issue banknotes and to carry out currency and monetary control. In addition to what is prescribed by the preceding Paragraph, the Bank’s objective is to ensure smooth settlement of funds among banks and other financial institutions, thereby contributing to the maintenance of an orderly financial system. Currency and monetary control shall be aimed at, through the pursuit of price stability, contributing to the sound development of the national economy. (Art. 1-3) Coded as .6

*Japan 2010*: The objective of the Bank of Japan, as the central bank of Japan, is to issue banknotes and to carry out currency and monetary control. In addition to what is prescribed by the preceding Paragraph, the Bank’s objective is to ensure smooth settlement of funds among banks and other financial institutions, thereby contributing to the maintenance of an orderly financial system. Currency and monetary control shall be aimed at, through the pursuit of price stability, contributing to the sound development of the national economy. (Art. 1-3) Coded as .6

*Japan 2021*: No change

# Limitations on lending to the government

# *(a) Advances (Weight = .15)*

*Japan 1998*: As the central bank of Japan, the Bank of Japan may, in addition to the business listed in Paragraph 1 of the preceding Article, conduct the following business with the government: 1. making loans, without collateral, subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law (Law No. 34 of 1947); 2. making loans, without collateral, to finance the government's temporary borrowing permitted under the Fiscal Law or other laws concerning the government's accounting; 3. subscribing or underwriting government bonds subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law; 4. subscribing or underwriting financial bills and other bills issued for stopgap financing; 5. accepting custody of precious metals and other items. (Art. 34) Coded as 0; no change as of 2010. Recoding to .33

# *Securitized lending (.10)*

*Japan 1998*: As the central bank of Japan, the Bank of Japan may, in addition to the business listed in Paragraph 1 of the preceding Article, conduct the following business with the government: 1. making loans, without collateral, subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law (Law No. 34 of 1947); 2. making loans, without collateral, to finance the government's temporary borrowing permitted under the Fiscal Law or other laws concerning the government's accounting; 3. subscribing or underwriting government bonds subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law; 4. subscribing or underwriting financial bills and other bills issued for stopgap financing; 5. accepting custody of precious metals and other items. (Art. 34) Coded as 0; no change as of 2010. Recoding to .33

*Japan 2021*: No change

# *(c) Terms of lending (.10)*

# *(d) Potential borrowers from bank (.05)*

Nothing found on potential borrowers. Following CWN, coded as –

*Japan 2021*: No change

# *(e) Limits on central bank lending determined by (.025)*

*Japan 1998*: As the central bank of Japan, the Bank of Japan may, in addition to the business listed in Paragraph 1 of the preceding Article, conduct the following business with the government: 1. making loans, without collateral, subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law (Law No. 34 of 1947); 2. making loans, without collateral, to finance the government's temporary borrowing permitted under the Fiscal Law or other laws concerning the government's accounting; 3. subscribing or underwriting government bonds subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law; 4. subscribing or underwriting financial bills and other bills issued for stopgap financing; 5. accepting custody of precious metals and other items. (Art. 34) Coded as –

*Japan 2021*: No change

# *(f) Maturity of loans (.025)*

*Japan 1998*: As the central bank of Japan, the Bank of Japan may, in addition to the business listed in Paragraph 1 of the preceding Article, conduct the following business with the government: 1. making loans, without collateral, subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law (Law No. 34 of 1947); 2. making loans, without collateral, to finance the government's temporary borrowing permitted under the Fiscal Law or other laws concerning the government's accounting; 3. subscribing or underwriting government bonds subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law; 4. subscribing or underwriting financial bills and other bills issued for stopgap financing; 5. accepting custody of precious metals and other items. (Art. 34) Coded as 0

*Japan 2021*: No change

# *(g) Interest rates on loans must be? (.025)*

*Japan 1998*: As the central bank of Japan, the Bank of Japan may, in addition to the business listed in Paragraph 1 of the preceding Article, conduct the following business with the government: 1. making loans, without collateral, subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law (Law No. 34 of 1947); 2. making loans, without collateral, to finance the government's temporary borrowing permitted under the Fiscal Law or other laws concerning the government's accounting; 3. subscribing or underwriting government bonds subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law; 4. subscribing or underwriting financial bills and other bills issued for stopgap financing; 5. accepting custody of precious metals and other items. (Art. 34) Coded as .25

*Japan 2021*: No change

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Japan 1998*: As the central bank of Japan, the Bank of Japan may, in addition to the business listed in Paragraph 1 of the preceding Article, conduct the following business with the government: subscribing or underwriting government bonds subject to a limit imposed by a Diet resolution prescribed by the exception clause in Article 5 of the Fiscal Law. (Article 34, 3) Coded as 0

*Japan 2010*: As the central bank of Japan, the Bank of Japan may, in addition to the business prescribed in paragraph 1 of the preceding Article, conduct the following business with the national government:

(iii) Subscribing or underwriting national government securities within the limit decided by the Diet as prescribed in the proviso of Article 5 of the Fiscal Act; (Article 34) Coded as 0

*Japan 2021*: No change

**KOREA, SOUTH**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Korea 1997*: The term of the Governor shall be four years and he may be reappointed for a single consecutive term. (Art. 33, 2) Coded as .25

*Korea 2010*: The term of the Governor shall be four years and he may be reappointed for a single consecutive term. (Art. 33, 2) Coded as .25

*Korea 2021*: No change

1. ***Who appoints CEO?***

*Korea 1997*: The Governor of the Bank of Korea shall become the Chairman of the Monetary Policy Committee concurrently and shall be appointed by the President following deliberation by the State Council. (Art 13, 2) Coded as .25

*Korea 2010*: The Governor of the Bank of Korea shall become the Chairman of the Monetary Policy Committee concurrently and shall be appointed by the President following deliberation by the State Council. (Art 13, 2) (State Council = government) Coded as .25

*Korea 2021*: No change

1. ***Dismissal***

*Korea 1997:* No Member shall be discharged from his office against his own will unless he falls under any of the following Clauses: in case he falls under any of the Clauses of Article 17; in case he cannot perform his duties on account of mental or physical disability; or in case he has been become inappropriate to fulfill his duties as a Member by violating his functional obligations under this Act. (Art 18) Coded as .83

*Korea 2010:* No Member shall be discharged from his office against his own will unless he falls under any of the following Clauses: in case he falls under any of the Clauses of Article 17; in case he cannot perform his duties on account of mental or physical disability; or in case he has been become inappropriate to fulfill his duties as a Member by violating his functional obligations under this Act. (Art 18) Coded as .83

*Korea 2021*: No change

1. ***May CEO hold other offices in government?***

*Korea 1997*: A Member shall not hold concurrently any of the following offices nor engage in any business for profit-making: member of the National Assembly or assemblies of local autonomous entities; public official of central or local government; or any other office that brings remuneration. (Art. 20) Coded as 1

*Korea 2010*: A Member shall not hold concurrently any of the following offices nor engage in any business for profit-making: member of the National Assembly or assemblies of local autonomous entities; public official of central or local government; or any other office that brings remuneration. (Art. 20) Coded as 1

*Korea 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*Korea 1997*: The monetary and credit policies of the Bank of Korea shall be formulated neutrally and implemented autonomously and the independence of the Bank of Korea shall be respected. (Art. 3)

The monetary and credit policies of the Bank of Korea shall be carried out in harmony with the economy policy of the Government insofar as this does not detract from price stability. (Art. 4)

*Korea 2010*: The monetary and credit policies of the Bank of Korea shall be formulated neutrally and implemented autonomously and the independence of the Bank of Korea shall be respected. (Article 3) Coded as 1

*Korea 2021*: No change

# *(b) Resolution of conflict*

*Korea 1997*: The Minister of Finance and Economy may request the Monetary Policy Committee to reconsider a decision it has taken if he considers it in conflict with the Government’s economic policy.

When the Monetary Policy Committee takes the same decision as its previous one on a matter requested for reconsideration under the provisions of Paragraph (1) with at least five Members concurring, the final decision shall rest with the President. When the Minister of Finance and Economy makes a request as provided for in Paragraph (1), he must at once announce this publicly according to the provisions stipulated by the Presidential Decree. (Art. 92) Coded as .2

*Korea 2010*: (1) Where the Minister of Strategy and Finance considers the decisions taken by the Monetary Policy Committee in conflict with the Government's economic policy, he may request the Committee to reconsider them.

(2) When the Monetary Policy Committee takes the same decision as its previous one on a matter requested for reconsideration under the provisions of Paragraph (1) with at least five Members concurring, the final decision shall rest with the President.

(3) When the Minister of Strategy and Finance may makes a request as provided for in Paragraph (1), he must at once announce this publicly according to the provisions stipulated by the Presidential Decree. (Article 92) Coded as .2

*Korea 2021*: No change

# *(c) Role in government’s budgetary process*

*Korea 2010*: Nothing. Coded as 0

*Korea 2021*: No change

# Objectives (weight = .15)

*Korea 1997*: The purpose of this Act shall be to establish the Bank of Korea and to contribute to the sound development of the national economy by pursuing price stability through the formulation and implementation of efficient monetary and credit policies. (Art. 1) Coded as .8 (see final authority variable)

*Korea 2010*: The purpose of this Act shall be to establish the Bank of Korea and to contribute to the sound development of the national economy by pursuing price stability through the formulation and implementation of efficient monetary and credit policies. (Art. 1) Coded as .8 (see final authority variable)

*Korea 2021*: No change

# Limitations on lending to the government

# *(a) Advances (Weight = .15)*

*Korea 1997*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .33

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .33

*Korea 2021*: No change

# *(b) Securitized lending (.10)*

*Korea 1997*: The Bank of Korea may directly subscribe to securities whose redemption in full and interest payments are guaranteed by the Government. The interest rates and other terms of the subscription to such securities as specified in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 76) Coded as .33

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .33

*Korea 2021*: No change

# *(c) Terms of lending (.10)*

*Korea 1997*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .33

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .33

*Korea 2021*: No change

# *(d) Potential borrowers from bank (.05)*

*Korea 1997*: The Bank of Korea may accept deposits from, and make loans to, government agencies. The term ‘government agencies’ as used in Paragraph (1) shall be defined as juridical persons which are designated by the Government to exercise on its behalf projects or functions of a public character in the fields of production, purchase, sale or distribution. (Art. 77)

In periods of severe monetary and credit contraction when banking institutions are calling in outstanding loans and refraining from making new ones, the Bank of Korea may, with at least four Members concurring, render credit to any for-profit enterprise such as those engaged in financing business other than banking institutions. (Art. 80) Coded as 0

*Korea 2010*: The Bank of Korea may accept deposits from, and make loans to, government agencies. The term ‘government agencies’ as used in Paragraph (1) shall be defined as juridical persons which are designated by the Government to exercise on its behalf projects or functions of a public character in the fields of production, purchase, sale or distribution. (Art. 77)

In periods of severe monetary and credit contraction when banking institutions are calling in outstanding loans and refraining from making new ones, the Bank of Korea may, with at least four Members concurring, render credit to any for-profit enterprise such as those engaged in financing business other than banking institutions. (Art. 80) Coded as 0 – no change

*Korea 2021*: No change

# *(e) Limits on central bank lending determined by (.025)*

*Korea 1950 & 1997*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as – (following CWN)

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as – (following CWN)

*Korea 2021*: No change

# *(f) Maturity of loans (.025)*

*Korea 1950 & 1997*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .67 (following CWN)

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .67 (following CWN)

*Korea 2021*: No change

# *(g) Interest rates on loans must be? (.025)*

*Korea 1997*: The Ban of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .75

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as .75

*Korea 2021*: No change

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Korea 1997*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as 0

*Korea 2010*: The Bank of Korea may render credit to the Government on overdrafts or in other forms, and may directly subscribe to Government bond issues. The aggregate of all loans and direct subscriptions to Government bonds specified in Paragraph (1) shall not exceed the amount of the indebtedness which, together with any borrowing by the Government from other banking institutions and the public, has been authorized by the National Assembly. The interest rates and other terms of the credit as provided for in Paragraph (1) shall be determined by the Monetary Policy Committee. (Art. 75) Coded as 0

*Korea 2021*: No change

# LAOS

**Chief Executive Officer** (weight = .20)

***Term of office  
Laos 1995***: The Board of Governors shall have terms of office for five years. Members of the Board of Directors may be re-appointed. (Article 12) (Coded as .5)

*Laos 2021*: The Board of Directors has 5 years term. The board member can be reappointed. (Article 12) (Coded as .5)

***Who appoints CEO?  
Laos 1995***: The Governor of the Bank of the Lao PDR shall be a member of the Government, shall be appointed or removed from office by the President of the country upon proposal of the Prime Minister, then proposed to the National Assembly for approval. (Article 17) (Coded as .5)

*Laos 2021*: The Governor is appointed and removed by the President upon the proposal of the Prime Minister and after approval of the National Assembly. (Section 27) (Coded as .5)

***Dismissal  
Laos 1995***: The Governor of the Bank of the Lao PDR shall be a member of the Government, shall be appointed or removed from office by the President of the country upon proposal of the Prime Minister, then proposed to the National Assembly for approval. (Article 17) (Coded as .33)

*Laos 2021*: The Governor is appointed and removed by the President upon the proposal of the Prime Minister and after approval of the National Assembly. (Section 27) (Coded as .33)

***May CEO hold other offices in government?  
Laos 1995***: The Governor of the Bank of the Lao PDR shall be a member of the Government, shall be appointed or removed from office by the President of the country upon proposal of the Prime Minister, then proposed to the National Assembly for approval. (Article 17) (Coded as 0)

Policy Formation (weight = .15)

*Laos 2021*: The Governor is a member of the government, leading and directing the management in all aspects of the Bank of the Lao PDR and acting as the representative of the Bank in cooperation with both domestic and abroad.

The Governor is appointed and removed by the President upon the proposal of the Prime Minister and after approval of the National Assembly. (Article 27) (Coded as 0)

*(a) Who formulates monetary policy?*

*Laos 1995*:

The Bank of the Lao PDR shall have the following duties:   
3. Collects, compiles and analyzes the economic and financial data, currency and the operations of the banks and financial institutions from the concerned persons and sectors within the country and abroad in order to serve the formulation of the monetary policies and the task of banking sector.

4. Reports and proposes the opinions on the economic, monetary and banking situations to the Government at regular basics;

5. Manages and adjusts the money supply in the circulation in accordance with the approved plan of the Government; (Article 5)   
The Governor of the Bank of the Lao PDR shall have the following rights and duties :  
3. To search on the monetary policy, policy on the interest rate and the exchange rate policy in order to propose to the Board of Directors, then propose to the Government for decision , promulgation and implementation on such policy; (Article 19) (Coded as .33)

*Laos 2018*: The Bank of the Lao PDR implements duties as follows:

1. to prepare draft of policy, strategy to propose for Government consideration;

2. to apply the policy and strategy into action plan and project of the Bank of the Lao PDR for implementation;

3. to prepare draft of new and amended law, presidential decree and governmental decree proposing for Government consideration;

4. to disseminate law and regulation relating to financial and banking to public;

5. to implement monetary policy by using appropriate monetary policy tool in each period circumstance; (Article 10) Coded as .33

*(b) Resolution of conflict*

(It sounds as if the CB has little chance for protest if Government disagrees—coded as 0)

*Laos 2018*: No change

*(c) Role in government’s budgetary process* (No mention – coded as 0)

Objectives **(weight = .15)***Laos 1995***:**  The Bank of the Lao PDR shall have the following roles:

1. To be secretariat for the Government in the administration of macro finance, currency, credit of Banks within the country.

2. To promote and maintain stability of Kip within and outside of the country; strengthen the efficiency of payments mechanism and solvency of banking system in order to create an efficient operation and transparency of monetary, credit system of the Lao PDR.

3. To promote and facilitate control on the flows of money to serve the socio-economic development plan of the Lao PDR. (Article 3) (Coded as .4)

*Laos 2018*: The Bank of the Lao PDR serves as the secretariat for the Government in monetary management stably, financial institution supervision soundly, and payment system development efficiently in order to support the national socio-economic development (Article 8) coded as .4

Limitations on lending to the government

*Advances (Weight = .15)*

***Laos 1995***: The Bank of the Lao PDR may grant temporary advance Loan to the Government in case of necessity, subject to repayment of the principal plus interests within six months by the government. The Bank of the Lao PDR shall determine from time to time the interest rate as applied to the actual situation.

The Bank of the Lao PDR may grant the Government additional advance Loan on such terms and conditions as may be agreed, in respect to the subscriptions and other payments resulting from being the membership of Lao PDR in any international financial organizations, international financial institutions and other international organizations. (Article 50) (coded as .67 – maturity and interest strict, but limit loose)

*Laos 2018*: The Bank of the Lao PDR may provide loans to the Government for solving the short-term national budget deficit in accordance with the approval from the Prime Minister in the amount of not more than 20 % of the total annual budget revenue and compliance with the ratio of public debt approved by National Assembly.

Such loan, the Government shall repaid loan cost and interest within the fiscal year in which the loan is made. (Article 49) (Coded as .67)

*(b) Securitized lending (.10)*

Nothing mentioned – coded as –

*Laos 2018*: No change

*(c) Terms of lending (.10)****Laos 1995***: The Bank of the Lao PDR may grant temporary advance Loan to the Government in case of necessity, subject to repayment of the principal plus interests within six months by the government. The Bank of the Lao PDR shall determine from time to time the interest rate as applied to the actual situation.

The Bank of the Lao PDR may grant the Government additional advance Loan on such terms and conditions as may be agreed, in respect to the subscriptions and other payments resulting from being the membership of Lao PDR in any international financial organizations, international financial institutions and other international organizations. (Article 50) (Coded as .33)

*Laos 2018*: The Bank of the Lao PDR may provide loans to the Government for solving the short-term national budget deficit in accordance with the approval from the Prime Minister in the amount of not more than 20 % of the total annual budget revenue and compliance with the ratio of public debt approved by National Assembly.

Such loan, the Government shall repaid loan cost and interest within the fiscal year in which the loan is made. (Article 49) (Coded as .67)

*(d) Potential borrowers from bank (.05)*

Only information on lending to the Government listed – coded as 1

*Laos 2018*: No change

*(e) Limits on central bank lending determined by (.025)   
Laos 1995*: The Government may obtain advance Loan from the Bank of the Lao PDR no more than twenty five per cent of the Government's average annual ordinary revenue for the last three financial years. The calculation of such revenue shall exclude the borrowings, grants and other forms of economic aids.

If such Loan is assumed to cause the risk, the Bank of the Lao PDR shall report to the Government together with the resolving measures. (Article 51) (Coded as .33)

*Laos 2018*: The Bank of the Lao PDR may provide loans to the Government for solving the short-term national budget deficit in accordance with the approval from the Prime Minister in the amount of not more than 20 % of the total annual budget revenue and compliance with the ratio of public debt approved by National Assembly.

Such loan, the Government shall repaid loan cost and interest within the fiscal year in which the loan is made. (Article 49) (Coded as .33)

*(f) Maturity of loans (.025)****Laos 1995***: The Bank of the Lao PDR may grant temporary advance Loan to the Government in case of necessity, subject to repayment of the principal plus interests within six months by the government. The Bank of the Lao PDR shall determine from time to time the interest rate as applied to the actual situation.

The Bank of the Lao PDR may grant the Government additional advance Loan on such terms and conditions as may be agreed, in respect to the subscriptions and other payments resulting from being the membership of Lao PDR in any international financial organizations, international financial institutions and other international organizations. (Article 50) (Coded as 1)

*Laos 2018*: The Bank of the Lao PDR may provide loans to the Government for solving the short-term national budget deficit in accordance with the approval from the Prime Minister in the amount of not more than 20 % of the total annual budget revenue and compliance with the ratio of public debt approved by National Assembly.

Such loan, the Government shall repaid loan cost and interest within the fiscal year in which the loan is made. (Article 49) (Coded as .67)

*(g) Interest rates on loans must be? (.025)****Laos 1995***: The Bank of the Lao PDR may grant temporary advance Loan to the Government in case of necessity, subject to repayment of the principal plus interests within six months by the government. The Bank of the Lao PDR shall determine from time to time the interest rate as applied to the actual situation.

The Bank of the Lao PDR may grant the Government additional advance Loan on such terms and conditions as may be agreed, in respect to the subscriptions and other payments resulting from being the membership of Lao PDR in any international financial organizations, international financial institutions and other international organizations. (Article 50) (Coded as .5)

*Laos 2018*: The Bank of the Lao PDR determines and announce the basic interest rate, fund financing interest rate and interbank interest rate to implement monetary policy*.* Regarding to the determination of deposit and lending interest rates of the Financial institutions to generals customers, it shall be determined based on the market-oriented economy under administration of state. (Article 41) Coded as .75

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Laos 1995*: The Bank of the Lao PDR shall manage the issuance, purchase and sale of Government securities or Government guaranteed securities which are issued to the public in accordance with the capacity to purchase by the major public which the Government may approve. (Article 48) (Coded as 0)

*Laos 2018*: No prohibition found

**MALAYSIA**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Malaysia 1958*: The Governor and the Deputy Governors shall each be appointed for a term not exceeding five years and shall be eligible for reappointment. (Art. 9, 2) Coded as .5

*Malaysia 2009*: The Governor shall be appointed for a term of five years and the Deputy Governors shall each be appointed for a term of three years. (Section 15, 4) Coded as .5

*Malaysia 2021*: No change

1. ***Who appoints CEO?***

*Malaysia 1958*: The Governor shall be appointed by the Yang di-Pertuan Agong [the executive] and the Deputy Governors by the Minister. (Art. 9, 1) Coded as 0

*Malaysia 2009*: The Governor shall be appointed by the Yang di-Pertuan Agong and the Deputy Governors by the Minister. (Section 15, 1) (Yang di-Pertuan Agong=elected monarch) Coded as 0

*Malaysia 2021*: No change

1. ***Dismissal***

*Malaysia 1958*: The Yang di-Pertuan Agong may terminate the appointment of the Governor, or any other director if he: (a) resigns his office; (b) becomes of unsound mind or incapable of carrying out his duties; (c) becomes bankrupt or suspends payment or compounds with his creditors; (d) is convicted by a court of law in Malaysia of an offence and sentenced to imprisonment for a term of not less than two years, or of any offence involving dishonesty, and has not received a free pardon; (e) is guilty of serious misconduct in relation to his duties; (f) is absent, except on leave granted by the Minister, from all meetings of the Board held during two consecutive months or during any three months in any period of twelve months; (g) fails to comply with his obligations under section 14. (Art. 11, 2) Coded as .83

*Malaysia 2009*: The Yang di-Pertuan Agong may terminate the appointment of the Governor or any director appointed under subsection 16(1), and the Minister may terminate the appointment of any Deputy Governor, if he—

*(a)* becomes of unsound mind or incapable of carrying out his duties;

(b) is guilty of serious misconduct in relation to his duties;

(c) is absent, except on leave granted by the Minister in the case of the Governor, or by the Governor in the case of all other directors, from all meetings of the Board held during two consecutive months or during any three months in any period of twelve months;

(d) fails to comply with his obligations under section 20; or

(e) is disqualified under subsection (1). (Section 17, 2) Coded as .83

*Malaysia 2021*: No change

1. ***May CEO hold other offices in government?***

*Malaysia 1958*: The Governor and Deputy Governor shall devote the whole of their professional time to the service of the Bank and while holding office shall not occupy any other office or employment whether remunerated or not: Provided that they may if so appointed with the approval of the Minister: (a) act as members of any committee or commission appointed by the Government to enquire into any matter affecting currency, banking, economic or financial matters in Malaysia (Sec. 9,3)

No person shall be appointed or shall remain as Governor, Deputy Governor or any director of the Bank who: (a) is or becomes a member of the Senate or House of Representatives or any Legislative Assembly; (c) is or becomes a public officer. (Sec. 11, 1) Coded as .5;still in law as of 2006

*Malaysia 2009:* The Governor and Deputy Governors shall, unless provided otherwise under this Act, devote the whole of their professional time to the service of the Bank and while holding office shall not occupy any other office or employment whether remunerated or not:

Provided that they may if so appointed with the approval of the Minister—

become directors, governors or members of a board, by whatever name called, or of a committee or task force of any international financial institution or international organization which the Government or Bank participates in or is a member of or to which the Government has adhered or given support or approval;

become directors of any corporation which is established by the Bank under this Act or of any corporation in Malaysia which the Bank has acquired or holds shares in;

become members of any committee or commission referred to in subsection 70(1); or

become members of any charitable or educational organization.

Notwithstanding subsection (8) or any other provision in this Act, the Governor or Deputy Governors may be appointed by any written law to exercise such powers, discharge such duties, and perform such functions under any written law, and to be conferred with such title of office as may be set out in such written law. (Section 15, 8-9) Coded as .5

*Malaysia 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*Malaysia 1958*: The Board shall keep the Minister informed of the monetary and banking policy being pursued or intended to be pursued by the Bank. The Minister may, from time to time, if he disagrees with the Board on the monetary and banking policy pursued or intended to be pursued by the Bank, issue directives to the Board as to the monetary and banking policy to be pursued by the Bank, and any such directive shall become binding on the Board, which shall forthwith take all steps necessary or expedient to give effect thereto. If the Board objects to any such directive, the Board may submit its objections and the reasons therefor in writing to the Minister, who shall cause the same, together with his directive, to be laid before the House of Representatives. (Art. 34, 1-3) Coded as .33 different from CWN (and changed)

*Malaysia 2009*: The monetary policy of the Bank shall be formulated and implemented autonomously by the Bank, without any external influence. (Section 22, 2) Coded as 1

*Malaysia 2021*: No change

# *(b) Resolution of conflict*

*Malaysia 1958*: The Board shall keep the Minister informed of the monetary and banking policy being pursued or intended to be pursued by the Bank. The Minister may, from time to time, if he disagrees with the Board on the monetary and banking policy pursued or intended to be pursued by the Bank, issue directives to the Board as to the monetary and banking policy to be pursued by the Bank, and any such directive shall become binding on the Board, which shall forthwith take all steps necessary or expedient to give effect thereto. If the Board objects to any such directive, the Board may submit its objections and the reasons therefor in writing to the Minister, who shall cause the same, together with his directive, to be laid before the House of Representatives. (Art. 34, 1-3) Coded as .4

*Malaysia 2009*: (1) The Bank shall keep the Minister informed of policies relating to its principal objects. (2) In the event of a difference of opinion between the Minister and the Bank relating to its principal objects, the Minister and the Bank shall endeavour to reach an agreement. (3) If the Minister and the Bank are unable to reach an agreement, the Board shall furnish to the Minister a statement in relation to the matter in respect of which the difference of opinion has arisen. (4) The Minister shall then submit a recommendation together with the statement furnished by the Board under subsection (3) to the Cabinet. (5) Acting on the recommendation of the Minister and the statement furnished by the Board, the Cabinet may determine the policy to be adopted by the Bank. (6) The Minister shall inform the Bank of the policy as determined under subsection (5) and that the government accepts responsibility for the policy. (7) The Bank shall then give effect to the policy as determined under subsection (5). (8) If the Board objects to the policy as determined under subsection (5), the Board may submit its objections and reasons therefor in writing to the Minister who shall cause the same together with the policy as determined under subsection (5) to be laid before the House of Representatives, or, if the House of Representatives is not then sitting, at the sitting of the following meeting of the House of Representatives. (Section 72) Coded as .4

*Malaysia 2021*: No change

# *Role in government’s budgetary process*

*Malaysia 2009*: Nothing. Coded as 0

*Malaysia 2021*: No change

# Objectives (weight = .15)

*Malaysia 1958*: The principal objects of the Bank shall be: (a) to issue currency in Malaysia and to keep reserves safeguarding the value of the currency; (b) to act as a banker and a financial adviser to the Government; (c) to promote monetary stability and a sound financial structures; and (d) to influence the credit situation to the advantage of Malaysia. (Sec. 4) Coded as .6 until 2006

*Malaysia 2009*: The principal objects of the Bank shall be to promote monetary stability and financial stability conducive to the sustainable growth of the Malaysian economy. (Section 5, 1) Coded as .6

*Malaysia 2021*: No change

# Limitations on lending to the government

# *Advances (Weight = .15)*

*Malaysia 2009*: (1)   The Board may extend temporary financing to the Government on terms prevailing in the market in respect of temporary deficiencies of budget revenue.

(2) All financing extended under subsection (1) shall be repaid as soon as possible and shall in any event be payable not more than three months after the end of the financial year of the Government in which it is extended; and if after that date any such financing remains outstanding, the power of the Bank to extend further financing in any subsequent financial year shall not be exercisable unless and until the outstanding financing has been repaid.

 (3)   The aggregate amount of financing extended by the Bank under subsection (1) and securities issued by the Government, purchased by the Bank excluding any such securities acquired in the course of, or held solely for, monetary policy operations, shall not at any time exceed twelve and a half per centum of the estimated receipts of the Federation shown in the statement laid before the House of Representatives pursuant to Article 99 of the Federal Constitution for the financial year of the Government in which the financing is extended. (Section 71) Coded as .33

*Malaysia 2021*: No change

# *(b) Securitized lending (.10)*

# *(c) Terms of lending (.10)*

*Malaysia 2009*: (1)   The Board may extend temporary financing to the Government on terms prevailing in the market in respect of temporary deficiencies of budget revenue.

(2) All financing extended under subsection (1) shall be repaid as soon as possible and shall in any event be payable not more than three months after the end of the financial year of the Government in which it is extended; and if after that date any such financing remains outstanding, the power of the Bank to extend further financing in any subsequent financial year shall not be exercisable unless and until the outstanding financing has been repaid.

 (3)   The aggregate amount of financing extended by the Bank under subsection (1) and securities issued by the Government, purchased by the Bank excluding any such securities acquired in the course of, or held solely for, monetary policy operations, shall not at any time exceed twelve and a half per centum of the estimated receipts of the Federation shown in the statement laid before the House of Representatives pursuant to Article 99 of the Federal Constitution for the financial year of the Government in which the financing is extended. (Section 71) Coded as .67

*Malaysia 2021*: No change

# *(d) Potential borrowers from bank (.05)*

*Malaysia 2006*: The Bank may – (fff) make advances to such public authorities and corporations in which the Government or the Bank has an interest (Article 30) Coded as 0

*Malaysia 2009*: Section allowing advances to public authorities has been removed. Law now says:

Unless otherwise provided in this Act, the Bank may not –

Provide financing upon security of any shares;

Extend unsecured financing or financing secured otherwise than as set out in this Act. (Article 76) coded as 1

*Malaysia 2021*: No change

# *(e) Limits on central bank lending determined by (.025)*

*Malaysia 2009*: (1)   The Board may extend temporary financing to the Government on terms prevailing in the market in respect of temporary deficiencies of budget revenue.

(2) All financing extended under subsection (1) shall be repaid as soon as possible and shall in any event be payable not more than three months after the end of the financial year of the Government in which it is extended; and if after that date any such financing remains outstanding, the power of the Bank to extend further financing in any subsequent financial year shall not be exercisable unless and until the outstanding financing has been repaid.

 (3)   The aggregate amount of financing extended by the Bank under subsection (1) and securities issued by the Government, purchased by the Bank excluding any such securities acquired in the course of, or held solely for, monetary policy operations, shall not at any time exceed twelve and a half per centum of the estimated receipts of the Federation shown in the statement laid before the House of Representatives pursuant to Article 99 of the Federal Constitution for the financial year of the Government in which the financing is extended. (Section 71) Coded as .33

*Malaysia 2021*: No change

# *Maturity of loans (.025)*

*Malaysia 2009*: (1)   The Board may extend temporary financing to the Government on terms prevailing in the market in respect of temporary deficiencies of budget revenue.

(2) All financing extended under subsection (1) shall be repaid as soon as possible and shall in any event be payable not more than three months after the end of the financial year of the Government in which it is extended; and if after that date any such financing remains outstanding, the power of the Bank to extend further financing in any subsequent financial year shall not be exercisable unless and until the outstanding financing has been repaid.

 (3)   The aggregate amount of financing extended by the Bank under subsection (1) and securities issued by the Government, purchased by the Bank excluding any such securities acquired in the course of, or held solely for, monetary policy operations, shall not at any time exceed twelve and a half per centum of the estimated receipts of the Federation shown in the statement laid before the House of Representatives pursuant to Article 99 of the Federal Constitution for the financial year of the Government in which the financing is extended. (Section 71) Coded as .33 –same from 1958 recoding CWN

*Malaysia 2021*: No change

# *Interest rates on loans must be? (.025)*

*Malaysia 2009*: (1)   The Board may extend temporary financing to the Government on terms prevailing in the market in respect of temporary deficiencies of budget revenue.

(2) All financing extended under subsection (1) shall be repaid as soon as possible and shall in any event be payable not more than three months after the end of the financial year of the Government in which it is extended; and if after that date any such financing remains outstanding, the power of the Bank to extend further financing in any subsequent financial year shall not be exercisable unless and until the outstanding financing has been repaid.

 (3)   The aggregate amount of financing extended by the Bank under subsection (1) and securities issued by the Government, purchased by the Bank excluding any such securities acquired in the course of, or held solely for, monetary policy operations, shall not at any time exceed twelve and a half per centum of the estimated receipts of the Federation shown in the statement laid before the House of Representatives pursuant to Article 99 of the Federal Constitution for the financial year of the Government in which the financing is extended. (Section 71) Coded as .75 up until at least 2006, law said that the rate would be what the Bank decided

*Malaysia 2021*: No change

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Malaysia 2006*: The Bank may -

Purchase and sell securities of the Government or of the Government of any State, or of any public authority maturing in not more than thirty years which have been publicly offered for sale or form part of an issue which is being made to the public at the time of acquisition and any other securities as may be approved by the Minister on the recommendation of the Board. (Article 30,h) Coded as 0

*Malaysia 2009*: The Bank, where it is consistent with its objects, functions and other provisions in this Act, may—(e) purchase, sell, discount and rediscount bills of exchange, Treasury bills or promissory notes drawn in or outside Malaysia and maturing within one year from the date of acquisition or such other period as may be approved by the Minister (Section 75, e)

*Malaysia 2021*: No change

**MONGOLIA**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Mongolia 2010*: The Bank of Mongolia shall be headed by the President appointed by the State Ikh Khural and he/she shall be accountable and shall report to the State Ikh Khural. The appointment of the President of the Bank of Mongolia by the State Ikh Khural shall be made at the proposal of the Chairman of the State Ikh Khural and be for a period of six years. (Article 26, 1) Coded as .75

*Mongolia 2021*: No change

1. ***Who appoints CEO?***

*Mongolia 2010*: The Bank of Mongolia shall be headed by the President appointed by the State Ikh Khural and he/she shall be accountable and shall report to the State Ikh Khural. The appointment of the President of the Bank of Mongolia by the State Ikh Khural shall be made at the proposal of the Chairman of the State Ikh Khural and be for a period of six years. (Article 26, 1) Coded as .5

*Mongolia 2021*: No change

1. ***Dismissal***

*Mongolia 2010*: The State Ikh Khural may discharge the President, First Deputy President or Deputy President of the Bank of Mongolia from their posts in the following circumstances:

1) if he/she becomes a shareholder of a commercial bank;

2) if he/she did (or did not) take action against (or for) the interests of the Bank of Mongolia;

3) at his/her own request for discharge due to inability to fulfil official duties because of ill-health or for other serious reason;

4) the unsatisfactory fulfillment of duties;

5) he/she is convicted of a criminal offence by a Court;

6) if some other conflict of interest arises. (Article 26, 6) Coded as .5

*Mongolia 2021*: No change

1. ***May CEO hold other offices in government?***

*Mongolia 2010*: It is prohibited for the President of the Bank of Mongolia to hold concurrently any other post or employment which is not related to his/her duties under this law. (Article 27, 5) Coded as 1

*Mongolia 2021*: No change

# Policy Formation (weight = .15)

# *Who formulates monetary policy?*

*Mongolia 2010*: In order to implement its objectives as set forth in this law, the Bank of Mongolia shall conduct the following activities: 2) formulation and implementation of monetary policy by coordinating money supply in the economy. (Article 5)

1. The Bank of Mongolia shall formulate and implement State monetary policy.

2. The Bank of Mongolia shall formulate State monetary policy for the next year, and present that policy to the State Ikh Khural by October 1 of each year. The policy shall contain:

1) an assessment of and conclusions on the monetary supply and financial markets of the economy including factors and reasons for the assessment and conclusions;

2) target range for monetary indicators, domestic price level and exchange rate of the togrog in terms of stable foreign currencies and the application of monetary policy instruments. (Article 10)

The Bank of Mongolia shall be independent from the Government.

If a decision taken by the Government is contradictory to State monetary policy, the Bank of Mongolia shall inform the Government of the conflict. (Article 31, 2-3) Coded as 1

*Mongolia 2021*: No change

# *Resolution of conflict*

*Mongolia 2010*: The State Ikh Khural shall monitor whether the activities of the Bank of Mongolia are consistent with legislation but shall not interfere in activities relating to the implementation of State monetary policy by the Bank of Mongolia. (Article 30, 4; same as in Arnone law) Coded as 1

*Mongolia 2021*: No change

# *(c) Role in government’s budgetary process*

*Mongolia 2010*: Nothing. Coded as 0

*Mongolia 2021*: No change

# Objectives (weight = .15)

*Mongolia 2010*: The main objective of the Bank of Mongolia shall be to ensure stability of the togrog.

Within its main objective the Bank of Mongolia shall also promote balanced and sustained development of the national economy, through maintaining the stability of money, financial markets and the banking system. (Article 4) Coded as .6

*Mongolia 2021*: No change

# Limitations on lending to the government

# *Advances (Weight = .15)*

*Mongolia 2010*: The Bank of Mongolia may agree to grant temporary credit to meet seasonal liquidity needs, subject to repayment before the end of the financial year in accordance with the terms of an agreement.

The total amount of the balance of temporary credits shall not exceed 10 percent of domestic budget revenue accumulated during the immediately preceding three years. Domestic budget revenue shall not include income from selling Government assets or domestic securities.

If the Bank of Mongolia has bought obligations issued by the Government, it shall be added to the total of advances made to the Government. The balance of the Government long term securities purchased by the Bank of Mongolia will not be included in the total amount of the balance of temporary credits stated in paragraph 2 in this Article.

The Bank of Mongolia shall establish the procedure for granting credit to the Government in accordance with this law. (Article 18) Coded as .67

*Mongolia 2021*: No change

# *(b) Securitized lending (.10)*

*Mongolia 2010*: The Bank of Mongolia may agree to grant temporary credit to meet seasonal liquidity needs, subject to repayment before the end of the financial year in accordance with the terms of an agreement.

The total amount of the balance of temporary credits shall not exceed 10 percent of domestic budget revenue accumulated during the immediately preceding three years. Domestic budget revenue shall not include income from selling Government assets or domestic securities.

If the Bank of Mongolia has bought obligations issued by the Government, it shall be added to the total of advances made to the Government. The balance of the Government long term securities purchased by the Bank of Mongolia will not be included in the total amount of the balance of temporary credits stated in paragraph 2 in this Article.

The Bank of Mongolia shall establish the procedure for granting credit to the Government in accordance with this law. (Article 18) (Coded as 0--no limit on balance of Government long-term securities)

*Mongolia 2021*: No change

# *(c) Terms of lending (.10)*

*Mongolia 2010*: The Bank of Mongolia may agree to grant temporary credit to meet seasonal liquidity needs, subject to repayment before the end of the financial year in accordance with the terms of an agreement.

The total amount of the balance of temporary credits shall not exceed 10 percent of domestic budget revenue accumulated during the immediately preceding three years. Domestic budget revenue shall not include income from selling Government assets or domestic securities.

If the Bank of Mongolia has bought obligations issued by the Government, it shall be added to the total of advances made to the Government. The balance of the Government long term securities purchased by the Bank of Mongolia will not be included in the total amount of the balance of temporary credits stated in paragraph 2 in this Article.

The Bank of Mongolia shall establish the procedure for granting credit to the Government in accordance with this law. (Article 18) Coded as .67

*Mongolia 2021*: No change

# *(d) Potential borrowers from bank (.05)*

Coded as .33 following CMN (nothing else in coding changed, but could not find anything beydong “It is prohibited for the Bank of Mongolia to undertake the following activities:

1) provision of any financial grant to individuals or legal persons;” (article 23)

*Mongolia 2021*: No change

# *(e) Limits on central bank lending determined by (.025)*

*Mongolia 2010*: The Bank of Mongolia may agree to grant temporary credit to meet seasonal liquidity needs, subject to repayment before the end of the financial year in accordance with the terms of an agreement.

The total amount of the balance of temporary credits shall not exceed 10 percent of domestic budget revenue accumulated during the immediately preceding three years. Domestic budget revenue shall not include income from selling Government assets or domestic securities.

If the Bank of Mongolia has bought obligations issued by the Government, it shall be added to the total of advances made to the Government. The balance of the Government long term securities purchased by the Bank of Mongolia will not be included in the total amount of the balance of temporary credits stated in paragraph 2 in this Article.

The Bank of Mongolia shall establish the procedure for granting credit to the Government in accordance with this law. (Article 18) Coded as .33

*Mongolia 2021*: No change

# *(f) Maturity of loans (.025)*

*Mongolia 2010*: The Bank of Mongolia may agree to grant temporary credit to meet seasonal liquidity needs, subject to repayment before the end of the financial year in accordance with the terms of an agreement.

The total amount of the balance of temporary credits shall not exceed 10 percent of domestic budget revenue accumulated during the immediately preceding three years. Domestic budget revenue shall not include income from selling Government assets or domestic securities.

If the Bank of Mongolia has bought obligations issued by the Government, it shall be added to the total of advances made to the Government. The balance of the Government long term securities purchased by the Bank of Mongolia will not be included in the total amount of the balance of temporary credits stated in paragraph 2 in this Article.

The Bank of Mongolia shall establish the procedure for granting credit to the Government in accordance with this law. (Article 18) Coded as .67

*Mongolia 2021*: No change

# *(g) Interest rates on loans must be? (.025)*

*Mongolia 2010*: The Bank of Mongolia may agree to grant temporary credit to meet seasonal liquidity needs, subject to repayment before the end of the financial year in accordance with the terms of an agreement.

The total amount of the balance of temporary credits shall not exceed 10 percent of domestic budget revenue accumulated during the immediately preceding three years. Domestic budget revenue shall not include income from selling Government assets or domestic securities.

If the Bank of Mongolia has bought obligations issued by the Government, it shall be added to the total of advances made to the Government. The balance of the Government long term securities purchased by the Bank of Mongolia will not be included in the total amount of the balance of temporary credits stated in paragraph 2 in this Article.

The Bank of Mongolia shall establish the procedure for granting credit to the Government in accordance with this law. (Article 18) Coded as .25

*Mongolia 2021*: No change

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Mongolia 2010*: In order to regulate bank reserves, the Bank of Mongolia shall have the right to conduct open market operations by issuing securities with maturities of up to one year and by purchasing and selling such securities and Government debt instruments and other securities accepted by the Bank of Mongolia. (Article 15) Coded as 0

*Mongolia 2021*: No change

# NEPAL

**Chief Executive Officer (weight = .20)**

***Term of office****Nepal 2002*: (1) The term of Office of the Governor, Deputy Governor and Directors shall be of five years. (Section 18) (coded as .5)

*Nepal 2021*: No change

***Who appoints CEO?****Nepal 2002*: (1) Government of Nepal, the Council of Ministers shall appoint Governor on the basis of the recommendation of the Recommendation Committee formed pursuant to sub-section (2).

(2) Government of Nepal, the Council of Ministers shall, for the appointment of Governor, form a Recommendation Committee as follows:-

(a) Minister of Finance - Chairperson

(b) One person from among the former Governors - Member

(c) One person designated by Government of Nepal from amongst the persons renowned in the fields of Economic, Monitory, Banking, Finance and Commercial Law. - Member

(3) While making recommendation for the appointment of Governor, the committee formed pursuant to sub-section (2), shall recommend to Government of Nepal, the Council of Ministers the names of three persons renowned in the field of economic, monetary, banking, finance, commerce, management, commercial law and from among the Deputy Governors.

(4) Government of Nepal, the Council of Ministers shall, out of the names recommended pursuant to sub-section (3), appoint one person to the Office of Governor. (Section 15) (Coded as .25)

*Nepal 2021*: No change

***Dismissal****Nepal 2002*: (1) Government of Nepal, the Council of Ministers shall remove the Governor, Deputy Governor and Director on conditions stipulated under sub-section (5).

Provided that Government of Nepal shall not deprive the concerned person from a reasonable opportunity to defend himself prior to remove him from his office.

(2) Government of Nepal shall, remove the Governor from his office pursuant to sub-section (1), on the recommendation of an inquiry committee constituted under section 23.

(3) While removing a Director or Deputy Governor pursuant to sub-section (1), Government of Nepal shall cause to conduct an inquiry by committee and remove him from the office on the basis of the recommendation made by the committee.

(4) Once Government of Nepal initiates the process for removing the Governor, Deputy Governor and Director pursuant to sub-section (1), they shall be deemed to have been *ipso facto* suspended from their office.

(5) The Governor, Deputy Governor and Director shall be removed from the office on any of the following grounds:-

(a) If one is disqualified to become a Director pursuant to section 21; or

(b) The lack of capability to implement or cause to implement the functions which the Bank has to carry out in order to achieve the objectives of the Bank under this Act; or

(c) If one has committed any act causing loss and damage to the banking and financial system of the country; or  
(d) If one is found to have acted dishonestly or with malafide intention in any transaction related to the business of the Bank; or

(e) If professional license is revoked or prohibited from carrying out any profession rendering disqualified to be engaged in any trade or profession on the ground of gross misconduct; or

(f) If one is absent for more than three consecutive meeting of Board without a genuine reason;

(6) Except on the grounds referred to in sub-section (5), no Governor, Deputy Governor and Director shall be removed from office. (Section 22) (coded as .83)

*Nepal 2021*: No change

***May CEO hold other offices in government?***

*Nepal 2002*: No explicit rule in law. (Coded as 0)

*Nepal 2021*: No change

**Policy Formation (weight = .15)**

***(a) Who formulates monetary policy?***

*Nepal 2002*: (1) In order to achieve the objectives referred to in section 4, the functions, duties and powers of the Bank shall be as follows:  
(b) To formulate necessary monetary policies in order to maintain price stability and to implement or cause to implement them;

(3) No one shall violate powers conferred on the Bank under this Act. (Section 5)  
(1) The Bank may, in order to achieve its objectives, make necessary coordination with public bodies or their agencies or their organs.

(2) The Bank shall, on the request made by Government of Nepal, provide necessary information on the balance of payment, banking and financial matters.

(3) Government of Nepal, public bodies and the private sector shall, in the event of request made by the Bank, provide necessary information on economic and financial matters. (Section 10)

The Bank shall have full powers to formulate, implement and cause to implement monetary policy of the Kingdom of Nepal (section 44) (Coded as 1)

*Nepal 2021*: No change

***(b) Resolution of conflict***

*Nepal 2002*: (1) In order to achieve the objectives referred to in section 4, the functions, duties and powers of the Bank shall be as follows:  
(b) To formulate necessary monetary policies in order to maintain price stability and to implement or cause to implement them;

(3) No one shall violate powers conferred on the Bank under this Act. (Section 5)  
(1) The Bank may, in order to achieve its objectives, make necessary coordination with public bodies or their agencies or their organs.

(2) The Bank shall, on the request made by Government of Nepal, provide necessary information on the balance of payment, banking and financial matters.

(3) Government of Nepal, public bodies and the private sector shall, in the event of request made by the Bank, provide necessary information on economic and financial matters. (Section 10)

The Bank shall have full powers to formulate, implement and cause to implement monetary policy of the Kingdom of Nepal (section 44) (Coded as .8)

*Nepal 2021*: No change

***(c) Role in government’s budgetary process****Nepal 2002*: (3) Government of Nepal shall, while preparing annual budget, consult the Bank on the domestic debt including overdrafts. (Section 69) (coded as 1)

*Nepal 2021*: No change

**Objectives (weight = .15)***Nepal 2002***:** (1) The objectives of the Bank shall be as follows:-

(a) To formulate necessary monetary and foreign exchange policies in order to maintain the stability of price and balance of payment for sustainable development of economy, and manage it;

(b) To promote stability and liquidity required in banking and financial sector;

(c) To develop a secure, healthy and efficient system of payment;

(d) To regulate, inspect, supervise and monitor the banking and financial system;

and

(e) To promote entire banking and financial system of the Kingdom of Nepal and to enhance its public credibility.  
(2) The Bank shall, without any prejudice to the objectives referred to in subsection

(1), extend co-operation in the implementation of the economic policies of Government of Nepal. (Section 4) (coded as .6)

*Nepal 2021*: Sections d and e removed

**Limitations on lending to the government**

***Advances (Weight = .15)***

*Nepal 2002*: (1) Except otherwise provided in this Act, the Bank shall not provide any type of financial assistance to Government of Nepal or an institution under the full or substantial or partial ownership of Government of Nepal.

(2) Subject to the limits specified in this section, the Bank may extend credit to Government of Nepal with a condition to repay within one hundred eighty days.

(3) Notwithstanding anything contained in sub-section (2), the Bank may extend a special credit of long term to Government of Nepal only on account of subscription and similar payments resulting from or incidental to the membership of the Kingdom of Nepal with international organization.

(4) The Bank shall disburse credit to be extended to Government of Nepal or an institution under full or substantial or partial ownership of Government of Nepal only in Nepalese rupees. Such credit shall be certified by negotiable debt bond issued by Government of Nepal and delivered to the Bank. Such debt security should have the maturity corresponding to the maturity of the extension of credit and should bear the interest at market rate. There must be a written agreement executed between Government of Nepal and the Bank. Such agreement should clearly stipulate the principal amount of the loan or limit on a line of credit, the maturity, and the applicable rates of interest and other charges.

(5) At no time the amount of overdraft provided by the Bank to Government of Nepal shall be more than five percent of the revenue income of Government of Nepal in the proceeding fiscal year. While computing such revenue income, the amount of borrowing, grants or any other form of financial assistance or income received from the sale of property shall not be included.

(6) Government of Nepal shall make the payment of the overdraft referred to in sub-section (5) within one hundred eighty days at the prevailing interest rate either in the form of cash or marketable debt bond.

(7) The total amount of debt bond purchased by the Bank from Government of Nepal and taken into its ownership shall not be more than ten percent of the revenue income of the proceeding fiscal year.

(8) In the following circumstances, the debt bond issued by Government of Nepal and purchased by the Bank shall not be treated as the credit extended under sub-section (7):-

(a) If the purchase is made in the secondary market for the operation of open market consistent with the monetary policy of the Bank;

(b) If the purchase is made in the primary market, when it is necessary in the opinion of the Bank, to maintain stability in the market at the time of primary issue of such securities and such securities are divested within 60 days of purchase.

(c) The debt bond purchased by the Bank from Government of Nepal and retained in its ownership prior to the commencement of sub-section (7). (Section 75) (coded as .67)

*Nepal 2021*: No change

***(b) Securitized lending (.10)****Nepal 2002*: (1) Except otherwise provided in this Act, the Bank shall not provide any type of financial assistance to Government of Nepal or an institution under the full or substantial or partial ownership of Government of Nepal.

(2) Subject to the limits specified in this section, the Bank may extend credit to Government of Nepal with a condition to repay within one hundred eighty days.

(3) Notwithstanding anything contained in sub-section (2), the Bank may extend a special credit of long term to Government of Nepal only on account of subscription and similar payments resulting from or incidental to the membership of the Kingdom of Nepal with international organization.

(4) The Bank shall disburse credit to be extended to Government of Nepal or an institution under full or substantial or partial ownership of Government of Nepal only in Nepalese rupees. Such credit shall be certified by negotiable debt bond issued by Government of Nepal and delivered to the Bank. Such debt security should have the maturity corresponding to the maturity of the extension of credit and should bear the interest at market rate. There must be a written agreement executed between Government of Nepal and the Bank. Such agreement should clearly stipulate the principal amount of the loan or limit on a line of credit, the maturity, and the applicable rates of interest and other charges.

(5) At no time the amount of overdraft provided by the Bank to Government of Nepal shall be more than five percent of the revenue income of Government of Nepal in the proceeding fiscal year. While computing such revenue income, the amount of borrowing, grants or any other form of financial assistance or income received from the sale of property shall not be included.

(6) Government of Nepal shall make the payment of the overdraft referred to in sub-section (5) within one hundred eighty days at the prevailing interest rate either in the form of cash or marketable debt bond.

(7) The total amount of debt bond purchased by the Bank from Government of Nepal and taken into its ownership shall not be more than ten percent of the revenue income of the proceeding fiscal year.

(8) In the following circumstances, the debt bond issued by Government of Nepal and purchased by the Bank shall not be treated as the credit extended under sub-section (7):-

(a) If the purchase is made in the secondary market for the operation of open market consistent with the monetary policy of the Bank;

(b) If the purchase is made in the primary market, when it is necessary in the opinion of the Bank, to maintain stability in the market at the time of primary issue of such securities and such securities are divested within 60 days of purchase.

(c) The debt bond purchased by the Bank from Government of Nepal and retained in its ownership prior to the commencement of sub-section (7). (Section 75) (coded as .67)

*Nepal 2021*: No change

***(c) Terms of lending (.10)****Nepal 2002*: (1) Except otherwise provided in this Act, the Bank shall not provide any type of financial assistance to Government of Nepal or an institution under the full or substantial or partial ownership of Government of Nepal.

(2) Subject to the limits specified in this section, the Bank may extend credit to Government of Nepal with a condition to repay within one hundred eighty days.

(3) Notwithstanding anything contained in sub-section (2), the Bank may extend a special credit of long term to Government of Nepal only on account of subscription and similar payments resulting from or incidental to the membership of the Kingdom of Nepal with international organization.

(4) The Bank shall disburse credit to be extended to Government of Nepal or an institution under full or substantial or partial ownership of Government of Nepal only in Nepalese rupees. Such credit shall be certified by negotiable debt bond issued by Government of Nepal and delivered to the Bank. Such debt security should have the maturity corresponding to the maturity of the extension of credit and should bear the interest at market rate. There must be a written agreement executed between Government of Nepal and the Bank. Such agreement should clearly stipulate the principal amount of the loan or limit on a line of credit, the maturity, and the applicable rates of interest and other charges. (Section 75) (Coded as .33)

*Nepal 2021*: No change

***(d) Potential borrowers from bank (.05)***

*Nepal 2002*: (1) Except otherwise provided in this Act, the Bank shall not provide any type of financial assistance to Government of Nepal or an institution under the full or substantial or partial ownership of Government of Nepal. (Section 75) (Coded as .33)

*Nepal 2021*: No change

***(e) Limits on central bank lending determined by (.025)****Nepal 2002*: (5) At no time the amount of overdraft provided by the Bank to Government of Nepal shall be more than five percent of the revenue income of Government of Nepal in the proceeding fiscal year. While computing such revenue income, the amount of borrowing, grants or any other form of financial assistance or income received from the sale of property shall not be included.

(7) The total amount of debt bond purchased by the Bank from Government of Nepal and taken into its ownership shall not be more than ten percent of the revenue income of the proceeding fiscal year. (Section 75) (Coded as .33)

*Nepal 2021*: No change

***(f) Maturity of loans (.025)****Nepal 2002*: (6) Government of Nepal shall make the payment of the overdraft referred to in sub-section (5) within one hundred eighty days at the prevailing interest rate either in the form of cash or marketable debt bond. (Section 75) (coded as 1)

*Nepal 2021*: No change

***(g) Interest rates on loans must be? (.025)****Nepal 2002*: (6) Government of Nepal shall make the payment of the overdraft referred to in sub-section (5) within one hundred eighty days at the prevailing interest rate either in the form of cash or marketable debt bond. (Section 75) (Coded as .75)

*Nepal 2021*: No change

***(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)***

*Nepal 2002*: (8) In the following circumstances, the debt bond issued by Government of Nepal and purchased by the Bank shall not be treated as the credit extended under sub-section (7):-

(a) If the purchase is made in the secondary market for the operation of open market consistent with the monetary policy of the Bank;

(b) If the purchase is made in the primary market, when it is necessary in the opinion of the Bank, to maintain stability in the market at the time of primary issue of such securities and such securities are divested within 60 days of purchase. (Section 75) (Coded as 0)

*Nepal 2021*: No change

# PAKISTAN

**Chief Executive Officer (weight = .20)**

***Term of office****Pakistan 2006*: Subject to sub-section (11), the Governor shall be appointed by the President for a term of three years, and on such salary and terms and conditions of service as the President may determine, except that neither the salary of the Governor nor his other terms and conditions of service shall be varied to his disadvantage after his appointment: (Section 10) (coded as 0) (goes back to at least 2002; 3-year term mention in 1996 CB directory & appointed 1993) (same in 2012) (changing code from .5 to 0 in 1993)

*Pakistan 2021*: No change

***Who appoints CEO?****Pakistan 2006*: Subject to sub-section (11), the Governor shall be appointed by the President for a term of three years, and on such salary and terms and conditions of service as the President may determine, except that neither the salary of the Governor nor his other terms and conditions of service shall be varied to his disadvantage after his appointment: (Section 10) (coded as 0) (goes back to at least 2002; changing code in 2002) (same in 2012)

*Pakistan 2021*: No change

***Dismissal****Pakistan 2006*: Subject to sub section (2), the 3**President** may remove the Governor from his office, if be becomes permanently incapable of performing his duties, or is subject to any of the disqualification specified in sub-section (10) of section 10, or has done any act which is breach of the trust reposed in him, or is guilty of misconduct:

Provided that before taking action under his sub section, the Governor shall be given a notice to show cause and an opportunity of being heard.

(2) An elected Director or Member shall not be removed from his office except upon a resolution passed by the Central Board in that behalf by a majority of not less than six Directors. (Section 15) (Coded as .83) (same in 2012)

*Pakistan 2021*: No change

***May CEO hold other offices in government?***

*Pakistan 2006*: The Governor and a Deputy Governor shall devote their whole time to the affairs of the Bank.

The Governor or a Deputy Governor, as the case may be, may, in addition to his duties as the Governor or a Deputy Governor, be entrusted by an order of the Federal Government with such duties for such period as may be specified in the order.

No person shall hold office as Governor or a Deputy Governor:  
(a) Who is a member of the Central or Provincial Legislature;

(b) Who is employed in any capacity in the public service of Pakistan or of any province of Pakistan or holds any office or position for which any salary or other remuneration is payable out of public funds;

(c) Who is a director, officer or employee of any other bank or of a financial concern or has an interest as a shareholder in any other bank or financial concern; provided that nothing in this clause shall apply where the Governor or Deputy Governor is entrusted with additional duties under sub-section (8) above; (Section 10) (coded as .5) (same in 2012)

*Pakistan 2021*: No change

**Policy Formation (weight = .15)**

***(a) Who formulates monetary policy?***

***Pakistan 1997***: The Central Board shall, in order to secure monetary stability and

soundness of the financial system—

(a) Formulate and monitor monetary and credit policy and, in

determining the expansion of liquidity, take into account the

Federal Government’s targets for growth and inflation and ensure

that the Bank conducts monetary and credit policy in a manner

consistent with these targets and the recommendations of the Monetary

and Fiscal Policies Coordination Board with respect to macro-economic

policy objectives:

Provided that the Governor may, in an emergency which in his opinion

requires immediate action, take such measure as may be necessary in the

circumstances and shall report such measure for the approval of the Central

Board at its next meeting; (Section 9A) (Coded as .33)

*Pakistan 2021*: Difficult to tell. There is a Monetary Policy Board that formulates and implements monetary policy and whose autonomy is to be respected. But there is a separate board that coordinates monetary, fiscal and exchange rate policies that is composed half of Federal government officials. Coding as .67 for formulate and .6 for resolution from 2015

***(b) Resolution of conflict***

***Pakistan 1997***: The Central Board shall, in order to secure monetary stability and

soundness of the financial system—

(a) Formulate and monitor monetary and credit policy and, in

determining the expansion of liquidity, take into account the

Federal Government’s targets for growth and inflation and ensure

that the Bank conducts monetary and credit policy in a manner

consistent with these targets and the recommendations of the Monetary

and Fiscal Policies Coordination Board with respect to macro-economic

policy objectives:

Provided that the Governor may, in an emergency which in his opinion

requires immediate action, take such measure as may be necessary in the

circumstances and shall report such measure for the approval of the Central

Board at its next meeting; (Section 9A) (Coded as .2)

***(c) Role in government’s budgetary process***

*Pakistan 1994:* (1) There shall be a Board for the coordination of fiscal, monetary and

exchange rate policies, hereinafter to be called 24[the Co-ordination Board],

consisting of :—

(i) Federal Minister for Finance Chairman

(ii) Federal Minister for Commerce or

25[Secretary, Ministry of Commerce] Member

(iii) Deputy Chairman, Planning Commission Member

(iv) The Governor Member

(v) Secretary, Finance Division,

Government of Pakistan Member  
(2) The 27[Co-ordination Board] shall—

(a) coordinate fiscal, monetary and exchange-rate policies; 28[\*\*\*]

(b) 29 [ensure consistency among macro-economic targets of

growth, inflation and fiscal, monetary and external accounts;]

(c) 30 [ meet for the purposes of clauses (a) and (b) before the

finalization of the budget to determine the extent of Government

borrowing from commercial banks taking into account credit

requirements of the private sector, liquidity expansion

determined by the Central Board and expected changes in net

foreign assets of the banking system]; (Coded as 1 from 1997)

*Pakistan 2021*: No change

**Objectives (weight = .15)***Pakistan 2006*: WHEREAS it is necessary to provide for the constitution of a State Bank to regulate the monetary and credit system of Pakistan and to foster its growth in the best national interest with a view to securing monetary stability and fuller utilisation of the country's productive resources; (Preamble)  
The Central Board shall, in order to secure monetary stability and soundness of the financial system.-

(a) formation and monetary and credit policy and, in determining the expansion of liquidity, take into account the Federal government’s targets credit policy in a manner consistent with these targets and the recommendations of the Monetary and Fiscal policies Co-ordination Board with respect to macroeconomic policy objectives: (Section 9a) (Coded as .4)

*Pakistan 2021*: No change

**Limitations on lending to the government**

***Advances (Weight = .15)***

*Pakistan 2006*: The Bank is authorised to carry on and transact the several kinds f business hereinafter specified, namely;   
(5) The making to the Federal Government or Provincial Governments of advances repayable in each case not later than three months from the date of the making of the advance; (Section 17) (Coded as .33)

*Pakistan 2021*: No change

***(b) Securitized lending (.10)****Pakistan 2006*: (10) (a) The purchase and sale of securities of the Federal Government or a Provincial Government of any maturity or of such securities of a Local Authorities as may be specified in this behalf by the Federal Government by notification in the Official Gazette on the recommendation of the Central Board;

(b) Securities, Debentures and Shares fully guaranteed as to principal and interest by the Federal Government shall be deemed for the purpose of this section to be securities of that Government;

(c) The amount of such securities held at any time in the Banking Department shall be so regulated that the total value of such securities shall not exceed the aggregate amount of the share capital of the Bank, the Reserve Fund and four fifths of the liabilities of the Banking Department in respect of deposits; (Section 17) (Coded as .33)

*Pakistan 2021*: No change

***(c) Terms of lending (.10)****Pakistan 2006*: The Bank is authorised to carry on and transact the several kinds f business hereinafter specified, namely;   
(5) The making to the Federal Government or Provincial Governments of advances repayable in each case not later than three months from the date of the making of the advance; (Section 17) (Coded as 0)

*Pakistan 2021*: No change

***(d) Potential borrowers from bank (.05)****Pakistan 2006*: The Bank is authorised to carry on and transact the several kinds of business hereinafter specified, namely;-  
The making of Local Authorities, scheduled banks or cooperative banks of advances and loans repayable on demand or on expiry of fixed periods not exceeding one hundred and eighty days against the security of  
The making to the Federal Government or Provincial

Governments of advances repayable in each case not later than three months from the date of the making of the advance; (Section 17) (Coded as .33) (Same in 2012)

*Pakistan 2021*: No change

***(e) Limits on central bank lending determined by (.025)***

*Pakistan 2006*: (10) (a) The purchase and sale of securities of the Federal Government or a Provincial Government of any maturity or of such securities of a Local Authorities as may be specified in this behalf by the Federal Government by notification in the Official Gazette on the recommendation of the Central Board;

(b) Securities, Debentures and Shares fully guaranteed as to principal and interest by the Federal Government shall be deemed for the purpose of this section to be securities of that Government;

(c) The amount of such securities held at any time in the Banking Department shall be so regulated that the total value of such securities shall not exceed the aggregate amount of the share capital of the Bank, the Reserve Fund and four fifths of the liabilities of the Banking Department in respect of deposits; (Section 17) (coded as --) (Nothing about limits on advances)

*Pakistan 2021*: No change

***(f) Maturity of loans (.025)****Pakistan 2006*: The Bank is authorised to carry on and transact the several kinds f business hereinafter specified, namely;   
(5) The making to the Federal Government or Provincial Governments of advances repayable in each case not later than three months from the date of the making of the advance; (Section 17) (Coded as 1)

*Pakistan 2021*: No change

***(g) Interest rates on loans must be? (.025)****Pakistan 2006*: NO mention of interest rate – coded as .25

*Pakistan 2021*: No change

***(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)****Pakistan 2006*: No prohibitions – coded as 0

*Pakistan 2021*: No change

# PAPUA NEW GUINEA

**Chief Executive Officer** (weight = .20)

***(a) Term of office****Papua New Guinea 2000*: (1) There shall be a Governor of the Central Bank who shall -

*(a)* be appointed by the Head of State, acting on advice, by notice in the National Gazette; and

*(b)* be appointed for such period, of not less than five years and not more than seven years, as the Head of State, acting on advice, determines;

and

*(c)* be eligible for re-appointment for a total maximum of two terms; and

(*d*) not serve as Governor in total more than 14 years; and

(*e*) subject to this Act, not be subject to the direction or control of any person. (Section 15) (coded as .75)

*Papua New Guinea 2021*: No change

***(b) Who appoints CEO?****Papua New Guinea 2000*: (1) There shall be a Governor of the Central Bank who shall -

*(a)* be appointed by the Head of State, acting on advice, by notice in the National Gazette; and

*(b)* be appointed for such period, of not less than five years and not more than seven years, as the Head of State, acting on advice, determines;

and

*(c)* be eligible for re-appointment for a total maximum of two terms; and

(*d*) not serve as Governor in total more than 14 years; and

(*e*) subject to this Act, not be subject to the direction or control of any person. (Section 15) (Coded as 0)

*Papua New Guinea 2021*: No change

***(c) Dismissal****Papua New Guinea 2000*: (1) Subject to Section 22, the Governor may be removed from office only by the Head of State, acting on advice, in accordance with the provisions of this section.

(2) The Head of State, acting on advice, shall remove the Governor from office 21 days after a determination of the National Executive Council that the Governor should be removed from office where the determination is reached after the process and procedure specified in Subsections (3), (4) and (5).

(3) Where, in the reasonable opinion of the Board, the Governor is guilty of conduct prejudicial to the performance of his duties under Section 16, the Board may make a recommendation (which recommendation shall contain full reasons for the recommendation), to the Minister that the Governor be removed from office.

(4) The Minister upon receiving the recommendation and reasons of the Board pursuant to Subsection (3) shall -

*(a)* place the Board’s recommendation and reasons before the National Executive Council; and

*(b)* advise the Governor that the Governor may by a particular date (such date being not less than 21 days from the date the Governor is advised of the Board’s recommendation and reasons) submit reasons to the National Executive Council why the Governor should not be removed from office; and

*(c)* provide the Governor with full copies of the Board’s recommendation and the reasons for the recommendation.

(5) The National Executive Council shall on the earlier of the date it receives the Governor’s submission or the date stipulated for such submission -

*(a)* consider the reasons for the Board’s recommendation and the Governor’s submission, if any; and

*(b)* where, in the National Executive Council’s reasonable opinion -

(i) the Governor is not guilty of conduct prejudicial to the performance of his duties under Section 16; or

(ii) the Governor should not be removed from office, the National Executive Council shall notify the Governor in writing and the Governor shall continue in office; and

*(c)* where in the National Executive Council’s reasonable opinion -

(i) the Governor is guilty of conduct prejudicial to the performance of his duties under Section 16; and

(ii) the Governor should be removed from office, the National Executive Council shall -

(iii) give the Governor written notice of its decision as soon as possible; and

(iv) not earlier than 21 days thereafter, or where, within such 21 days, a decision of the National Executive Council is reviewed or appealed under Subsection (6), until a decision is handed down, advise the Head of State to remove the Governor from office.

(6) A decision by the Board or the National Executive Council is a decision that may be fully reviewed (including on its merits) by any competent court. (Section 23) (coded as .67)

*Papua New Guinea 2021*: No change

***May CEO hold other offices in government?****Papua New Guinea 2000*: (1) It is the duty of the Governor to -   
*(d)* devote the whole of his professional time to the service of the Central Bank; and

*(e)* not -

(i) occupy or hold any other paid office or employment; or  
(ii) directly or indirectly hold any shares or other pecuniary interest in any bank or financial institution; or

(iii) engage in the practice of any profession or business. (Section 16)  
(1) No person shall be appointed or re-appointed, or continue to hold office, as Governor, or a Deputy Governor, if that person -

*(a)* is a member of Parliament; or

*(b)* is an officer, agent, member or employee of a bank or financial institution; or

*(c)* is 70 years of age or over; or

*(d)* is a Departmental Head, or an officer or employee of a Department, or an officer of the Public Service; or

*(e)* is an insolvent who has not obtained a final order of discharge, or whose order of discharge has been suspended for a term not yet expired, or is subject to a condition not yet fulfilled; or

*(f)* is a person who is convicted of any offence punishable by imprisonment; or

*(g)* holds shares, or has any similar right (whether legal or beneficial), in a bank or financial institution; or

*(h)* is a person who would be prohibited from being a director or member or promoter of, or in any way whether directly or indirectly taking part in the management of, a company under any law of the Independent State of Papua New Guinea; or

*(i)* is or becomes a person whose affairs are administered under any law relating to mental health; or

*(j)* is held by a Leadership tribunal to have breached the Leadership Code. (Section 22) (Coded as 1)

*Papua New Guinea 2021*: No change

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*Papua New Guinea 2000*: (1) It is the duty of the Governor to formulate and implement monetary policy consistent with the carrying out by the Central Bank of its objective of achieving and

maintaining price stability.

(2) The Governor has power to do in the country or elsewhere all things necessary or convenient to be done to formulate and implement monetary policy including without limitation and in addition to any other powers conferred by this Act or any other law, power to -

*(a)* set the rate of interest payable on an instrument issued by the Central Bank or borrowing of the Central Bank; and

*(b)* buy, sell and otherwise deal in Kina in such volumes as determined by the Governor; and

*(c)* buy, sell, discount and re-discount bills of exchange, promissory notes, treasury bills and other instruments; and

*(d)* buy, sell and otherwise deal in securities issued by the Government and other securities; and

*(e)* buy, sell and otherwise deal in Kina, foreign currency, gold and other precious metals; and

*(f)* otherwise operate in financial markets; and

*(g)* do anything incidental to his powers. (Article 10) (coded as .67)

*Papua New Guinea 2021*: No change

*(b) Resolution of conflict*

*Papua New Guinea 2000*: Where, in the opinion of the Governor, conditions exist that -

*(a)* threaten or may threaten the monetary stability of Papua New Guinea;

or

*(b)* may be likely to affect adversely the formulation or implementation of monetary policy; or

*(c)* may be likely to affect adversely the achievement of the financial and economic policies of the Government, the Governor shall report to the Minister on the matter. (Article 13) (coded as .8)

*Papua New Guinea 2021*: No change

*(c) Role in government’s budgetary process* (No mention – coded as 0)

*Papua New Guinea 2021*: No change

Objectives (weight = .15)

*Papua New Guinea 2000*: For the advantage of the people of Papua New Guinea, the objectives of the Central Bank are -

*(a)* to formulate and implement monetary policy with a view to achieving and maintaining price stability; and

(*b*) to formulate financial regulation and prudential standards to ensure stability of the financial system in Papua New Guinea; and

(*c*) to promote an efficient national and international payments system;

and

(*d*) subject to the above, to promote macro-economic stability and economic growth in Papua New Guinea. (Section 7) (coded as .6)

*Papua New Guinea 2021*: No change

Limitations on lending to the government

*Advances (Weight = .15)*

*Papua New Guinea 2000*: (1) This section shall be read subject to the ***Public Finances (Management) Act* 1995**.

(2) Subject to Subsection (3), the Central Bank may grant temporary advances to the Government in respect of temporary deficiencies of revenue due to cashflow mismatches at an interest rate or rates no less favourable than the prevailing rates payable by the Government on Treasury Bills or notes, or securities issued by the Government.

(3) The Central Bank may only grant advances pursuant to Subsection (2) where the granting of such an advance to the Government is not inconsistent with the monetary policy stance outlined in policy statements of the Central Bank.

(4) Subject to Subsection (6), the total amount of advances under Subsection (2) -

*(a)* shall not at any time exceed K100,000,000.00 (or such other adjusted amount as agreed by the Governor and National Executive Council from time to time and published in the National Gazette for the sole purpose of taking into account movements in the general level of prices in Papua New Guinea); and

*(b)* shall be repaid to the Central Bank as soon as practicable, but in any case, not later than six months from the date of the advance.

(5) The Central Bank shall ensure that advances to the Government referred to in Subsection (2), are fully repaid from Consolidated Revenue.

(6) Advances by the Central Bank to the Government pursuant to the ***Central Banking Act*** (Chapter 138) and existing at the date of coming into operation of this Act -

*(a)* remain as a debt due and owing to the Central Bank on the terms and conditions applying to those advances; and

*(b)* are excluded for the purposes of determining aggregate outstanding advances pursuant to Subsection (4).

(7) The Minister and the Governor shall consult with a view to agreeing on a strategy to ensure such existing advances referred to in Subsection (6) are repaid as soon as practicable. (Section 55) (Coded as .67)

*Papua New Guinea 2021*: No change

*(b) Securitized lending (.10)   
Papua New Guinea 2000*: Notwithstanding anything to the contrary contained in this section, the

Central Bank shall not grant advances to the Government in respect of, or for the

purpose of funding, a Government fiscal deficit. (Section 55, 9) (Coded as 1)

*Papua New Guinea 2021*: No change

*(c) Terms of lending (.10)   
Papua New Guinea 2000*: (1) This section shall be read subject to the ***Public Finances (Management) Act* 1995**.

(2) Subject to Subsection (3), the Central Bank may grant temporary advances to the Government in respect of temporary deficiencies of revenue due to cashflow mismatches at an interest rate or rates no less favourable than the prevailing rates payable by the Government on Treasury Bills or notes, or securities issued by the Government.

(3) The Central Bank may only grant advances pursuant to Subsection (2) where the granting of such an advance to the Government is not inconsistent with the monetary policy stance outlined in policy statements of the Central Bank.

(4) Subject to Subsection (6), the total amount of advances under Subsection (2) -

*(a)* shall not at any time exceed K100,000,000.00 (or such other adjusted amount as agreed by the Governor and National Executive Council from time to time and published in the National Gazette for the sole purpose of taking into account movements in the general level of prices in Papua New Guinea); and

*(b)* shall be repaid to the Central Bank as soon as practicable, but in any case, not later than six months from the date of the advance.

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(6) Advances by the Central Bank to the Government pursuant to the ***Central Banking Act*** (Chapter 138) and existing at the date of coming into operation of this Act -

*(a)* remain as a debt due and owing to the Central Bank on the terms and conditions applying to those advances; and

*(b)* are excluded for the purposes of determining aggregate outstanding advances pursuant to Subsection (4).

(7) The Minister and the Governor shall consult with a view to agreeing on a strategy to ensure such existing advances referred to in Subsection (6) are repaid as soon as practicable. (Section 55) (Coded as .33)

*Papua New Guinea 2021*: No change

*(d) Potential borrowers from bank (.05)*

Only government mentioned – coded as 1

*Papua New Guinea 2021*: No change

*(e) Limits on central bank lending determined by (.025)****Papua New Guinea 2000*:** (4) Subject to Subsection (6), the total amount of advances under Subsection (2) -

*(a)* shall not at any time exceed K100,000,000.00 (or such other adjusted amount as agreed by the Governor and National Executive Council from time to time and published in the National Gazette for the sole purpose of taking into account movements in the general level of prices in Papua New Guinea); and

*(b)* shall be repaid to the Central Bank as soon as practicable, but in any case, not later than six months from the date of the advance. (section 55) (coded as 1)

*Papua New Guinea 2021*: No change

*(f) Maturity of loans (.025)****Papua New Guinea 2000*:** (4) Subject to Subsection (6), the total amount of advances under Subsection (2) -

*(a)* shall not at any time exceed K100,000,000.00 (or such other adjusted amount as agreed by the Governor and National Executive Council from time to time and published in the National Gazette for the sole purpose of taking into account movements in the general level of prices in Papua New Guinea); and

*(b)* shall be repaid to the Central Bank as soon as practicable, but in any case, not later than six months from the date of the advance. (section 55) (coded as 1)

*Papua New Guinea 2021*: No change

*(g) Interest rates on loans must be? (.025)   
Papua New Guinea 2000*: (1) This section shall be read subject to the ***Public Finances (Management) Act* 1995**.

(2) Subject to Subsection (3), the Central Bank may grant temporary advances to the Government in respect of temporary deficiencies of revenue due to cashflow mismatches at an interest rate or rates no less favourable than the prevailing rates payable by the Government on Treasury Bills or notes, or securities issued by the Government. (section 55) (coded as .75)

*Papua New Guinea 2021*: No change

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)****Papua New Guinea 2000*:** (8) The Central Bank may, for purposes of monetary policy management, purchase treasury bills or notes, or securities, issued by the Government at market-determined yields and such treasury bills, notes or securities will be excluded for the purposes of determining aggregate outstanding advances pursuant to Subsection (4). (section 55) (coded as 0)

*Papua New Guinea 2021*: No change

**PHILIPPINES**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Philippines 1993*: The powers and functions of the Bangko Sentral shall be exercised by the Bangko Sentral Monetary Board, hereafter referred to as the Monetary Board, composed of seven (7) members [including the Governor] appointed by the President of the Philippines for a term of six (6) years. (Sec. 6) Coded as .75

*Philippines 2010*: The powers and functions of the Bangko Sentral shall be exercised by the Bangko Sentral Monetary Board hereafter referred to as the Monetary Board, composed of seven (7) members appointed by the President of the Philippines for a term of six (6) years. (Section 6; no change)

*Philippines 2021*: No change

1. ***Who appoints CEO?***

*Philippines 1993*: The powers and functions of the Bangko Sentral shall be exercised by the Bangko Sentral Monetary Board, hereafter referred to as the Monetary Board, composed of seven (7) members [including the Governor] appointed by the President of the Philippines for a term of six (6) years. (Sec. 6)

*Philippines 2010*: The powers and functions of the Bangko Sentral shall be exercised by the Bangko Sentral Monetary Board hereafter referred to as the Monetary Board, composed of seven (7) members appointed by the President of the Philippines for a term of six (6) years. (Section 6; no change) Changed to 0

*Philippines 2021*: No change

1. ***Dismissal***

*Philippines 1993*: The President may remove any member of the Monetary Board for any of the following reasons: (a) If the member is subsequently disqualified under the provisions of Section 7 of this Act; or (b) If he is physically or mentally incapacitated that he cannot properly discharge his duties and responsibilities and such incapacity has lasted for more than six (6) months; or (c) If the member is guilty of acts or operations which are of fraudulent or illegal character or which are manifestly opposed to the aims and interests of the Bangko Sentral; or (d) If the member no longer possesses the qualifications specified in Section 8 of this Act. (Sec. 10)

*Philippines 2010*: The President may remove any member of the Monetary board for any of the following reasons: (a) If the member is subsequently disqualified under the provisions of Section 8 of this Act; or (b) If he is physically or mentally incapacitated that he cannot properly discharge his duties and responsibilities and such incapacity has lasted for more than six (6) months; or (c) If the member is guilty of acts or operations which are of fraudulent or illegal character or which are manifestly opposed to the aims and interests of the Bangko Sentral; or (d) If the member no longer possesses the qualifications specified in Section 8 of this Act. (Section 10; no change) Coded as .83

*Philippines 2021*: No change

1. ***May CEO hold other offices in government?***

*Philippines 1993*: The Governor of the Bangko Sentral and the full time members of the Board shall limit their professional activities to those pertaining directly to their positions with the Bangko Sentral. Accordingly, they may not accept any other employment, whether public or private, remunerated or *ad honorem*, with the exception of positions in eleemosynary, civic, cultural or religious organizations or whenever, by designation of the President, the Governor or full-time member is tasked to represent the interest of the Government or other government agencies in matters connected with or affecting the economy or the financial system of the country. (Sec. 20)

The members of the Monetary Board coming from the private sector shall not hold any other public office or public employment during their tenure. (Sec. 9) Coded as .5

*Philippines 2010*: The Governor of the Bangko Sentral and the full time members of the Board shall limit their professional activities to those pertaining directly to their positions with the Bangko Sentral. Accordingly, they may not accept any other employment, whether public or private, remunerated or *ad honorem*, with the exception of positions in eleemosynary, civic, cultural or religious organizations or whenever, by designation of the President, the Governor or full-time member is tasked to represent the interest of the Government or other government agencies in matters connected with or affecting the economy or the financial system of the country. (Sec. 20) Coded as .5

*Philippines 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*Philippines 1993*: The State shall maintain a central monetary authority that shall function and operate as an independent and accountable body corporate in the discharge of its mandated responsibilities concerning money, banking and credit. In line with this policy, and considering its unique functions and responsibilities, the central monetary authority established under this Act, while being a government-owned corporation shall enjoy fiscal and administrative autonomy. (Sec. 1)

*Philippines 2010*: The State shall maintain a central monetary authority that shall function and operate as an independent and accountable body corporate in the discharge of its mandated responsibilities concerning money, banking and credit. In line with this policy, and considering its unique functions and responsibilities, the central monetary authority established under this Act, while being a governmentowned corporation, shall enjoy fiscal and administrative autonomy. (Section 1) Coded as 1

*Philippines 2021*: No change

# *Resolution of conflict*

*Philippines 2010*: Nothing about government overriding monetary policy. Coded as 1

*Philippines 2021*: No change

# *(c) Role in government’s budgetary process*

*Philippines 2010*: Nothing. Coded as 0

*Philippines 2021*: No change

# Objectives (weight = .15)

*Philippines 1993*: The primary objective of the Bangko Sentral is to maintain price stability conducive to a balanced and sustainable growth of the economy. It shall also promote and maintain monetary stability and the convertibility of the peso. Sec. 3)

*Philippines 2010*: The primary objective of the Bangko Sentral is to maintain price stability conducive to a balanced and sustainable growth of the economy. It shall also promote and maintain monetary stability and the convertibility of the peso. (Section 3; no change) Coded as .8 from 1993; changed 1948 to 1992 coding to .6

*Philippines 2021*: No change

# Limitations on lending to the government

# *Advances (Weight = .15)*

*Philippines 2010*: The Bangko Sentral may make direct provisional advances with or without interest to the National Government to finance expenditures authorized in its annual appropriation:

*Provided,* That said advances shall be repaid before the end of three (3) months extendible by another three (3) months as the Monetary Board may allow following the date the National Government received such provisional advances and shall not, in their aggregate, exceed twenty percent (20%) of the average annual income of the borrower for the last three (3) preceding fiscal years. (Section 89) Coded as .67

*Philippines 2021*: No change

***(b) Securitized lending (.10)***

# *(c) Terms of lending (.10)*

*Philippines 2010*: The Bangko Sentral may make direct provisional advances with or without interest to the National Government to finance expenditures authorized in its annual appropriation:

*Provided,* That said advances shall be repaid before the end of three (3) months extendible by another three (3) months as the Monetary Board may allow following the date the National Government received such provisional advances and shall not, in their aggregate, exceed twenty percent (20%) of the average annual income of the borrower for the last three (3) preceding fiscal years. (Section 89) Coded as .67

*Philippines 2021*: No change

# *Potential borrowers from bank (.05)*

*Philippines 2010*: The Bangko Sentral may make direct provisional advances with or without interest to the National Government to finance expenditures authorized in its annual appropriation:

*Provided,* That said advances shall be repaid before the end of three (3) months extendible by another three (3) months as the Monetary Board may allow following the date the National Government received such provisional advances and shall not, in their aggregate, exceed twenty percent (20%) of the average annual income of the borrower for the last three (3) preceding fiscal years. (Section 89) Coded as 1 (earlier law mentioned political subdivisions)

*Philippines 2021*: No change

# *(e) Limits on central bank lending determined by (.025)*

*Philippines 2010*: The Bangko Sentral may make direct provisional advances with or without interest to the National Government to finance expenditures authorized in its annual appropriation:

*Provided,* That said advances shall be repaid before the end of three (3) months extendible by another three (3) months as the Monetary Board may allow following the date the National Government received such provisional advances and shall not, in their aggregate, exceed twenty percent (20%) of the average annual income of the borrower for the last three (3) preceding fiscal years. (Section 89) Coded as .33

*Philippines 2021*: No change

# *(f) Maturity of loans (.025)*

*Philippines 2010*: The Bangko Sentral may make direct provisional advances with or without interest to the National Government to finance expenditures authorized in its annual appropriation:

*Provided,* That said advances shall be repaid before the end of three (3) months extendible by another three (3) months as the Monetary Board may allow following the date the National Government received such provisional advances and shall not, in their aggregate, exceed twenty percent (20%) of the average annual income of the borrower for the last three (3) preceding fiscal years. (Section 89) Coded as .67

*Philippines 2021*: No change

# *(g) Interest rates on loans must be? (.025)*

*Philippines 2010*: The Bangko Sentral may make direct provisional advances with or without interest to the National Government to finance expenditures authorized in its annual appropriation: (Section 89) Coded as .25

*Philippines 2021*: No change

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Philippines 2010*: In order to achieve the objectives of the national monetary policy, the Bangko Sentral may, in accordance with the principle stated in Section 90 of this Act and with such rules and regulations as may be prescribed by the Monetary Board, buy and sell in the open market for its own account:

(a) evidences of indebtedness issued directly by the Government of the Philippines or by its political subdivisions; and

(b) evidences of indebtedness issued by government instrumentalities and fully guaranteed by the Government. The evidences of indebtedness acquired under the provisions of this section must be freely negotiable and regularly serviced and must be available to the general public through banking institutions and local government treasuries in denominations of a thousand pesos or more. (Section 91)

The issue of securities representing obligations of the Government, its political subdivisions or instrumentalities, may be made through the Bangko Sentral, which may act as agent of, and for the account of, the Government or its respective subdivisions or instrumentality, as the case may be: *Provided, however*, That the Bangko Sentral shall not guarantee the placement of said securities, and shall not subscribe to their issue except to replace its maturing holdings of securities with the same type as the maturing securities. (Section 117) Coded as 0 – the Bank can sell securities on the primary market

*Philippines 2021*: No change

# SAMOA

**Chief Executive Officer** (weight = .20)

***Term of office****Samoa 2008*: **(3)** The Governor shall be appointed for a period not exceeding three years and on such terms and conditions as may be specified. (Section 9) (Coded as 0) (Changed in 2001)

*Samoa 2015*: The Governor: (a) holds office for six (6) years; and (b) is eligible for reappointment for only one (1) more term of six (6) years; (Section 19) Coded as .75

***Who appoints CEO?****Samoa 2008*: (1) The Head of State, acting on the advice of Cabinet, shall from time to time appoint a Governor of the Central Bank from amongst persons of recognised standing and experience in financial and banking matters. (Section 9) (Coded as .25)

*Samoa 2015*: The Head of State, acting on the advice of Cabinet may appoint the following persons: (a) the Governor. (Coded as .25)

***Dismissal***

*Samoa 2015*: Only for reasons not related to policy (Section 22) Coded as .83

***May CEO hold other offices in government?****Samoa 2008*: **(5)** The Governor shall devote the whole of his or her professional services to the Bank and not hold any other office, (whether remunerated or not) without the written permission of the Minister given on the recommendation of the Board.

**(6)** No person may be appointed under subsection (1) to be the Governor or may continue to hold office as the Governor, while that person is:

(a) A Member of Parliament; or

(b) A Director, officer or employee of a corporation (other than the Bank) the business of which is wholly or mainly that of Banking business or the extension of credit and which is conducted in Samoa; or

(c) An officer or employee of the Public Service. (Section 9) (Coded as .5)

*Samoa 2015*: The Governor: (a) must devote the whole of his or her professional services to the Bank; and (b) must not hold any other office, whether remunerated or not, without the written permission of the Board. (Section 19, 2) Coded as 1

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*Samoa 2008*: The functions of the Bank are:

(a) To regulate the issue supply availability and international exchange of money;

(b) To advise the Government on banking and monetary matters; (Section 4) (Coded as .33)

*Samoa 2015*: The Bank has the following functions: (a) to determine and implement monetary policy; (Section 6)

When carrying out its objectives, functions, duties, and powers, the Bank is autonomous and accountable as provided under this Act. The Bank, a member of the Board or the Executive Committee or an officer, when carrying out their functions, duties and powers, must not take instructions from any other person, including a government entity. The autonomy of the Bank must be respected at all times. (Section 4) Coded as 1

*(b) Resolution of conflict*

*Samoa 1984*: **Advice and policy directives - (1)** It is the duty of the Bank to advise the Minister concerning any matter which, in the opinion of the Board, is likely to affect the carrying out of its functions.

**(2)** The Minister shall consult the Bank on any legislation proposed by the Government concerning money, credit or banking and may request the Bank to advise on any matter relating to the functions of the Bank under this Act.

**(3)** In carrying out its functions the Bank shall have regard to any policy of the Government adopted after consultation with the Bank and communicated to it in writing by the Minister. (Article 42) (Coded as .2)

*Samoa 2015*: Without affecting section 5 or the attaining of its objectives, the Bank must: (a) cooperate with the Government; and (b) hold regular meetings with the Ministry of Finance, on monetary, fiscal, and other matters which may affect the Bank and the Ministry of Finance jointly.

The Bank may advise the Government on any matter which is likely to affect the performance of its functions. Coded as .8

*(c) Role in government’s budgetary process* (No mention – coded as 0)

Objectives (weight = .15)

*Samoa 2008*: The functions of the Bank are:

(a) To regulate the issue supply availability and international exchange of money;

(b) To advise the Government on banking and monetary matters;

(c) To promote internal and external monetary stability;

(d) To promote a sound financial structure;

(e) To promote credit and exchange conditions conducive to the orderly and balanced economic development of Samoa;

(f) To supervise and regulate banking business and the extension of credit; and

(g) To regulate the insurance industry in Samoa, and other financial institutions, in accordance with any Act making provision in that regard. (Section 4) (Coded as .4)

*Samoa 2015*: The Bank has the following objectives: (a) the primary objective to formulate and implement monetary policy directed to the economic objective of achieving and maintaining domestic stability in the general level of prices; (b) the secondary objective to foster and maintain a stable financial system without affecting attainment of the primary objective; (c) the third objective to support the general economic policies of the Government without affecting the primary and secondary objectives. (Section 5)Coded as .6

Limitations on lending to the government

*Advances (Weight = .15)*

*Samoa 2008*: The Bank may make advances to the Government:

(a) By overdraft facility in anticipation of current budget revenue, repayable not later than the end of the financial year within which an advance is made and the total of moneys advanced shall not exceed at any time 25% of the total revenue received into the Treasury Fund in the preceding financial year; and

(b) In respect of any payment relating to the membership of Samoa in any international financial institutions, on terms and conditions proposed by the Board and approved by the Minister; (Section 43) (Coded as .33)

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

The Bank must not grant loans, advances, or any other forms of credits to a state-owned entity unless the loans, advances, and credits are fully guaranteed by the Government.

Subject to section 61, the Bank must not acquire in the primary market notes, bills, securities or other debt instruments issued or guaranteed by the Government or by any state-owned entity, unless the instruments are negotiable and issued at prevailing market-related rates and with a specified maturity. The Bank may acquire negotiable debt instruments of the Government or a state-owned entity in the secondary market under section 54.

Subject to subsection (2), the total amount of outstanding advances made to the Government and state-owned entities under section 61(1) or 62(2) may not exceed 25% of the annual average Revenue and the Bank must report the circumstances to the Minister whenever, in the opinion of the Board, it is likely to be exceeded. (Sections 61-64) (Coded as .33)

*(b) Securitized lending (.10)*

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

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*(c) Terms of lending (.10)*

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

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*Coded as .33*

*(d) Potential borrowers from bank (.05)*

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

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Coded as .33

*(e) Limits on central bank lending determined by (.025)*

*Samoa 2008*: The Bank may make advances to the Government:

(a) By overdraft facility in anticipation of current budget revenue, repayable not later than the end of the financial year within which an advance is made and the total of moneys advanced shall not exceed at any time 25% of the total revenue received into the Treasury Fund in the preceding financial year; and

(b) In respect of any payment relating to the membership of Samoa in any international financial institutions, on terms and conditions proposed by the Board and approved by the Minister; (Section 43) (Coded as .33)

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

The Bank must not grant loans, advances, or any other forms of credits to a state-owned entity unless the loans, advances, and credits are fully guaranteed by the Government.

Subject to section 61, the Bank must not acquire in the primary market notes, bills, securities or other debt instruments issued or guaranteed by the Government or by any state-owned entity, unless the instruments are negotiable and issued at prevailing market-related rates and with a specified maturity. The Bank may acquire negotiable debt instruments of the Government or a state-owned entity in the secondary market under section 54.

Subject to subsection (2), the total amount of outstanding advances made to the Government and state-owned entities under section 61(1) or 62(2) may not exceed 25% of the annual average Revenue and the Bank must report the circumstances to the Minister whenever, in the opinion of the Board, it is likely to be exceeded. (Sections 61-64)

Coded as .33

*Maturity of loans (.025)*

*Samoa 2008*: The Bank may make advances to the Government:

(a) By overdraft facility in anticipation of current budget revenue, repayable not later than the end of the financial year within which an advance is made and the total of moneys advanced shall not exceed at any time 25% of the total revenue received into the Treasury Fund in the preceding financial year; and

(b) In respect of any payment relating to the membership of Samoa in any international financial institutions, on terms and conditions proposed by the Board and approved by the Minister; (Section 43) (Coded as .67)

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

The Bank must not grant loans, advances, or any other forms of credits to a state-owned entity unless the loans, advances, and credits are fully guaranteed by the Government.

Subject to section 61, the Bank must not acquire in the primary market notes, bills, securities or other debt instruments issued or guaranteed by the Government or by any state-owned entity, unless the instruments are negotiable and issued at prevailing market-related rates and with a specified maturity. The Bank may acquire negotiable debt instruments of the Government or a state-owned entity in the secondary market under section 54.

Subject to subsection (2), the total amount of outstanding advances made to the Government and state-owned entities under section 61(1) or 62(2) may not exceed 25% of the annual average Revenue and the Bank must report the circumstances to the Minister whenever, in the opinion of the Board, it is likely to be exceeded. (Sections 61-64) Coded as .33

*(g) Interest rates on loans must be? (.025)*

*Samoa 2008*: No mention of interest rate – coded as .25

*Samoa 2015: No change*

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Samoa 2008*: The Bank may acquire notes, bills, securities or other evidence of debt issued or guarantied by the Government, offered for sale to the public or part of a public issued. (Section 44) (coded as 0)

*Samoa 2015*: The Bank may grant credits to the Government for a period not exceeding five (5) years, subject to any extension approved by the Board. (2) All outstanding credits of the Bank to the Government must be: (a) repaid before the end of the term of the credit; or (b) converted into negotiable debt instruments of the Government.

The Bank must not grant loans, advances, or any other forms of credits to a state-owned entity unless the loans, advances, and credits are fully guaranteed by the Government.

Subject to section 61, the Bank must not acquire in the primary market notes, bills, securities or other debt instruments issued or guaranteed by the Government or by any state-owned entity, unless the instruments are negotiable and issued at prevailing market-related rates and with a specified maturity. The Bank may acquire negotiable debt instruments of the Government or a state-owned entity in the secondary market under section 54.

Subject to subsection (2), the total amount of outstanding advances made to the Government and state-owned entities under section 61(1) or 62(2) may not exceed 25% of the annual average Revenue and the Bank must report the circumstances to the Minister whenever, in the opinion of the Board, it is likely to be exceeded. (Sections 61-64)

Coded as 0

# SINGAPORE

**Chief Executive Officer** (weight = .20)

***Term of office***

***Who appoints CEO?*** *Singapore 2021*: The board shall consist of — (a) a chairman who shall be appointed by the President on the recommendation of the Cabinet; and (b) not less than 4 and not more than 13 other directors, one of whom shall be the deputy chairman, appointed in accordance with sections 8 and 9. (Section 7,3) (Same in 1999) Coded as 0

***Dismissal*** *Singapore 2021*: The President may terminate the appointment of any director appointed under section 8(1) if the director — (a) resigns his office; (b) becomes mentally disordered and incapable of managing himself or his affairs; (c) becomes bankrupt or suspends payment to or compounds with his creditors; (d) is convicted of an offence involving dishonesty or fraud or moral turpitude; (e) is guilty of serious misconduct in relation to his duties; (f) is absent, without leave, from 3 consecutive meetings of the board; or (g) fails to comply with his obligations under section 13. (Section 10,2) Coded as .83 (Same in 1999)

***May CEO hold other offices in government?***  Only restrictions seem to be financial institutions (Section 10,2; section 8,2). Coded as 0

*(a) Who formulates monetary policy?*

*(b) Resolution of conflict*

*(c) Role in government’s budgetary process*

Objectives (weight = .15)

*Singapore 1999*: The principal objects of the Authority shall be (a) to act as banker to, and financial agent of, the Government; (b) to promote, within the context of the general economic policy of the Government, monetary stability and credit and exchange conditions conducive to the growth of the economy; (c) to foster a sound and progressive financial services sector; and (d) to exercise the powers and to perform the duties and functions that are transferred to the Authority under section 21. (Section 4)  
*Singapore 2021*: 4.—(1) The principal objects of the Authority shall be — (a) to maintain price stability conducive to sustainable growth of the economy; (b) to foster a sound and reputable financial centre and to promote financial stability; [Act 9 of 2013 wef 18/04/2013] (c) to ensure prudent and effective management of the official foreign reserves of Singapore; and (d) to grow Singapore as an internationally competitive financial centre. [13/2007 wef 30/06/2007] (Section 4) Coded as .6

Limitations on lending to the government – The only thing I could find in 1999 or 2021 is “(3) The Authority may act generally as agent for the Government on such terms and conditions as may be agreed between the Authority and the Government where the Authority can do so appropriately and consistently with the provisions of this Act and with its duties and functions as a monetary authority.” Which seem to be the same as CWN so keeping CWN coding.

*Advances (Weight = .15)*

*(b) Securitized lending (.10)*

*(c) Terms of lending (.10)*

*(d) Potential borrowers from bank (.05)*

*(e) Limits on central bank lending determined by (.025)*

*(f) Maturity of loans (.025)*

*(g) Interest rates on loans must be? (.025)*

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Singapore 2021*: The Authority may, in addition to the functions referred to in section 4(2), exercise and discharge the following powers, duties and functions: (e) purchase, repurchase and sell securities of the Government or of any public authority which have been publicly offered for sale or form part of an issue which is being made to the public at the time of acquisition; (Coded as 0) (Same in 1999)

BUT

*Singapore 2021*: (5) Notwithstanding subsection (1), the Authority shall not directly subscribe for any securities issued by the Government or any public authority.

# SOLOMON ISLANDS

**Chief Executive Officer** (weight = .20)

***Term of office****Solomon Islands 1982*: (*a*) the Governor shall be appointed by the Governor General for

a period of five years, on the recommendation of the Minister who

shall consult the Cabinet; (Section 7) (Coded as .5)

*Solomon Islands 2012*: The Governor and Deputy Governor shall be appointed for a term of 6 years, and other members of the Board shall be appointed for terms of 5 years; and are eligible for re-appointment. (Section 41, 4) Coded as .75

***Who appoints CEO?****Solomon Islands 1982*: (*a*) the Governor shall be appointed by the Governor General for

a period of five years, on the recommendation of the Minister who

shall consult the Cabinet; (Section 7) (Coded as .25)

*Solomon Islands 2012*: The Governor shall be appointed by the Governor-General on the recommendation of Cabinet which shall be made in consultation with the Minister of Finance. The Minister of Finance shall prior to making such recommendation consult the Board. (Section 7) Coded as .25

***Dismissal****Solomon Islands 1982*: A person holding the office of the Governor, Deputy Governor or a

Director may be removed from office before the expiry of his term of office

only on grounds of permanent incapacity or serious misconduct

substantially prejudicing the interests of the Central Bank:

Provided that the Governor shall not be removed on any such ground

except on the recommendation of the tribunal appointed under subsection

(3).

(3) If the Governor-General considers that the question of removing the

Governor ought to be investigated, he shall appoint a tribunal, which shall

consist of a Chairman, who holds or has held high judicial office, and not

less than two other persons, which shall enquire into the matter, after

giving the Governor a reasonable opportunity of being heard, and

recommend to the Governor-General whether the Governor ought to be

removed from his office. (Section 8) (coded as .83)

*Solomon Islands* *2012*: The Governor, Deputy Governor or other member of the Board may be removed from office before the expiry of his or her term only on grounds of permanent incapacity or serious misconduct substantially prejudicing the interest of the Central Bank.

Provided the Governor shall not be removed on any such ground except on the recommendation of a tribunal appointed under subsection (2):

(2) If the Governor-General considers that the question of removing the Governor ought to be investigated, he shall appoint a tribunal, which shall consist of a Chairman, who holds or has held high judicial office, and not less than two other persons, which shall inquire into the matter, after giving the Governor reasonable opportunity of being heard, and recommend to the Governor-General whether the Governor ought not be removed from office. (Section 44) Coded as .83

***May CEO hold other offices in government?****Solomon Islands 1982*: (1) The Governor, Deputy Governor or a Director shall not while

holding office hold any other office, whether remunerated or not, without the written permission of the Minister.

(2) The Governor, Deputy Governor or a Director shall not be appointed or remain as such Governor, Deputy Governor or Director, who, without the written permission of the Minister—

(*a*) is a member of the National Parliament of Solomon Islands;

or

(*b*) is a director, officer or employee of any commercial bank or other financial institution. (Section 9) (coded as .5)

*Solomon Islands 2012*: The following persons are not eligible to be appointed to the Board –

(a) a current member of the Parliament;

(b) subject to section 38(1)(c) a public officer or a Government employee; (Section 43) Coded as 1

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*Solomon Islands 1982*: (1) The Central Bank  
(*a*) shall act as adviser to the Minister on monetary and banking

policy; (Section 32) (coded as .33)

*Solomon Islands 2012*: In the pursuit of its objectives and the performance of its functions, the Central Bank shall be autonomous and accountable as provided for in this Act.

(2) Except as otherwise specified in this Act, the Central Bank, the members of the Board or the staff, shall not seek or take instructions from any other person, including public bodies. The autonomy of the Central Bank shall be respected at all times. (Section 7)

In carrying out its objective under this Act, the functions of the Central Bank are –

(a) to determine and implement monetary policy; (Section 9)

(1) Subject to the provisions of section 7, and in pursuit of its objectives and functions pursuant to section 8, the Central Bank shall –

(a) cooperate with the Government and any other public body; and

(b) hold regular meetings with the Ministry of Finance on monetary and fiscal policies and other matters of common interest.

(2) The Central Bank and the Ministry of Finance shall keep each other fully informed of all matters that affect the Bank and the Ministry jointly.

(3) The Central Bank may render advice to the Government on any matter which, in its opinion, is likely to affect the attainment of the objectives of the Bank.

(4) The Central Bank shall, on request of the Minister for Finance, provide the Government with information regarding the functions of the Central Bank; specific information relating to supervised entities may be provided subject to such strictures to preserve confidentiality as it may deem appropriate. (Section 35) Coded as 1

*(b) Resolution of conflict*

*Solomon Islands 1982*: (2) The Minister may from time to time, after consultation with the

Governor, give to the Central Bank in writing such directions as appear to

the Minister to be necessary in the public interest.

(3) Whenever in the opinion of the Central Bank a development or

event takes place which endangers, or is in any way likely to affect

adversely, the attainment of its objects under this Act, the Central Bank

shall make a report to the Government drawing attention to such

development or event, analysing its cause, and if it sees fit,

recommending measures it considers appropriate to be taken by the

Government or the Central Bank. (Section 32) (Coded as .2)

*Solomon Islands 2012*: In the pursuit of its objectives and the performance of its functions, the Central Bank shall be autonomous and accountable as provided for in this Act.

(2) Except as otherwise specified in this Act, the Central Bank, the members of the Board or the staff, shall not seek or take instructions from any other person, including public bodies. The autonomy of the Central Bank shall be respected at all times. (Section 7)

In carrying out its objective under this Act, the functions of the Central Bank are –

(a) to determine and implement monetary policy; (Section 9)

(1) Subject to the provisions of section 7, and in pursuit of its objectives and functions pursuant to section 8, the Central Bank shall –

(a) cooperate with the Government and any other public body; and

(b) hold regular meetings with the Ministry of Finance on monetary and fiscal policies and other matters of common interest.

(2) The Central Bank and the Ministry of Finance shall keep each other fully informed of all matters that affect the Bank and the Ministry jointly.

(3) The Central Bank may render advice to the Government on any matter which, in its opinion, is likely to affect the attainment of the objectives of the Bank.

(4) The Central Bank shall, on request of the Minister for Finance, provide the Government with information regarding the functions of the Central Bank; specific information relating to supervised entities may be provided subject to such strictures to preserve confidentiality as it may deem appropriate. (Section 35) Coded as .8

*(c) Role in government’s budgetary process  
Solomon Islands 1985*: (1) The Central Bank shall during the preparation of the

Government's annual budget hold consultations with the Ministry of

Finance in order to determine the total amount of credit that may be

expected to be extended by the Central Bank and other commercial banks

to the Government during the forthcoming financial year. (section 39) (coded as 1, from 1985)

*Solomon Islands 2012*: Nothing found. Coded as 0

Objectives (weight = .15)  
*Solomon Islands 1982*: The principal objects of the Central Bank shall be— Principal objects of

the Central Bank

*19 of 1982, s. 3*

(*a*) to regulate the issue, supply, availability and international

exchange of money;

(*b*) to advise the Government on banking and monetary matters;

(*c*) to promote monetary stability;

(*d*) to supervise and regulate banking business;

(*e*) to promote a sound financial structure; and

(*f*) to foster financial conditions conducive to the orderly and

balanced economic development of Solomon Islands. (Section 4) (Coded as .6)

*Solomon Islands 2012*: (1) The primary objective of the Central Bank shall be to achieve and to maintain domestic price stability.

(2) An additional objective of the Central Bank, which shall be subordinated to the primary objective, shall be to foster and to maintain a stable financial system.

(3) Without prejudice to attainment of these two objectives, the Central Bank shall support the general economic policies of the Government. (Section 8) Coded as .6

Limitations on lending to the government

*Advances (Weight = .15)*

*Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (coded as .33)

*Solomon Islands 2012* Notwithstanding subsections (2) to (3), the Central Bank may grant temporary advances to the Government for periods not exceeding 90 calendar days provided that such advances are granted on market-related interest rates prevailing in Solomon Islands.

(6) The total outstanding advances, credit facilities or guarantees of the Central Bank to the Government shall not exceed 5% of the annual average of the Government ordinary revenue for the three financial years immediately preceding for which accounts are available.

(7) The Central Bank is prohibited to grant any advances beyond the conditions referred to in subsections (5) and (6). (Section 36) Coded as .67

*(b) Securitized lending (.10)   
Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (coded as .33)

*Solomon Islands 2012*: The Central Bank shall not grant any direct or indirect credits to the Government or to any other public body, with the exception of intra-day credits to secure the smooth functioning of the payment system. (2) Any intra-day credits shall – (a) be guaranteed by negotiable Government securities; and (b) be fully repaid before the end of the same day. (Section 36) Coded as .67

*(c) Terms of lending (.10)   
Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (Coded as .33)

*Solomon Islands 2012* Notwithstanding subsections (2) to (3), the Central Bank may grant temporary advances to the Government for periods not exceeding 90 calendar days provided that such advances are granted on market-related interest rates prevailing in Solomon Islands.

(6) The total outstanding advances, credit facilities or guarantees of the Central Bank to the Government shall not exceed 5% of the annual average of the Government ordinary revenue for the three financial years immediately preceding for which accounts are available.

(7) The Central Bank is prohibited to grant any advances beyond the conditions referred to in subsections (5) and (6). (Section 36) Coded as .67

*(d) Potential borrowers from bank (.05)   
Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (coded as .33)

*Solomon Islands 2012* Notwithstanding subsections (2) to (3), the Central Bank may grant temporary advances to the Government for periods not exceeding 90 calendar days provided that such advances are granted on market-related interest rates prevailing in Solomon Islands.

(6) The total outstanding advances, credit facilities or guarantees of the Central Bank to the Government shall not exceed 5% of the annual average of the Government ordinary revenue for the three financial years immediately preceding for which accounts are available.

(7) The Central Bank is prohibited to grant any advances beyond the conditions referred to in subsections (5) and (6). (Section 36) Coded as 1

*(e) Limits on central bank lending determined by (.025)   
Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (coded as .33)

*Solomon Islands 2012* Notwithstanding subsections (2) to (3), the Central Bank may grant temporary advances to the Government for periods not exceeding 90 calendar days provided that such advances are granted on market-related interest rates prevailing in Solomon Islands.

(6) The total outstanding advances, credit facilities or guarantees of the Central Bank to the Government shall not exceed 5% of the annual average of the Government ordinary revenue for the three financial years immediately preceding for which accounts are available.

(7) The Central Bank is prohibited to grant any advances beyond the conditions referred to in subsections (5) and (6). (Section 36) Coded as .33

*(f) Maturity of loans (.025)   
Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (coded as .33)

*Solomon Islands 2012* Notwithstanding subsections (2) to (3), the Central Bank may grant temporary advances to the Government for periods not exceeding 90 calendar days provided that such advances are granted on market-related interest rates prevailing in Solomon Islands.

(6) The total outstanding advances, credit facilities or guarantees of the Central Bank to the Government shall not exceed 5% of the annual average of the Government ordinary revenue for the three financial years immediately preceding for which accounts are available.

(7) The Central Bank is prohibited to grant any advances beyond the conditions referred to in subsections (5) and (6). (Section 36) Coded as 1

*(g) Interest rates on loans must be? (.025)   
Solomon Islands 1982*: 1) The Central Bank may grant temporary advances to the

Government in respect of temporary deficiencies of current budget

revenue, subject to repayment within six months following the end of the

financial year in which they were granted, at such rates of interest as the

Board may determine. (Section 38)

(2) The total amount of outstanding advances made by the Central

Bank to the Government or to any statutory corporation and the holdings

by the Central Bank of notes, bills, securities or other evidence of

indebtedness of, or guaranteed by, the Government or any statutory

corporation, exclusive of credit permitted under section 44, subsection (2)

of section 45 and subsection (3) of section 38 and credits established for

the Government or any statutory corporation shall at no time exceed thirty

per cent of the average annual ordinary revenue of the Government,

except as provided in subsection (5). (Section 40) (coded as .75)

*Solomon Islands 2012* Notwithstanding subsections (2) to (3), the Central Bank may grant temporary advances to the Government for periods not exceeding 90 calendar days provided that such advances are granted on market-related interest rates prevailing in Solomon Islands.

(6) The total outstanding advances, credit facilities or guarantees of the Central Bank to the Government shall not exceed 5% of the annual average of the Government ordinary revenue for the three financial years immediately preceding for which accounts are available.

(7) The Central Bank is prohibited to grant any advances beyond the conditions referred to in subsections (5) and (6). (Section 36) Coded as .75

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Solomon Islands 1982:* Subject to the provisions of this Act, the Central Bank may for the

purpose of the performance of its functions under this Act—as agent for the Government, undertake the issue, placement

and service of any Government securities and act as registrar for

such issues of Government securities; (Section 37) (Coded as 0)

# *Solomon Islands 2012*: The Central Bank may purchase government securities provided that such purchases are only made in the secondary market. (Section 36) Coded as 1

# SRI LANKA

**Chief Executive Officer** (weight = .20)

***Term of office  
Sri Lanka 1980***: 1) The term of office on the Governor, and of the person appointed under paragraph *(c)*\* of section 8(2) (hereinafter referred to as the “appointed member”), shall, subject to the provisions of subsection (2) of this section, be the period of six years commencing on the date of his appointment. (Section 13) (Coded as .75) (from 1974)*Sri Lanka 2014*: **13.** (1) The term of office of the Governor, and of any person appointed under paragraph (*c*) of subsection (2) of Section 8 (hereinafter referred to as “an appointed member”) shall, subject to the provisions of subsection (2) of this section, be the period of six years commencing on the date of his appointment:

Provided, however, that the term of office of the first appointed member holding office under this Act shall be the period of three years from the date of his appointment. (section 13) (Coded as .75)

*Sri Lanka 2021*: No change

***Who appoints CEO?****Sri Lanka 2006*: (1) The Governor of the Central Bank shall be appointed by the President on the recommendation of the Minister in charge of the subject of Finance; (section 12) (from 1980) (Coded as 0) *Sri Lanka 2014*: **12.** (1) The Governor of the Central Bank shall be appointed by the President on the recommendation of the Minister in charge of the subject of Finance; (section 12) (Coded as 0)

*Sri Lanka 2021*: No change

***(c) Dismissal****Sri Lanka 2014*: **16.** The President may, on the recommendation of the Minister in charge of the subject of Finance, remove the Governor or an appointed member from office–

(a) if he becomes subject to any disqualification mentioned in section 11; or

(b) if he becomes permanently incapable of performing his duties; or

(c) if he has done any act or thing which, in the opinion of the President is of a fraudulent or illegal character or is manifestly opposed to the objects and interests of the Central Bank; or

(d) in the case of the Governor, if he acts in contravention of subsection (2) of section 12. (from 1980) (Coded as .83)

*Sri Lanka 2021*: No change

***May CEO hold other offices in government?****Sri Lanka 2014*: **11.** (1) A person shall be disqualified for appointment as the Governor of the Central Bank if –

(*a*) he is a Member of Parliament, or a member of any Provincial Council or any local authority; or

(*b*) he is a public officer or judicial officer within the meaning of the Constitution of the Democratic Socialist Republic of Sri

Lanka, or holds any office or position (other than an academic position) either by election or appointment, for which salary or

other remuneration is payable out of public funds or the funds of any local authority; or

(*c*) he is a director, officer, employee or shareholder of any banking institution (other than the Central Bank). (section 11)  
(2) The Governor shall devote his full professional time to the business of the bank; and accordingly the Governor shall not accept or hold any other office or employment whatsoever, whether public or private, and whether remunerated or not:

Provided, however, that nothing in the preceding provisions of this subsection shall be deemed to prevent the Governor from accepting or holding any academic office or position or any office or position in an institution or organisation, established for the purpose of carrying on research in the subjects of economics, money, banking, statistics and finance, or from being appointed to be or acting as a member of any commission constituted under the Commissions of Inquiry Act for the purposes of any inquiry relating to monetary, banking, financial or general economic matters or questions affecting the national welfare of Sri Lanka, or of any council, committee, or other body investigating or examining, or advising upon, any such matters or questions. (Section 12) (from 1980) (Coded as 1)

*Sri Lanka 2021*: No change

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*Sri Lanka 1980*: The Monetary Board of the Central Bank shall, in addition to determining the policies or measures authorized to be adopted or taken under this Act, be vested with the powers, duties, and functions of the Central Bank under this Act, and be generally responsible for the management, operations, and administration of the bank. (Section 8)  
*Sri Lanka 2002*: **8.** (1) The Monetary Board of the Central Bank shall, in addition to determining the policies or measures authorised to be adopted or taken under this Act, be vested with the powers, duties and functions of the Central Bank under this Act, and be generally responsible for the management, operations and administration of the Bank: (Section 8) (coded as 1)

*Sri Lanka 2021*: No change

*(b) Resolution of conflict*

*Sri Lanka 1980*: **63.** (1) The Monetary Board shall endeavour so to regulate the supply, availability, and cost of money as to secure, so far as possible by action authorised by this Act, the objects mentioned in section 5; and shall for such purpose have regard to the monetary needs of particular sectors of the economy as well as of the economy as a whole.

(2) In determining its domestic monetary policies the Monetary Board shall especially consider their effects on Sri Lanka’s international financial position as evidenced by the relation of domestic to world prices and costs, by the level and composition of exports and imports, by the international balance of payments, and, ultimately, by the ability of the Central Bank to maintain the international stability of the Sri Lanka rupee and its free convertibility for current international transactions.

**64.** (1) Whenever the Monetary Board anticipates economic disturbances that are likely to threaten domestic monetary stability in Sri Lanka or whenever abnormal movements in the money supply or in the price level are actually endangering such stability, it shall be the duty of the board–

*(a)* to adopt such policies, and to cause such remedial measures to be taken, as are appropriate in the circumstances and authorised by this Act;

*(b)* to submit to the Minister in charge of the subject of Finance and, if not prejudicial to the public interest, make public, a detailed report which shall include, as a minimum, an analysis of–

(*i*) the causes of the anticipated economic disturbances, or of the actual abnormal movements of the money supply or the price level;  
(*ii*) the probable effects of such disturbances or movements on the level of production, employment, and real income in Sri Lanka; and

(*iii*) the measures which the Monetary Board has already taken, and the further monetary, fiscal, or administrative measures which it proposes to take or recommends for adoption by the Government.

(2) Without prejudice to the generality of the provisions of subsection (1), it shall be the duty of the Monetary Board to submit a

report in terms of paragraph *(b)* of that subsection if at the end of any month the board finds that the amount of the money supply has increased or decreased by more than fifteen *per centum*, or the cost of living index has increased by more than ten *per centum*, of its level at the end of the corresponding month in the preceding year.

(3) The Monetary Board shall continue to submit further reports periodically so long as the circumstances which occasioned the

submission of the first report constitute a threat to domestic monetary stability. (Sections 63-64) (Coded as .8)

*Sri Lanka 2021*: No change

*(c) Role in government’s budgetary process*

(No mention – coded as 0)

*Sri Lanka 2021*: No change

**Objectives (weight = .15)**

***Sri Lanka 1980***: An institution, which shall be called and known as the Central Bank of Sri Lanka (hereinafter referred to as “the Central Bank”), is hereby established as the authority responsible for the administration and regulation of the monetary and banking system of Sri Lanka and, without prejudice to the other provisions of this Act, the Central Bank is hereby charged with the duty of so regulating the supply, availability, cost, and international exchange of money as to secure, so far as possible by action authorized by this Act, the following objects, that is to say :-

*(a)* the stabilization of domestic monetary values;

*(b)* if there has been a determination of the par value of the Sri Lanka rupee, the preservation of the par value of the Sri Lanka rupee and the free use of the rupee for current international transactions;

*(bb)* if there has been no determination of the value of the Sri Lanka rupee, the preservation of the stability of the exchange rate of the Sri Lanka rupee in relation to foreign currencies;

*(c)* the promotion and maintenance of a high level of production, employment, and real income in Sri Lanka ; and

*(d)* the encouragement and promotion of the full development of the productive resources of Sri Lanka. (Section 5) (From 1978) (coded as .4) ***Sri Lanka 2014*: 5.** An institution, which shall be called and known as the Central Bank of Sri Lanka (hereinafter referred to as “the Central Bank”) is hereby established as the authority responsible for the administration, supervision and regulation of the monetary, financial and payments system of Sri Lanka, and without prejudice to the other provisions of this Act, the Central Bank is hereby charged with the duty of securing, so far as possible by action authorised by this Act, the following objectives,

namely –

(*a*) economic and price stability; and

(*b*) financial system stability,

with a view to encouraging and promoting the development of the productive resources of Sri Lanka. (Section 5 – changed in 2002) (coded as .6)

*Sri Lanka 2021*: No change

Limitations on lending to the government

*Advances (Weight = .15)*

*Sri Lanka 2014*: **89.** The Central Bank may make direct provisional advances to the Government to finance expenditures authorised to be incurred out of the Consolidated Fund:  
Provided that every such advance shall be repayable within a period not exceeding six months, and the total amount of such advances outstanding at any time shall not exceed ten *per centum* of the estimated revenue of the Government for the financial year in which they are made. (section 89) (back to 1980) (coded as .67)

*Sri Lanka 2021*: No change

*(b) Securitized lending (.10)*

*Sri Lanka 1980* – only advances mentioned; nothing about securities – coded as –

*Sri Lanka 2021*: No change

*(c) Terms of lending (.10)   
Sri Lanka 2014*: **89.** The Central Bank may make direct provisional advances to the Government to finance expenditures authorised to be incurred out of the Consolidated Fund:  
Provided that every such advance shall be repayable within a period not exceeding six months, and the total amount of such advances outstanding at any time shall not exceed ten *per centum* of the estimated revenue of the Government for the financial year in which they are made. (section 89) (back to 1980) (coded as .33)

*Sri Lanka 2021*: No change

*(d) Potential borrowers from bank (.05)*

*Sri Lanka 1980*: Only credit institutions and the Government listed – coded as 1

*Sri Lanka 2021*: No change

*(e) Limits on central bank lending determined by (.025)   
Sri Lanka 2014*: **89.** The Central Bank may make direct provisional advances to the Government to finance expenditures authorised to be incurred out of the Consolidated Fund:  
Provided that every such advance shall be repayable within a period not exceeding six months, and the total amount of such advances outstanding at any time shall not exceed ten *per centum* of the estimated revenue of the Government for the financial year in which they are made. (section 89) (back to 1980) (coded as 33)

*Sri Lanka 2021*: No change

*(f) Maturity of loans (.025)   
Sri Lanka 2014*: **89.** The Central Bank may make direct provisional advances to the Government to finance expenditures authorised to be incurred out of the Consolidated Fund:  
Provided that every such advance shall be repayable within a period not exceeding six months, and the total amount of such advances outstanding at any time shall not exceed ten *per centum* of the estimated revenue of the Government for the financial year in which they are made. (section 89) (back to 1980) (coded as 1)

*Sri Lanka 2021*: No change

*(g) Interest rates on loans must be? (.025)*

No mention of interest on government advances – coded as .25

*Sri Lanka 2021*: No change

***(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Sri Lanka 2014*: 91**. (1) in order to carry out the purposes of this Part the Central Bank is hereby authorised–

*(a)* to purchase and sell in the open-market securities issued by the Government or securities fully guaranteed by the Government; and  
*(b)* to issue, place, buy and sell freely negotiable securities of the bank itself.

(2) The power conferred on the Central Bank by the preceding provisions of this section shall be deemed to include the power to

purchase and sell Government securities which are denominated in foreign currencies. (section 91) (back to 1980) (coded as 0)

*Sri Lanka 2021*: No change

# TAIWAN (updates in 1997 and 2002 did not change legal independence from 1979: <http://ccsenet.org/journal/index.php/ass/article/download/6689/5976> <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.671.5026&rep=rep1&type=pdf> ) No change since 2014

**Chief Executive Officer** (weight = .20)

***Term of office****Taiwan 2002*: The Bank shall have a Governor with the rank of special appointment and two Deputy Governors with the rank of selective appointment, all of whom shall be appointed for a term of give years and may be reappointed upon the expiration of such term. (Article 9, same in 2011 and 2014) (Coded as .5)

***Who appoints CEO?****Taiwan 2002*: The Bank shall have a Governor with the rank of special appointment and two Deputy Governors with the rank of selective appointment, all of whom shall be appointed for a term of give years and may be reappointed upon the expiration of such term. (Article 9, same in 2011 and 2014) (1996 and 2014 CB Directory both say appointed by President of Taiwan, coded as 0)

***Dismissal***

***May CEO hold other offices in government?***

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*Taiwan 2002*: The powers and functions of the Board of Directors shall be as follows:

(1) To examine policies concerning money, credit and foreign exchange; (Article 6) (Coded as .33)

*(b) Resolution of conflict*

*Taiwan 2002*: There are no provisions and the Bank has little power. Coded as 0

*(c) Role in government’s budgetary process –* Nothing found – coded as 0

Objectives (weight = .15) ***Taiwan 2002*:** The primary objectives of the Bank's operations shall be:

(1) To promote financial stability;

(2) To guide sound banking operations;

(3) To maintain the stability of the internal and external value of the currency;

(4) To foster economic development within the scope of the above objectives. (Article 2, same in 2011 and 2014) (Coded as .6)

Limitations on lending to the government

(There is little in the law about lending. CWN code everything as 0 except potential borrowers (coded as .33) The article cited above largely agrees, so following CWN)

*Advances (Weight = .15)*

*(b) Securitized lending (.10)*

*(c) Terms of lending (.10)*

*(d) Potential borrowers from bank (.05)*

*(e) Limits on central bank lending determined by (.025)*

*(f) Maturity of loans (.025)*

*(g) Interest rates on loans must be? (.025)*

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Taiwan 2002*: The Bank may, in the light of financial conditions, purchase and sell in the open market the bonds issued or guaranteed by the government, financial bonds issued by bank sand bills accepted or guaranteed by banks. (Article 26, same in 2011 and 2014) (Coded as 0)

**THAILAND**

**Chief Executive Officer** (weight = .20)

1. ***Term of office***

*Thailand 1942*: The Governor and the Deputy-Governor shall be appointed or removed from office by the Crown upon the recommendation of the Cabinet. The other Directors [not less than 5] shall be appointed or removed from office by the Cabinet upon the recommendation of the Minister. (Sec. 19) Coded as 0 from 1950 to 2007; disagreement with CWN

*Thailand 2010*: The Governor shall hold office for a term of 5 years from the date of the appointment and may be reappointed for not more than 1 term. (Section 28/18) Coded as .5

*Thailand 2021*: No change

1. ***Who appoints CEO?***

*Thailand 1942*: The Governor and the Deputy-Governor shall be appointed or removed from office by the Crown upon the recommendation of the Cabinet. The other Directors [not less than 5] shall be appointed or removed from office by the Cabinet upon the recommendation of the Minister. (Sec. 19) Coded as .25

*Thailand 2010*: The Governor shall be appointed by His Majesty the King upon the recommendation of the Cabinet. (Section 28/14) Coded as .25

*Thailand 2021*: No change

1. ***Dismissal***

*Thailand 1942*: The Governor and the Deputy-Governor shall be appointed or removed from office by the Crown upon the recommendation of the Cabinet. (Sec. 19) Coded as 0

*Thailand 2010*: In addition to the retirement from office on the expiration of the term prescribed under Section 28/18, the Governor shall vacate upon;

(1) death;

(2) resignation;

(3) possessing qualifications or restrictions contravening the provisions of Section 28/17;

(4) being removed by the Cabinet upon the recommendation of the Minister due to wrongful misconduct or dishonest performance of duties;

(5) being removed by the Cabinet upon the recommendation of the Minister or by the proposal of the Minister upon the recommendation of the BOT Board due to gross incompetence in the performance of duties or incapability, provided that explicit reason shall be specified in the order. (Section 28/19) Coded as .17

*Thailand 2021*: No change

1. ***May CEO hold other offices in government?***

*Thailand 1942*: NO RESTRICTION AGAINST HOLDING OTHER OFFICES. Coded as 0

*Thailand 2010*: The Governor must have Thai nationality and not have the following prohibited characteristics;

(1) being of more than 60 years of age on the date the Cabinet had a resolution to submit the name to His Majesty the King for the appointment;

(2) having been adjudged as an incompetent or quasi-incompetent person;

(3) being declared bankrupt or having been declared a dishonest bankrupt;

(4) having been sentenced to imprisonment by a final judgment unless such punishment is for an offence committed through negligence or for a petty offence;

(5) being an officer or employee;

(6) being or having been a political official unless vacating from the office for not less than 1 year;

(7) being or having been a holder of any position in any political party or being an officer of any political party unless vacating from the office for not less than 1 year;

(8) being a director or having a position in a financial institution or any juristic person established by any specific law , except for a position specified by law;

(9) being a director or an executive or a person with power of management or having significant interest in the juristic person having interest over the BOT’s business (Section 28/17) Coded as 1

*Thailand 2021*: No change

# Policy Formation (weight = .15)

# *(a) Who formulates monetary policy?*

*Thailand 1942*: The general supervision of the affairs of the Bank of Thailand is vested in the Minister. (Sec. 14) Coded as 0

*Thailand 2004*: The general supervision of the affairs of the Bank of Thailand is vested in the Minister. Coded as 0; nothing in law allowing CB to make monetary policy

*Thailand 2010*: The BOT shall be empowered to transact businesses to attain the objectives under Section 7 and such powers shall include the following businesses:

(1) the issue and management notes of the government and bank-notes;

(2) the formulation and implementation of monetary policies; (Section 8)

By December of each year, the Monetary Policy Board, with a corporative agreement with the Minister, shall determine targets of monetary policy for the following year which shall be regarded as the guideline for the State and the BOT for the purpose of implementing any measure to maintain the price stability. The Minister shall propose the agreed targets of monetary policy to the Cabinet for approving. Upon the approval, it shall be published in the Government Gazette.

In the case where it is appropriate or necessary, the Monetary Policy Board may edit, change or add targets of monetary policy, provided that those stated in paragraph one shall be complied with. (Section 28/8)

For the maintenance of economic stability, monetary stability or financial institutions system stability, the Minister and the Governor may arrange a consultation as deemed appropriate. (Section 50) Coded as .67

*Thailand 2021*: No change

# *(b) Resolution of conflict*

*Thailand 1942*: In the case where the Governor disagrees with a decision of the majority of the Directors, the question shall be referred to the Minister for decision. (Sec. 17) Coded as 0

*Thailand 2004*: In the case where the Governor disagrees with a decision of the majority of the Directors, the question shall be referred to the Minister for decision. (Section 17)

*Thailand 2010*: Where there is an incident which may cause effects or serious damages to the economic stability, monetary stability or financial institutions system stability, the BOT shall, to the Minister, report the facts of the case, assess possible impacts or damages, analyze problems and propose solutions promptly, for further consideration.

For the purpose of preventing or alleviating the incident which may cause effects or serious damages to the economic stability, monetary stability or financial institutions system stability, the Minister may order the BOT to report the facts of the case, analyze problems and propose solutions for further consideration. (Section 51) Coded as 1 – nothing which allows government to override Bank decision

*Thailand 2021*: No change

# *(c) Role in government’s budgetary process*

*Thailand 2004*: Nothing found. Coded as 0

*Thailand 2010*: Nothing found. Coded as 0

# *Thailand 2021*: No change

# Objectives (weight = .15)

*Thailand 2010*: The BOT's objectives are to carry on such tasks as pertain to central banking in order to maintain monetary stability, financial institutional system stability and payment systems stability. To undertake the tasks in paragraph one, the implementation of economic policy of the government shall be taken into consideration. (Section 7) Coded as .6

*Thailand 2021*: No change

# Limitations on lending to the government

# *Advances (Weight = .15)*

*Thailand 2004*: The Bank of Thailand shall be charged with the execution of the Government’s exchange, remittance and banking operations, the issue and management of loans of the Government and public bodies upon such terms and conditions as may be mutually agreed upon. (Section 31) Coded as .33

*Thailand 2008*: The BOT shall be prohibited from undertaking the following acts;

(4) granting loans in any other case beyond the prescription in this Act. (Section 9) Coded as 1

*Thailand 2021*: No change

# *(b) Securitized lending (.10)*

*Thailand 2004*: coded as 0 following CWN (no change in law up to 2008)

*Thailand 2008*: The BOT shall be prohibited from undertaking the following acts;

(4) granting loans in any other case beyond the prescription in this Act. (Section 9) Coded as 1

*Thailand 2021*: No change

# *(c) Terms of lending (.10)*

*Thailand 2004*: The Bank of Thailand shall be charged with the execution of the Government’s exchange, remittance and banking operations, the issue and management of loans of the Government and public bodies upon such terms and conditions as may be mutually agreed upon. (Section 31) Coded as .33

# *(d) Potential borrowers from bank (.05)*

*Thailand 2004*: The Bank of Thailand shall be charged with the execution of the Government’s exchange, remittance and banking operations, the issue and management of loans of the Government and public bodies upon such terms and conditions as may be mutually agreed upon. (Section 31) Coded as .33

# *(e) Limits on central bank lending determined by (.025)*

*Thailand 2004*: The Bank of Thailand shall be charged with the execution of the Government’s exchange, remittance and banking operations, the issue and management of loans of the Government and public bodies upon such terms and conditions as may be mutually agreed upon. (Section 31) Coded as 0

# *(f) Maturity of loans (.025)*

*Thailand 2004*: coded as .67 following CWN (no change in law up to 2008)

# *(g) Interest rates on loans must be? (.025)*

*Thailand 2004*: The Bank of Thailand shall be charged with the execution of the Government’s exchange, remittance and banking operations, the issue and management of loans of the Government and public bodies upon such terms and conditions as may be mutually agreed upon. (Section 31) Coded as .25

# *(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Thailand 2010*: The BOT shall implement monetary policies as determined by the

Monetary Policy Board, with powers and duties as follows;

(6) subscribing, buying, selling as well as entering into a swap transaction on securities in so far as is necessary to control money supply of;

(a) government securities or securities guaranteed as to principle and interest by the Ministry of Finance;

(b) debentures, bonds or other debt instruments issued by government enterprises or financial institutions established by any specific law as prescribed by the BOT;

(c) bills, bonds or other debt instruments issued by the BOT

(d) other debt instruments as prescribed by the BOT;

(7) borrowing or lending with or without remuneration of securities in (6), in the case of lending, it shall have first-rate collateral assets as prescribed by the BOT as the collateral. (Section 33, 6-7) Coded as 0

*Thailand 2021*: No change

# TIMOR-LESTE

**Chief Executive Officer** (weight = .20)

***Term of office  
Timor-Leste 2011***:

1. The members of the Governing Board shall be appointed for a period of six years, renewable once.

2. The Governor shall be appointed by the Prime Minister, on a non-binding recommendation of the Governing Board. (article 44) (Coded as .6)

*Tinor-Leste 2021*: No change

***Who appoints CEO?  
Timor-Leste 2011***:

1. The members of the Governing Board shall be appointed for a period of six years, renewable once.

2. The Governor shall be appointed by the Prime Minister, on a non-binding recommendation of the Governing Board. (article 44) (Coded as 0)

*Tinor-Leste 2021*: No change

***Dismissal  
Timor-Leste 2011***:

1. The Governor is not removable, and may only be removed in cases provided by law, by order of the Prime Minister, after consultation with the Governing Board, which shall deliberate in the absence of the Governor. (Article 49) (Coded as .83)

*Tinor-Leste 2021*: No change

***May CEO hold other offices in government?  
Timor-Leste* *2011***:

2. The Governor and the Deputy Governors shall exercise their functions on an exclusive, full-time basis, and are not permitted to engage in any professional activity outside the Bank, paid or unpaid, unless exemption is exceptionally granted by the Governing Board.

3. Membership in the Governing Board is incompatible with the functions of:

a). Member of the National Parliament;

b). Member of the Government;

c). Any positions in the Public Administration;

d). Any positions in financial institutions that operate, provide services or have representation in Timor-Leste;

4. The exercise of the function is also incompatible with the holding, directly or indirectly, of an interest equal to or greater than 5% in the capital of a financial institution.

5. Without prejudice to the preceding paragraphs, it is permissible to engage in part-time teaching duties in institutions of higher education. (Article 48) (Coded as 1)

*Tinor-Leste 2021*: No change

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?*

*Timor-Leste 2011*:

1. The Bank shall enjoy independence and autonomy in pursuing its objectives and the performance of its functions under this law.

2. The Bank‟s organs, employees and agents shall be independent and cannot seek or receive instructions from any other entity, including the Government or entities under government control, except as expressly provided by law.

3. No person or entity is permitted to influence any organ or official of the Bank in pursuing their competencies and the performance of their duties or otherwise interfere with their activities. (Article 3) (Coded as .67)

*Tinor-Leste 2021*: No change

*(b) Resolution of conflict*

*Timor-Leste 2011*:

1. The Minister of Finance may at his/her discretion, after consultation with the Bank, submit a recommendation to the Government on the coordination of monetary and fiscal policies, a copy of such recommendation being sent to the Bank.

2. The Bank may, if it has any objections to the recommendation as referred to in the previous paragraph, submit its objections in writing to the Government within three days of receiving the recommendation.

3. After the period referred to above, the Government may, by directive, determine the policy to be adopted.

4. The Government shall inform the Bank in writing of the policy so determined and the Government, in case this policy differs from that of the Bank, shall accept responsibility for its adoption.

5. The Bank shall, upon receipt of the information mentioned in the previous paragraph, give effect to the policy so long as the directives remain in operation.

6. The Government directives referred to in paragraph 3, together with statements of the Government and the Bank, must be submitted to the National Parliament within 15 sitting days after the Government has informed the Bank of the designated policy. (Article 42) (coded as .2)

*Tinor-Leste 2021*: No change

*(c) Role in government’s budgetary process* (No mention – coded as 0)

*Tinor-Leste 2021*: No change

Objectives (weight = .15)

*Timor-Leste 2011*:

1. The Bank‟s primary objective shall be to achieve and maintain domestic price stability.

2. Subsidiary to the primary objective, the Bank shall promote and maintain a stable and competitive financial system based on free market principles.

3. Notwithstanding the preceding paragraphs, the Bank shall support the general economic policies of the Government. (Article 4) (Coded as .4)

*Tinor-Leste 2021*: No change

Limitations on lending to the government

*Advances (Weight = .15)*

*Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as .67)

*Tinor-Leste 2021*: No change

*(b) Securitized lending (.10)*

*Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as 1)

*Tinor-Leste 2021*: No change

*(c) Terms of lending (.10)   
Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as .67)

*Tinor-Leste 2021*: No change

*(d) Potential borrowers from bank (.05)   
Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as 0)

*Tinor-Leste 2021*: No change

*(e) Limits on central bank lending determined by (.025)   
Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as missing)

*Tinor-Leste 2021*: No change

*(f) Maturity of loans (.025)*

*Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as 1)

*Tinor-Leste 2021*: No change

*(g) Interest rates on loans must be? (.025)*

*Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (coded as missing)

*Tinor-Leste 2021*: No change

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)*

*Timor-Leste 2011*:

1. The Bank shall not grant any direct or indirect credit to the Government or any other public agency or State-owned entity, with the exception of intra-day credits to secure the functioning of the payment system.

2. Such intra-day credit must be repaid before the end of the same day.

3. The provisions of the paragraph 1 shall not apply to publicly-owned banks and other supervised publicly-owned entities, which shall be given the same treatment as privately-owned banks and other supervised privately-owned entities.

4. The Bank is not permitted to purchase securities issued by the Government, except in the secondary market. (Article 41) (Coded as 1)

*Tinor-Leste 2021*: No change

# TONGA

**Chief Executive Officer** (weight = .20)

***Term of office****Tonga 1988*: (1) His majesty in Council shall appoint from among the Directors, a

Chairman and Deputy Chairman.

(2) The Governor shall be a person of recognized experience in financial

and banking matters, and shall be appointed by his Majesty in Council for

a period of not less than 3 or more than 5 years and shall be eligible for

re-appointment. He shall preside at meetings of the Board in the absence of the

Chairman and the Deputy Chairman.  
(3) The remuneration and other terms and conditions of employment of

the Governor shall be as determined from time to time by His majesty in

Council. (Section 11) (Coded as 0)

*Tonga 2016*: The Governor shall be a person of recognised experience in financial and banking matters, and shall be appointed by Cabinet on the recommendation of the Minister after consultation with the Board for a term of 5 years and shall be eligible for re-appointment. (Section 11) Coded as .5

***Who appoints CEO?****Tonga 1988*: (1) His majesty in Council shall appoint from among the Directors, a

Chairman and Deputy Chairman.

(2) The Governor shall be a person of recognized experience in financial

and banking matters, and shall be appointed by his Majesty in Council for

a period of not less than 3 or more than 5 years and shall be eligible for

re-appointment. He shall preside at meetings of the Board in the absence of the

Chairman and the Deputy Chairman. (Section 11) (Coded as 0)

*Tonga 2016*: The Governor shall be a person of recognised experience in financial and banking matters, and shall be appointed by Cabinet on the recommendation of the Minister after consultation with the Board for a term of 5 years and shall be eligible for re-appointment. (Section 11) Coded as .75

***Dismissal****Tonga 1988*: (1) His majesty in Council shall appoint from among the Directors, a

Chairman and Deputy Chairman.

(2) The Governor shall be a person of recognized experience in financial

and banking matters, and shall be appointed by his Majesty in Council for

a period of not less than 3 or more than 5 years and shall be eligible for

re-appointment. He shall preside at meetings of the Board in the absence of the

Chairman and the Deputy Chairman.  
(3) The remuneration and other terms and conditions of employment of

the Governor shall be as determined from time to time by His majesty in

Council. (Section 11) (Coded as 0)

*Tonga 2016*: Where the Governor during his term of office becomes permanently incapable of carrying out, or is guilty of serious misconduct in, the performance of the duties of his office or has failed to perform his or her duties for a consecutive period of more than two months without approval of the Board, he may be removed from office by Cabinet, on the recommendation of the Minister made at the request of the Board. (Section 11) Coded as .83

***May CEO hold other offices in government?****Tonga 1988*: (2) The Governor shall devote the whole of his professional services to the

Bank and shall not, without the approval of His Majesty in Council, occupy or

hold any other office or employment, whether remunerated or not, except as

nominee of the Bank except that he may -

(a) act as a member of any statutory board, committee or commission

established by His Majesty’s Government;

(b) become a governor, director or member of the board of any

international financial institution of which the Kingdom of Tonga is

a member. (Section 15) (Coded as .5)

*Tonga 2016*: The Governor shall devote the whole of his professional services to the Bank and shall not, without the approval of the Minister on the recommendation of the Board, occupy or hold any other office or employment, whether remunerated or not, except as nominee of the Bank except that he may —

(a) act as a member of any statutory board, committee or commission established by His Majesty's Government;

(b) become a governor, director or member of the board of any international financial institution of which the Kingdom of Tonga is a member. (Section 15, 2) Coded as .5

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?   
Tonga 1998*: (3) It shall be the duty of the Bank to inform and advise the Minister about any matter which in the opinion of the Bank is likely to affect the achievement of its purposes.

(4) It shall be the duty of the Bank to provide advisory services to the Minister on banking, monetary and external reserve matters, and to provide statistics pertaining thereto. (section 46) (Coded as .33)

*Tonga 2016*: (1) In the pursuit of its objectives and the performance of its functions, the Bank shall be independent and accountable as provided for in this Act. (Section 3A)

The principal functions of the Bank shall be, to —

(a) issue currency;

(b) formulate and implement monetary policy; (Section 4A)

The Minister and the Governor shall consult regularly on monetary policy, exchange policy, fiscal policy, financial stability policy, general economic policy, and other matters of common interest, in order to promote a constructive and harmonious relationship between the Government and the Bank, in the compliance of their respective objectives (Section 48) Coded as .67

*(b) Resolution of conflict   
Tonga 1998*: (3) It shall be the duty of the Bank to inform and advise the Minister about

any matter which in the opinion of the Bank is likely to affect the achievement

of its purposes.

(4) It shall be the duty of the Bank to provide advisory services to the

Minister on banking, monetary and external reserve matters, and to provide

statistics pertaining thereto. (section 46) (Coded as .2)

*Tonga 2016*: (1) In the pursuit of its objectives and the performance of its functions, the Bank shall be independent and accountable as provided for in this Act. (Section 3A)

The principal functions of the Bank shall be, to —

(a) issue currency;

(b) formulate and implement monetary policy; (Section 4A)

The Minister and the Governor shall consult regularly on monetary policy, exchange policy, fiscal policy, financial stability policy, general economic policy, and other matters of common interest, in order to promote a constructive and harmonious relationship between the Government and the Bank, in the compliance of their respective objectives (Section 48)

1) The Minister may with the consent of Cabinet, issue to the Bank written directives necessary to give effect to the achievement of statutory objectives of the Bank as specified under this Act, and the Bank may consider to comply therewith.

(2) The Minister and the Bank shall endeavour to reach agreement, where there is a difference of opinion between them about whether a policy determined by the Board is appropriate to the achievement of the Bank’s statutory objectives.

(3) The Board shall forthwith furnish the Minister with a statement of the difference of opinion if they are not able to reach an agreement under subsection (2).

(4) The Minister upon receipt of a statement of the difference of opinion from the Board shall forthwith submit it to Cabinet within 7 days of receipt to determine the policy in relation to that difference of opinion to be adopted by the Bank.

(5) The Minister shall inform the Bank in writing of the decision of the Cabinet and that the Government accepts responsibility for the adoption by the Bank of that policy.

(6) The Minister shall publish and submit to the Legislative Assembly, as soon as practicable but no later than 30 calendar days after the Bank has been notified of the decision indicated in the previous subsection.

(7) The Bank shall publish the documents referred to in subsections (3) and (6) on its website.

(8) Any directive under this section shall expire no more than six months from date on which it was issued, unless renewed under this section. Coded as .8

*(c) Role in government’s budgetary process  
Tonga 1988*: (2) The Bank shall be consulted by the Ministry of Finance on the occasion of

the preparation of the Government’s budget with a view to reaching an

understanding on the total amount of credit that may be expected to be extended by

the Bank to the Government during the following financial year. (Section 48) (coded as 1)

*Tonga 2016*: The Bank shall be consulted by the Ministry of Finance in the preparation of the Government’s budget with a view to reaching an understanding of the likely fiscal outcome, the consequent effect on economic activity and monetary policy, and its compatibility with the Bank’s objectives specified under this Act. (Section 48) Coded as 1

Objectives (weight = .15)  
*Tonga 1988*: The principal purposes of the Bank shall be –

(a) to regulate the issue of currency, and the supply, availability and

international exchange of money;

(b) to manage the external reserves of the Kingdom;

(c) to promote monetary stability;

(d) to promote a sound financial structure;

(e) to foster credit and exchange conditions conducive to the orderly

and balanced economic development of the Kingdom;

(f) to provide advisory services to the Minister on banking and

monetary matters;

(g) to be the principal banker and fiscal agent of the Government;

(h) to undertake banking business, in Tonga or elsewhere, subject to

the provisions of this Act;

(i) to undertake the licensing and supervision of financial institutions. (Section 4) (coded as .6)

***Tonga 2016*:** (1) The principal objectives of the Bank shall be to maintain internal and external monetary stability.

(2) Without prejudice to its principal objective, the Bank shall —

(a) promote financial stability; and

(b) promote a sound and efficient financial system.

(3) Subject to subsections (1) and (2), the Bank shall conduct its activities in a manner that supports macroeconomic stability and economic growth. (Article 4) Coded as .6

Limitations on lending to the government

*Advances (Weight = .15)  
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as 0)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as 1

*(b) Securitized lending (.10)   
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as 0)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as .33

*(c) Terms of lending (.10)   
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as .33)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as .67

*(d) Potential borrowers from bank (.05)   
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as .33)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as 1

*(e) Limits on central bank lending determined by (.025)   
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as --)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as .33

*(f) Maturity of loans (.025)   
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as 0)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as 0

*(g) Interest rates on loans must be? (.025)   
Tonga 1988*: (1) Subject to the provisions of the General Loan & Stock Act -

(a) the Bank is expressly authorised to grant temporary advances to His

majesty’s Government for budgetary purposes on such terms and conditions as

may be agreed between them and approved by His Majesty in Council; and

(b) the Bank may make advances to statutory corporations on such terms

and conditions and against such security as may be agreed between

them, and approved by His Majesty in Council. (section 48) (coded as .25)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as .25

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Tonga 1988*: The Bank may buy, sell or deal in notes, bills, stocks, securities or other

evidence of indebtedness issued or guaranteed by His Majesty’s Government, which

were publicly offered for sale or form part of an issue which is being made to the

public at the time of acquisition by the Bank and which mature in not more than 15

years. (Section 49) (coded as 0)

*Tonga 2016*: The Bank is also authorised to buy, sell or deal in the primary financial market, in securities issued or guaranteed by Government, provided that the sum of the value of these securities and the value of the securities held by the Bank in accordance with the previous subsection do not exceed, at any time, 30% of the average ordinary income of Government over the previous three years.

(3) Except in accordance with this section, and sections 6(4) and 33(2), the Reserve Bank shall not, directly or indirectly, make advances to the Government or to any statutory corporation or acquire the notes, bills, securities or other evidence of indebtedness of, or guaranteed by, the Government or any statutory corporation or establish credits for the Government or any statutory corporation. (Section 48A) Coded as 0

# VANUATU – No changes by 2021

**Chief Executive Officer** (weight = .20)

***Term of office****Vanuatu 2002*: The Governor shall be a person of recognized experience in financial matters, and shall be appointed by the Prime Minister on the recommendation of the Minister for a period of not more than five years and may with the prior approval of the Prime Minister on the recommendation of the Minister be eligible for re-appointment. (Section 8A) (from 1989) (Coded as .5)

***Who appoints CEO?****Vanuatu 2002*: The Governor shall be a person of recognized experience in financial matters, and shall be appointed by the Prime Minister on the recommendation of the Minister for a period of not more than five years and may with the prior approval of the Prime Minister on the recommendation of the Minister be eligible for re-appointment. (Section 8A) (from 1989) (coded as 0)

***Dismissal****Vanuatu 1989*: A person shall be disqualified from being appointed or for continuing, as a member of the Board:

(a) if he is or becomes a member of Parliament;

(b) if he becomes a director, officer, or employee of a company other than the Reserve Bank, engaged wholly or mainly in banking business;

(c) if he is or becomes an undischarged insolvent or bankrupt;

(d) if he is convicted of an offence involving moral turpitude;

(e) in the case of a person having professional qualifications, if he is disqualified or suspended from practicing his profession by the order of any competent authority made in respect of him personally by reason of his misconduct. (section 8,10) (coded as .83)

***May CEO hold other offices in government?****Vanuatu 2002*: The Governor shall devote the whole of his professional services to the Bank and shall not while holding office, hold any other office, whether remunerated or not, without written permission of the Minister. (Section 8A, 6) (from 1989) (Coded as .5)

Policy Formation (weight = .15)

*(a) Who formulates monetary policy?   
Vanuatu 1989*: The principal objects of the Reserve Bank shall be

(b) to advice the Government on banking and monetary matters; (coded as .33)

*(b) Resolution of conflict*

*Vanuatu 2002*: If, after consultation with the Reserve Bank, the Minister is of the opinion that the policies being pursued by the Reserve Bank are not adequate for, or conductive to, the achievement of the objects of the Reserve Bank set out in Section 3, the Minister shall submit a recommendation to the Council of Ministers, and the Council of Ministers may, by directive, determine policy to be adopted by the Reserve Bank.  
(b) The Minister shall inform the Reserve Bank of the policy so determined and that the Government accepts responsibility for the adoption of the policy.

(c) The Reserve Bank shall thereupon give effect to such policy while the directive remains in operation.

(d) Any directive issued under paragraph (a) shall be published forthwith in the Vanuatu Gazette. (Section 35, 2) (Coded as .2)

*(c) Role in government’s budgetary process*(No mention – coded as 0)

Objectives (weight = .15)  
*Vanuatu 2002*: The principal objects of the Reserve Bank shall be

(a) to regulate the issue, supply, availability and international exchange of money;

**(7 of 1989) (a) to supervise and regulate banking business and the extension of credit;**

(b) to advice the Government on banking and monetary matters;

(c) to promote monetary stability;

(d) to promote a sound financial structure; and

(e) to foster financial conditions conducive to the orderly and balanced economic development of Vanuatu and

**(17 of 2002) (f) to regulate and supervise domestic and international (offshore) banks.** (Section 3) (Coded as .6)

Limitations on lending to the government

*Advances (Weight = .15)  
Vanuatu 2002*: The Reserve Bank may grant temporary advances to the Government in respect of temporary deficiencies of current budget revenue, subject to repayment within six months after the date on which they are granted, at such rates of interest as the Bank may determine.

**(12 of 97)**

**(2) If at the end of any financial year, any advance remains unpaid within the period provided for by Subsection (1), such advance shall be taken into account when determining the maximum advances that may be made under such subsection in the following year.**

(3) Without limiting the generality of Subsection (1) the Reserve Bank is expressly authorized to make advances to the Government, on such terms and conditions as may be agreed, in respect of subscriptions and other payments resulting from, or incidental to, the membership of Vanuatu in any international financial institution, the participation of Vanuatu in any account thereof, and any transactions and operations undertaken in connection therewith.

**(12 of 97)**(**4) Notwithstanding anything to the contrary in any provisions of this Act, the Reserve Bank may purchase or acquire or hold on its behalf Government notes, bills, securities or other evidences of debt.** (Section 37)

*Vanuatu 2002*: The total amount of outstanding advances made by the Reserve Bank to the Government and the holdings by the Reserve Bank of notes, bills, securities or other evidence of debt of, or guaranteed by, the Government exclusive of the holdings pursuant to Section 5 (4), Section 26 (2), Section 28 (d) (v), Section 38 (3) and Section 38 (4) shall at no time exceed twenty percent of the average annual ordinary revenue of the Government as determined in Subsection (3) except as provided in Subsection (5). (Section 38, 2) (back to 1980) (Coded as .33)

*(b) Securitized lending (.10)   
Vanuatu 2002*: The total amount of outstanding advances made by the Reserve Bank to the Government and the holdings by the Reserve Bank of notes, bills, securities or other evidence of debt of, or guaranteed by, the Government exclusive of the holdings pursuant to Section 5 (4), Section 26 (2), Section 28 (d) (v), Section 38 (3) and Section 38 (4) shall at no time exceed twenty percent of the average annual ordinary revenue of the Government as determined in Subsection (3) except as provided in Subsection (5). (Section 38, 2) (back to 1980) (Coded as .33)

*(c) Terms of lending (.10)   
Vanuatu 2002*: The Reserve Bank may grant temporary advances to the Government in respect of temporary deficiencies of current budget revenue, subject to repayment within six months after the date on which they are granted, at such rates of interest as the Bank may determine.

**(12 of 97)**

**(2) If at the end of any financial year, any advance remains unpaid within the period provided for by Subsection (1), such advance shall be taken into account when determining the maximum advances that may be made under such subsection in the following year.** (Section 37) (coded as .67)

*(d) Potential borrowers from bank (.05)*(Only central government is listed – coded as 1)

*(e) Limits on central bank lending determined by (.025)   
Vanuatu 2002*: The total amount of outstanding advances made by the Reserve Bank to the Government and the holdings by the Reserve Bank of notes, bills, securities or other evidence of debt of, or guaranteed by, the Government exclusive of the holdings pursuant to Section 5 (4), Section 26 (2), Section 28 (d) (v), Section 38 (3) and Section 38 (4) shall at no time exceed twenty percent of the average annual ordinary revenue of the Government as determined in Subsection (3) except as provided in Subsection (5). (Section 38, 2) (back to 1980) (Coded as .33)

*(f) Maturity of loans (.025)*

*Vanuatu 2002*: The Reserve Bank may grant temporary advances to the Government in respect of temporary deficiencies of current budget revenue, subject to repayment within six months after the date on which they are granted, at such rates of interest as the Bank may determine.

**(12 of 97)**

**(2) If at the end of any financial year, any advance remains unpaid within the period provided for by Subsection (1), such advance shall be taken into account when determining the maximum advances that may be made under such subsection in the following year.**

(3) Without limiting the generality of Subsection (1) the Reserve Bank is expressly authorized to make advances to the Government, on such terms and conditions as may be agreed, in respect of subscriptions and other payments resulting from, or incidental to, the membership of Vanuatu in any international financial institution, the participation of Vanuatu in any account thereof, and any transactions and operations undertaken in connection therewith.

**(12 of 97)**(**4) Notwithstanding anything to the contrary in any provisions of this Act, the Reserve Bank may purchase or acquire or hold on its behalf Government notes, bills, securities or other evidences of debt.** (Section 37) (Coded as 1—back to 1980)

*(g) Interest rates on loans must be? (.025)*

*Vanuatu 2002*: The Reserve Bank may grant temporary advances to the Government in respect of temporary deficiencies of current budget revenue, subject to repayment within six months after the date on which they are granted, at such rates of interest as the Bank may determine.

**(12 of 97)**

**(2) If at the end of any financial year, any advance remains unpaid within the period provided for by Subsection (1), such advance shall be taken into account when determining the maximum advances that may be made under such subsection in the following year.**

(3) Without limiting the generality of Subsection (1) the Reserve Bank is expressly authorized to make advances to the Government, on such terms and conditions as may be agreed, in respect of subscriptions and other payments resulting from, or incidental to, the membership of Vanuatu in any international financial institution, the participation of Vanuatu in any account thereof, and any transactions and operations undertaken in connection therewith.

**(12 of 97)**(**4) Notwithstanding anything to the contrary in any provisions of this Act, the Reserve Bank may purchase or acquire or hold on its behalf Government notes, bills, securities or other evidences of debt.** (Section 37) (Coded as .75—goes back to 1980)

*(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)  
Vanuatu 2002*: Do not see anything prohibiting purchase in primary market – coded as 0

# VIETNAM – Could not find any changes since 2010

**Chief Executive Officer (weight = .20)**

***Term of office***1. The Governor of the State Bank (hereinafter referred to as “the Governor”) is a member of the Government and shall be responsible for the leadership and management of the State Bank. (Article 11) (coded as 0)

***Who appoints CEO?***1. The Governor of the State Bank (hereinafter referred to as “the Governor”) is a member of the Government and shall be responsible for the leadership and management of the State Bank. (Article 11) (coded as 0)

***Dismissal***1. The Governor of the State Bank (hereinafter referred to as “the Governor”) is a member of the Government and shall be responsible for the leadership and management of the State Bank. (Article 11) (coded as 0)

***May CEO hold other offices in government?***1. The Governor of the State Bank (hereinafter referred to as “the Governor”) is a member of the Government and shall be responsible for the leadership and management of the State Bank. (Article 11) (coded as 0)

**Policy Formation (weight = .15)**

***(a) Who formulates monetary policy?***

*Vietnam 1997*: 1. The National Assembly shall decide on and supervise the implementation of the national monetary policy and estimated annual inflation rates in a correlation with the state budget and economic growth rates.

2. The president of the State shall perform those duties and powers provided by the constitution and relevant laws in negotiating, executing, entering into and ratifying international treaties and conventions on behalf of the State of the Socialist Republic of Vietnam in the fields of finance, monetary and banking.

3. The government shall prepare the plan for the national monetary policy and the estimated annual inflation rate and submit those to the National Assembly for decision; organize the implementation of the national monetary policy; determine the amount of additional money to be injected to annual circulation as well as the purpose of using that amount of money and periodically report the same to the Standing Committee of the National Assembly; and decide on other specific policies and relevant solutions. (Article 3)  
1. The Government shall establish an advisory board for the national monetary policy, which shall advise the Government in making decision on matters under the duties and powers of the government with respect to the monetary policy.

2. The advisory board for the national monetary policy shall comprise: a Chairman who is one of the deputy prime ministers, a standing member who is the Governor of the State Bank, and other members who are representatives of the ministry of finance, the ministry of planning and investment, other relevant ministries, bodies, and banking experts.

3. The duties and powers of the advisory board for the national monetary policy shall be stipulated by the Government. (Article 4)  
The State Bank shall have the following duties and powers:   
b. To work out a plan of the national monetary policy for consideration by the Government before submitting to the National Assembly for decision, and to implement this policy; develop strategies for the development of the system of Vietnamese banks and credit institutions; (Article 5) (Coded as .33)

***(b) Resolution of conflict***

*Vietnam 1997*: Coded as 0 – no protest by bank mentioned

***(c) Role in government’s budgetary process***

(No mention – coded as 0)

**Objectives (weight = .15)***Vietnam 1997*: The operations of the State Bank shall aim at the stabilization of the value of the currency, contribute to securing the safety of banking activities and the system of credit institutions, facilitate the socio-economic development in a manner consistent with the socialist orientation. (Article 1, 3) (Coded as .4)

**Limitations on lending to the government**

***Advances (Weight = .15)***

*Vietnam 1997*: The State Bank shall, upon the Prime Minister’s approval, provide advances to the central budget for the purpose of dealing with temporary shortfalls in the state budget. Such advances shall be repaid during the budget year in which they are made, except as otherwise decided by the Prime Minister in special cases. (Article 32)  
*Vietnam 2003*: The State Bank shall provide advances for the central budget to deal with a temporary deficit in the State budget fund under the Prime Minister's decision. Such advance amount must be refunded in the budget year, except for special cases to be decided by the National Assembly Standing Committee. (article 32) (Coded as 0)

***(b) Securitized lending (.10)****Vietnam 1997*: No mention of securitized lending (coded as -)

***(c) Terms of lending (.10)****Vietnam 1997*: 2. The Ministry of Finance shall coordinate with the State Bank in formulating the national fiscal, monetary policies, estimating the total advance provided to the State Budget for the following year and implement other provisions of this law concerning the relationship between the Ministry of Finance and the State Bank. (Article 6) (Coded as .33)

***(d) Potential borrowers from bank (.05)***

*Vietnam 1997*: NO mention of other borrowers but central government. (Coded as 1)

***(e) Limits on central bank lending determined by (.025)***

*Vietnam 1997*: No limits mentioned. (Coded as -)

***(f) Maturity of loans (.025)****Vietnam 1997*: The State Bank shall, upon the Prime Minister’s approval, provide advances to the central budget for the purpose of dealing with temporary shortfalls in the state budget. Such advances shall be repaid during the budget year in which they are made, except as otherwise decided by the Prime Minister in special cases. (Article 32)  
*Vietnam 2003*: The State Bank shall provide advances for the central budget to deal with a temporary deficit in the State budget fund under the Prime Minister's decision. Such advance amount must be refunded in the budget year, except for special cases to be decided by the National Assembly Standing Committee. (article 32) (Coded as .67)

***(g) Interest rates on loans must be? (.025)****Vietnam 1997*: The State Bank shall, upon the Prime Minister’s approval, provide advances to the central budget for the purpose of dealing with temporary shortfalls in the state budget. Such advances shall be repaid during the budget year in which they are made, except as otherwise decided by the Prime Minister in special cases. (Article 32)  
*Vietnam 2003*: The State Bank shall provide advances for the central budget to deal with a temporary deficit in the State budget fund under the Prime Minister's decision. Such advance amount must be refunded in the budget year, except for special cases to be decided by the National Assembly Standing Committee. (article 32) (Coded as .25)

***(h) Is central bank prohibited from buying/selling government securities in primary market? (.025)***

*Vietnam 1997*: No mention of prohibition (coded as 0)