

IX. PUBLIC RELATIONS OF THE CENTRAL BANK

Openness and transparency are significant requirements for developing a state-of-the-art monetary and financial system whereas their importance is obviously increasing in the near future. Enhanced openness and transparency play an important role in the prevention of international financial crises. On the other hand, high-quality information and improved transparency of financial policy decision mechanisms should facilitate to substantiate domestic economic policy and practical decisions.

GENERAL PRINCIPLES

Transparency has a key role among the requirements set for the activity of any central bank as the central bank can meet its monetary policy and other key functions only if the public (economic agents) has sufficient amount of reliable and applicable economic information. Adequate information together with confidence in the central bank is highly significant especially under the currency board-based monetary policy framework.

Relations with the public help Eesti Pank meet the obligations prescribed by law ensuring public support to the activities of the central bank. Given the particular nature of central bank, the foreign specialists, press and economic public hold a significant place among the target groups beside the Estonian public, financial professionals and journalists. **The merger of the International Department and Public Relations Department** implemented on 21 February 2001 is, therefore, providing important synergy from the viewpoint of the international communications of the Bank.

Eesti Pank's Communication Policy is based on the following principles:

- to ensure public understanding of the monetary policy pursued by the central bank and sufficient support thereto;
- to ensure the best possible access to background information related to economic decisions for economic agents;
- to maintain and value the image of Eesti Pank as that of a competent, independent and reliable institution, with a significant role in guiding national economic policy and development, with transparent and controllable activities, which is ready to communicate with all community groups.

Eesti Pank's **resolutions, normative acts, results of analyses, comments and statistical data are available free of charge in printed as well as electronic format, under similar conditions and at the same time to all users**¹. Eesti Pank's publications are **available free of charge** to all central public libraries, county libraries, libraries in larger cities and certainly in higher educational establishments and schools of economic studies – all together in approximately fifty libraries. A significant part of materials accessible at the web site of Eesti Pank is ready for use **on a designated date and time** that helps the consumer to find necessary information².

In accordance with the set principles the comprehensive disclosure of the key standpoints of Eesti Pank in the field of economic policies supplemented with background information was continued in 2001 in the printed version of **Monetary Developments & Policy Survey**. **The comments of the quarterly surveys of Estonian and international economy provide the promptest and most concise official opinion of the central bank.**

¹ Eesti Pank's publications are available to readers in public and study libraries or at Eesti Pank's web site (<http://www.ee/epbe>), for acquisition they should still be bought at a symbolic price at the Museum of Eesti Pank. After the publication of the next issue, the former one is still made available for everyone free of charge.

² On the regular publications of Eesti Pank see Appendices, pp 120–121.

INFORMATION SERVICES

Eesti Pank proceeds primarily from the principles of promptness and proficiency while satisfying the information needs of private individuals, organisations and the media. While designing the contents and format of the information output of the central bank, the information inquiries received by the Bank, statistics relating to the use of materials and other feedback is considered.

During 2001 Eesti Pank received approximately 8,500 inquiries from the public. The majority of the inquiries were received by telephone, but also by e-mail and the web page of questions and responses. Besides, the media submitted inquiries. All inquiries that do not get an immediate response are registered as information inquiries and responses are provided at a later time. 436 information inquiries were registered by end-2001. During the year no cases of refusals to information inquiries were registered in Eesti Pank.

During 2001, the main interest of the public was directed towards the introduction of euro cash, arithmetical mean of the daily exchange rates of Eesti Pank, exchange rates of the European Central Bank of the currencies not quoted by Eesti Pank, the activities of Eesti Pank, normative acts regulating our banking as well as banking and economic statistics. The public was interested in the operation of the banking system in Estonia, economic situation in the country and principles of monetary policy. The web site of Eesti Pank receiving approximately 15,000 visits per day has had a relevant impact on the changes in the subject matter of inquiries. In 2001 inquiries relating to the exchange rates established by Eesti Pank declined by one third. This resulted from the growing use of the Bank's web site. Daily exchange rates still constituted one of the most widely sought items of information.

EVENTS

In 2001 Eesti Pank organised numerous important events and participated in the organisation of several joint events.

The most important among the Bank's regular information events was the information day introducing the key principles of monetary policies arranged on the quarterly basis where professionals, students and journalists participated.

In order to celebrate the 82nd anniversary of Eesti Pank, an Internet real-time conference was organised for high-school students of schools of general education. Participation was high and the central bank received relevant feedback for further specification of media plans.

Eesti Pank participated in the investment fair *Rahakompass 2001* (Money Compass 2001) conducted at the National Library in Tallinn. At the opening ceremony of the fair Vahur Kraft, Governor of Eesti Pank, after the introductory report introduced euro notes for the first time in Estonia. Besides getting acquainted with euro notes the visitors of the fair could also get information on the Estonian currency and banking in the box of Eesti Pank. As in the first fair, the publications of Eesti Pank, Annual Reports, Monetary Developments and Policy Surveys, Bulletins and Working Papers were in high demand.

The Museum of Eesti Pank, the core exhibition of which focuses on the history of Estonian currency, organised an exhibition of Estonian bank cards in co-operation with the collectors and commercial banks to celebrate the 83rd anniversary of the Republic of Estonia. In co-operation with the Latvian central bank and Hansapank the Museum organised the exhibition of Latvian means of payment and sale of commemorative coins. Within the framework of the campaign presenting the euro an exhibition of the national currencies of the 12 member countries of the Economic and Monetary Union withdrawn from circulation by the end of February 2002 was organised. The Museum of Eesti Pank received 4000 visitors during 2001.

PARTICIPATION IN PRESENTING EURO BANKNOTES AND COINS

For Eesti Pank the introduction of euro banknotes and coins in 12 European countries signified participation in the information campaign commenced in spring 2001. The public was informed of the changes related to the single currency in the euro area countries, euro notes and coins were introduced, the impact of the introduction of euro cash on the Estonian economy was explained and other applicable information and materials related to economic policies were disseminated both to the Estonian public and to the partners abroad.

The general public mostly received information from Eesti Pank's web site used by individuals and companies, and which served as an information source for the media as well. The amount of visits to the pages related to the euro issues reached to a daily average of 100–150 before and after the turn of the year, while during the peak days this figure was several times higher. During an on-line conference arranged in December, the specialists of the central bank answered the questions of the executive and financial managers of the companies concerning the impact of the final transfer to the euro on the daily business of the companies. The issues, which were most relevant from the entrepreneurs' viewpoint, were also addressed in several information leaflets forwarded to approximately three thousand companies active in foreign trade; same information was also distributed through the information channels of the Estonian Chamber of Commerce and Industry and the counties.

In the last months of the year the specialists of Eesti Pank presented comprehensive reviews relating to the issues of the introduction of euro cash in more than twenty information days or seminars. Eesti Pank participated also actively in the training of cash specialists and tellers of commercial banks³.

The central bank used special publications in order to disseminate information to the general public. In the overview on the final changeover of the euro area countries to the euro⁴ an analysis was provided on the possible indirect and direct impacts on the euro area countries and Estonia arising from the introduction of the single currency, the related inflation expectations and former analogous international experience related to the change of currency were introduced. Eesti Pank prepared an information booklet "Euro in Europe, Kroon in Estonia" and an analogous poster. The Estonian versions of the information folder and booklet prepared by the European Central Bank were published. A part of the booklets were also printed in Russian. In preparing the materials for the information campaign, the bank worked in close co-operation with the Bank of Finland, Deutsche Bundesbank and the European Central Bank. With the help of commercial banks, post offices, euro information stalls, libraries, schools and entrepreneurs' organisations more than 122,000 copies of various publications on euro-related issues were disseminated.

In the conduction of the information campaign on euro cash surveys addressing the knowledge of the entrepreneurs in the introduction of euro and the extent to which the Estonian population had to exchange the former national currencies of the 12 countries ordered by the central bank were of great help. The results of the surveys permitted for making prompt changes in the information campaign. Additional quantitative and qualitative surveys were conducted in early 2001 in order to examine the results of the information campaign and specify further plans. The surveys confirmed that the euro information campaign met the set aims and the methods and patterns used are applicable in the further information activities related to the European Monetary Union.

Upon the invitation of the European Central Bank Eesti Pank together with other central banks of the applicant countries also participated in the winding up of the information campaign and discussion of results.

³ See Training, p 90.

⁴ See Rasmus Pikkani "Final Changeover of Euro Area Countries to the Euro and its Implications on Estonia", Tallinn 2001.