

**The current balance of payments yearbook** provides an overview of the 2001 developments in the external sector through the reports on Estonia's balance of payments, international investment position and external debt. As the 2001 balance of payments is the tenth to be drawn up since Estonia restored its independence, we will bring our readers a short survey of the history of compiling the balance of payments in Estonia.

The continuance of compiling the balance of payments was restored in Estonia at the end of 1991 when the Balance of Payments Department (now Statistics Department) was set up at Eesti Pank (the Bank of Estonia) and the staff was recruited and trained. The beginning was relatively difficult as the necessary skills were lacking and collection of statistical data was inadequate. However, thanks to the successful choice of people, an energetic and motivated team was formed under the leadership of Vallot Neumann. The training and consultations provided by the International Monetary Fund (IMF) were of great help. As a result of these efforts, the first balance of payments after the restoration of independence was published already in 1992. At first, the balance of payments data was mostly based on information received from companies, but later on information on international payments through banks was added.

In the ten-year history of compiling the balance of payments co-operation in the field of statistics with the European Union institutions, such as Eurostat (Statistical Office of the European Commission) and more recently the European Central Bank, has gained ever more importance. This co-operation began in mid-1990s and since then the EU requirements on the balance of payments statistics have been constantly improved and by, today fully, conform to the EU standards. A number of our staff members regularly participate in the work of the EU statistics teams and have trained at the Eurostat.

Another important step in the history of the balance of payments was Estonia's adoption of the IMF special data dissemination standard. The standard sets certain higher requirements on the country's most important economic indicators, including the balance of payments and the publication of data. The adoption of this standard improved considerably the statistical data collection practice in Estonia. Now all major economic indicators are published according to a fixed publication calendar. The standard has been adopted by nearly 50 countries, whose statistical data is regarded as of particularly high quality. This was also the conclusion of the respective IMF mission that visited Estonia in 2001.

Over the time, other reports describing developments in the external sector have emerged in Estonia. Since 1996, Eesti Pank's Department of Statistics compiles and publishes reports on the international investment position and external debt. From 2002, monthly balances of payments are being published in addition to the quarterly balances. Next year, the expanded external debt report corresponding to the IMF standard is to be introduced.

We hope that the present balance of payments yearbook will help you to get a better survey of Estonia's foreign economic activity.