

2021

# CBA STRATEGY

APPROVED UNDER  
THE CBA BOARD  
RESOLUTION N 180-A,  
NOVEMBER 18, 2021

Dear fellow Citizens!

With this Strategy, we are embarking on a new journey in the history of the Central Bank. In the Strategy, we outlined our perception of the Central Bank's mission, described our vision for the future, and set the values that are important for us. The Central Bank will continue to stay a reliable partner of our society in this unpredictable world, and it should evolve as a leading and innovative structure on that journey.

Our strategy identifies the key transformation areas that are at the heart of our success. They relate to both the policies of the Central Bank and capacity building and strengthening of the Central Bank as an institution. The targeted strategic priorities are aimed at achieving outcomes that will change the lives of all of us for the better, especially in the financial services' sector. Moreover, these transformations and countering future challenges require institutional capacity building, which we also set as a strategic priority in the Strategy.

The Strategy is a guide to action for our team. Each employee of the Central Bank will be guided by the strategic priorities and values in their daily work. In the coming years, we will all be geared by this strategy in our ongoing planning and resource allocation decisions. Necessary human capital and financial investments will be contributed to building research capabilities and infrastructure for strategic development.

The Strategy is also the cornerstone of dialogue with you; communication is one of the key components of Strategy's success. Transparency, engaging people and providing feedback will enable us to constantly refine our goals and efforts to best serve the well-being of all of us.

Finally, the Strategy will become a living document and a way of thinking. The world is constantly changing, and we are not immune from those changes. Thus, this Strategy will be subject to constant revisions and improvements. No one knows what obstacles and impediments await us on our journey, but we are determined to overcome all the difficulties to reach the destination of our dreams.

Sincerely,

Martin Galstyan

## INTRODUCTION

In developing this strategic document, we were driven by the principle that this is not merely a document, but a way of thinking. We have launched the process of instilling a strategic mindset, which will henceforth trigger constant generation of strategic initiatives. In our view, these initiatives should be of a profoundly transformational nature.

In our opinion, the introduction of strategic thinking in the Central Bank implies:

- Developing a shared understanding of mission, vision, values and strategic priorities;
- Based on research excellence and innovative solutions, building consensus on realistic (up to 3 or 5 years) guidelines of strategic priorities, and feedback mechanisms for evaluating them through.
- Specific actions to reach those guidelines.

Accordingly, each of our employees will have their contribution to the expected result in the future and perceive the Strategy of the Central Bank as a guidance for the work to be done.

To achieve that, we will strive to keep the strategy viable: we will regularly discuss the implementation progress, regularly update it and join our efforts in aligning the organizational architecture, skills and governance to the Central Bank's Strategy.

In this context, this Strategy has several peculiarities:

- ✓ there will be no constraint on its revision and evolution;
- ✓ structured based on impact or outcome as a result of outputs of our actions;
- ✓ developed based on a transformational approach.

Every change in the Strategy that we may make, will be lead by our mission, vision and values.

## MISSION, VISION, VALUES

In defining our mission, we have relied on our values and the mandate of the Central Bank; we have tried to present what we can achieve by keeping in mind that our major duty is to ensure price and financial stability. We strongly believe that the authorities related to accomplishment of primary objectives will contribute to the improvement of the national welfare.

We are all aware that we are supposed to accomplish our mission in a rapidly changing world full of challenges and uncertainties. We have no alternative but to be tolerant to the uncertainties in the world. However, in this swirling uncertainty we shall strive to remain a reliable partner for the society, partners and the financial sector. We will be awarded the title of a reliable partner through the consistent implementation of entrusted actions and the transparent declaration of the results thereof.

Our vision is the visualization of the future that we want to achieve as an institution. We are convinced that the vision will help fulfill our mission. The first thing we have clearly realized in the process of vision formation is to be in the lead. We will achieve our commitment to be in the lead with excellence in research and innovative solutions. Each time we will try to find an innovative solution to any problem as a result of best practices in research. It should be made clear that innovation is not just an improvement, it is our offer to us and the world to reform.

We have chosen **excellence, integrity and respect** as key values to achieve our objectives aimed at strengthening our identity and formation of a [new corporate culture](#). It's our view and we believe that the priorities of the strategy show that we can achieve our vision and mission only with these adopted values. These three values are clearly and closely interrelated and complement each other on the path to success.



## MISSION

**To be a reliable partner in a rapidly changing world, contribute to national prosperity by ensuring price and financial stability.**

*On the way to fulfilling our mission, we have a clear idea of Armenia's challenges. Our perception of well-being includes stable economic growth, sustainable development, financial security, and improvement of the standards of living by promoting competitiveness of an individual who is able to achieve the goals of multifaceted development and the creation of greater good.*



## VISION

**To be a leading central bank based on cutting edge research and innovative solutions.**

*On the way to realizing our vision, we are driven by the desire to be an all-encompassing, respectable partner, an attractive institution for talents. To achieve this, we ensure the transparency and accountability of our activities, versatile cooperation within the country and with partners abroad, and create opportunities for full-fledged professional growth and realization of the potential of free-thinking, motivated and close-knit people.*



## VALUES

### **Excellence**

*We strive for excellence through cutting-edge research, analysis, external and internal cooperation, and innovation in all areas of our business.*

### **Integrity**

*We present our goals in an open, effective way, and we are accountable for our actions.*

### **Respect**

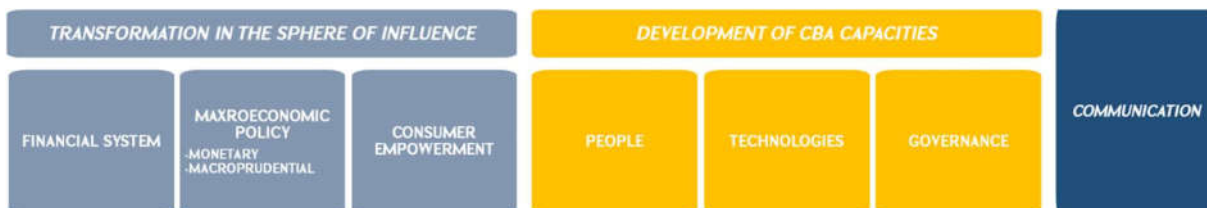
*We respect each other and succeed by appreciating the value of diversity of people and ideas.*

## STRATEGIC PRIORITIES

In the process of outlining strategic priorities, we were guided by three core principles:

- ⇒ **Things to do in the sphere of influence.**
- ⇒ **Equal development of our capabilities.**
- ⇒ **Communication with both internal and external audience.**

### *Strategic Priorities*



We have consciously limited ourselves to 3-5 strategic priorities in each strategic direction. Therewith, implementation of priorities under the strategic axis of development of inner capabilities of the Central Bank is an essential precondition for the implementation of the priorities set in the sphere of influence.

Communication unites or encompasses our “Development of CBA capacities” and “Transformation in the Sphere of Influence”. We are well aware that with this strategy we can achieve success only through

effective communication. We will measure effective outreach through feedback to ensure correct perception by the Central Bank strategy beneficiaries and understanding the impact of our actions.

***Communication is of crucial significance since of the main tasks of the strategy is the perception of strategic thinking by our beneficiaries and formation of public demand for it.***

## FINANCIAL SYSTEM

***Our strategic message is: we must take a leading role in the region through the formation of advanced financial system based on science and technology.***

***On achieving this goal, financial system will provide and export financial services of new quality based on a successful customer experience.***

### **Transformation characteristic features of this strategic priority are:**

- ✓ Establishment of various smart infrastructures with the financial system, as well as with the Republic of Armenia Government partners. It is important to ensure that these infrastructures will contribute to the rapid development, globalization of digital financial services, and will be interconnected through joint information platforms.
- ✓ Ensuring the highest level of cyber security. Today the risk of cyber attacks is very high, and without a strong universal cyber security platform, the citizens' data will be endangered. We shall undertake to ensure the safety of our citizens' personal data in order to make the financial system infrastructure to serve its purposes.
- ✓ Competitive financial regulation and supervision. As one of the tasks of the Central Bank is the regulation and supervision of the financial market, this sector cannot be left out of the digital reformation either. Therefore, in order to strengthen our positions in this sector, we will move to new models of regulation and supervision. The new regulatory approach will enable the development of legislation and regulations in order to enhance data analysis capabilities by aligning them with machine learning and artificial intelligence technologies, monitoring changes in the regulatory field, and compliance with existing laws and regulations through automated systems. The new approach to supervision will add new technologies to minimize the burden of collecting data from financial institutions and reporting systems, optimizing work processes and reducing the responsibilities and compliance costs of supervisors.

### **As a result, we expect to have:**

- digital national identification system;
- concept reflecting the position of the Central Bank on its own digital currency;
- a payment and settlement system that will provide a flexible range of services in compliance with international standards;

- software systems with advanced, flexible and modular system implemented in financial organizations, which provide an ecosystem of interoperable financial services through the use of open source Application Programming Interfaces (APIs);
- Regulatory Technology (RegTech) and Supervisory Tehcnology (SupTech) systems;
- structures setting standards in the field of regulation in accordance with the proposals of structures defining international standards (FSB, BIS, IOSCO, etc. ). Representation in these structures and active participation in the development of international standards in order to create exemplary standards for digital economies;
- mechanism/platform for responding to the opportunities and risks arising from the digitalization of the financial system;
- centralized platform for identification and rapid response of information security system risks in financial institutions;
- incubation programs for global and innovative fintech organizations with private or public participation;
- opportunity to enter the market of fintech with disruptive business models in the form of a regulatory sandbox.

To achieve these results, we will first focus on formation of fundamentals of the digital economy under the guidance of the financial system. We will make nationwide investments in modern electronic identification, secure data interoperability and cyber security infrastructures in cooperation with the Government. Feeling certain that the competitive advantage of a small country is the introduction of such infrastructure and the formation of unified payment and settlement platforms economy-wide, we will present solutions and mechanisms for introduction of the so-called “open bank” or “open finances” system.

Establishing a platform for dialogue with the private sector will be our next priority. We will build collaboration with the private sector based on the principles of mutual opportunities and responsibility, thereunder we will begin to form a new approach, transferring the certain part of the regulation to the field of adoption and implementation of the best standards by the system.

We will develop a complete package of actions to best automate the regulation and supervision of the financial sector and introduce it within 3-5 years. We will actively present our strategy to global players on various international platforms to attract capital and talent to the financial system of Armenia, which will contribute to the maintenance and further development of human capital.

We will publish make our approach on introduction of digital currency of the Central Bank within 1 year. It will be based on the best practices available and the ideology of forming a competitive payment system.

Finally, in order to succeed amid global competition, we will need to promote wide-scale research and studies of innovative solutions and technologies, which will require introduction of a regulatory sandbox and promotion the creation of “incubation” and “acceleration” infrastructures.

**Dimension of these results** will be the management of each citizen's personal finances in a way that is more convenient for them, for example, through a mobile phone. The citizens will be the owners of their data, accounts and transactions. At least one million adult citizens will use such services in 3 years.

In 5 years, the operating costs for financial institutions, including operating costs for compliance with reporting and regulatory requirements of the Central Bank, will be among the lowest in the world. Finally, within 5 years, an internationally competitive regulation and supervision environment will be provided for the access of fintech companies.

## MONETARY POLICY

***Our strategic message is:*** *we must be among the countries with the best monetary policy strategy.*

***On achieving this goal,*** *we will form a constantly future-oriented and dynamically developing system, a broad public perception of monetary policy and price stability.*

**Transformation characteristic features of this strategic priority are:**

- ✓ Regular and public process of internal evaluation and development of monetary policy strategy. In practice, this will determine the quality of the team, internal and external communication, as well as the formation of corporate culture.
- ✓ Introduction of the best standards of monetary policy transparency and comprehensible public and professional communication.
- ✓ Introduction of a culture of regular external evaluation irrespective of the Central Bank.

**As a result, we expect to have:**

- qualitative and dynamically changing system of Forecasting and Policy Analysis Systems (FPAS) of monetary policy;
- innovative approaches in terms of monetary policy system or its separate elements;
- creating a clear and supportive public understanding of the basic elements and principles of monetary policy strategy, including by financial markets;
- perceptual approaches for the participants of transparent and financial market of liquidity management and monetary policy operations;
- internationally competitive monetary policy development team.

In order to achieve these results, an external independent appraiser will evaluate current monetary policy strategy within a year; its separate elements will be re-evaluated. Forecasting and Policy Analysis System (FPAS) will be updated and the communication mechanisms will be revised.

In order to ensure understanding of the monetary policy, inflation preferable target standards, the operational goal, the framework of coordination with other policies and publicity and transparency benchmarks will be clearly defined and published within 2 years.



Transfer mechanism of monetary policy will be presented within 1 year through implementation and publication of research work. Concomitantly, a program of measures for the development of money and currency markets will be adopted and introduced, which is one of the major prerequisites for improving the transfer mechanism.

After definition of the position on issuance of digital currency of the Central Bank, a clear formulation of the necessary changes in the legal, operational, policy development field of monetary policy implementation will be clearly defined within 1-2 years.

Finally, in order to increase the visibility of monetary policy at the international level and to have an internationally competitive monetary team, each year we will increase number of references to the publications in the releases of the world's leading and reputable institutions and banks and our monetary policy in the major magazines. Mechanism of incentives will be introduced for employees involved in global monetary policy discussions and research.

The **criterion** for transformation of monetary policy will be the perception of the policy by the society and participants of the financial system. In this regard, a document on the major elements of the inflation targeting strategy will be published in 1-2 years. Another important benchmark will be the evaluation of our monetary policy strategy by international partners every three years, followed by the implementation of an internal public process of its improvement in various directions.

## MACROPRUDENTIAL POLICY

***Our strategic message is:*** we must have one of the best systems for assessing and responding to systemic risks emerging and accumulating in the financial system.

***On achieving this goal,*** we will implement a policy that will guarantee the stability of the financial system, ensure its continuity and depth through smooth financial intervention and thus promoting long-term sustainable economic growth.

**Transformation characteristic features of this strategic priority are:**

- ✓ Participation in international efforts in the field of emerging financial stability analysis and methodology, which will ensure the early introduction and application of best practices.
- ✓ Dissemination and transparency of macroprudential policy, since the effective implementation of policy is impossible without sufficient perception of macroprudential policy impulses by the financial system.
- ✓ The macroprudential policy implementation mechanism which is open to public.

**As a result, we expect to have:**

- up-to-date system risk assessment toolkit, including development and introduction of new tools;
- analytical basis for the application of macroprudential tools;
- framework for coordination with other policies;

- communication, policy transparency and perception;
- macroprudential policy implementation mechanism.

In order to achieve this result, we will actively use and continuously develop early warning indicators and analytical methods of system risk build-up as well as and we will design a constantly improving process in line with international practices in assessing macroshocks and their effects (stress testing) in 1-2 years.

As a next step, we will develop anti-cyclical tools, their impact assessment system, clarify the cases and mechanism of application in 1-2 years, to increase the effectiveness of decision-making.

We will significantly increase accountability for developments in financial stability, the accumulation of potential risks, as well as prudential actions to mitigate them. In 2-3 years, we will develop and deepen macroprudential risks and macroprudential policy and discuss the dialogue platform to discuss with financial system participants.

In 1-2 years we will publish the macroprudential policy implementation mechanism as a concept paper.

The **main criterion** for macroprudential policy transformation is the appropriation of policy messages and the display of adequate behavior by financial institutions, which will be measured by independent indicators and surveys.

## CONSUMER EMPOWERMENT

***Our strategic message is:*** we must have a empowered consumer who significantly increases his/her well-being and reduces the cost of public spending on regulation and supervision.

***On achieving this goal,*** we will provide a demand for new quality financial services.

**Transformation characteristic features of this strategic priority are:**

- ✓ Perception of the relationship between financial literacy, involvement and well-being.
- ✓ Increase of the level of financial literacy in all age groups.
- ✓ Close the gap between consumer protection requirements and reality.

**As a result, we expect to have:**

- citizens who are able to use financial services competently, whose financial capacity index is expected to increase to 50% in 5 years;
- consumer empowerment ecosystem (financial education, financial involvement and consumer protection);

- public perception on the description of a financially literate person and the development of such a person;
- effective tools and skills to influence the education and behavior of different target groups;
- mechanisms for advancing consumer's opinion and needs and evaluating financial services;
- an effective consumer protection structure mechanism;
- financial involvement.

In order to achieve these results, our first step will be to form an internal institutional system in line with the international experience of consumer protection (policy, regulation, licensing, supervision, law enforcement and competition in the financial system) within 3-5 years.

Within 3 years we will develop a mechanism of financial education, thereunder the contents of financial education will be thoroughly revised in terms of behavioral influences. Emphasis will be placed on easily accessible tools, techniques and materials that motivate self-development remotely.

We will conduct research on consumer behavior with an innovative approach, the data generated on the basis thereon will be collected, and, subsequently, a database accessible to public will be developed. It is expected that within 3 years a database will be developed and posted on the Central Bank's website, afterwards the results of surveys on the effectiveness of financial education in schools with financial capacity barometer will be available to the public. The results of consumer behavior research will also be posted on the Central Bank's website in the form of a research paper.

The established ecosystem will promote responsible financial involvement in 3-5 years, under which financial institutions will offer, and all groups of consumers will be able to easily choose main products and services that meet their needs. Furthermore, consumers will be able to systematically present their views on the products offered and their own needs, thus having a consolidated impact on the formation of pro-consumer financial products.

We will also establish effective mechanisms for the protection of consumer rights, which will allow consumers to use financial services with confidence. An important step in this direction will be the introduction of an effective consumer protection mechanism in 1-3 years. The latter will reflect our approaches to defining the rules of the game in the field and observing them.

The **main criterion** for consumer empowerment is the citizen who forms his/her demand in the financial system. Therefore, we will have conscious, financially literate, adult citizens who have just finished school on an annual basis and each of them will use a bank account in a reliable and responsible way through applications in order to manage, plan and save daily financial resources as well as effectively manage their debt.

## DEVELOPMENT OF CBA CAPACITIES

Implementation of the priorities under the Central Bank's development of CBA capacities strategic direction is an important precondition for the implementation of the priorities set in the sphere of influence, whereas communication consolidates our “Development of CBA capacities” and “Transformation in the Sphere of Influence”.

People, technology and governance, as well as communication are closely interrelated, and a number of initiatives have a horizontal impact in all of these areas. These include:

- ✓ **Desired transformation of corporate culture into a maximally open and collaborative model** through a new culture of governance, the selection and development of people, the use of modern technologies, which will be contribute to strengthening of internal communication. This is probably one of the most important and complicated issues.
- ✓ **Process revision from a governance and people perspective**, which involves the automation of processes and the introduction of new technologies and various systems of motivation.
- ✓ **Formation of the perception of service delivery by the Central Bank employees**, for which the transformation of the Central Bank's functions plays an important role.

## PEOPLE

***Our strategic message is:** our employees, having alternative job opportunities, choose to work at the Central Bank and perceive this as a rank.*

***On achieving this goal,** we will provide human capital in line with our mission, vision and values.*

**Transformation characteristic features of this strategic priority are:**

- ✓ Creating a team-based corporate culture based on those values that is the result of everyone's teamwork.
- ✓ Providing high quality services to the public and our employees in accordance with international standards as our mission.
- ✓ Encouraging creative thinking in the Central Bank and removing any barriers for the daring and fearless individuals who seek to “change the world”.
- ✓ Involvement of former Central Bank employees, as well as associates and partners, including specialists working in international organizations and companies (as a consultant) in solving the problems of the Central Bank.

**As a result, we expect to have:**

- a system of engaging and developing educated, developed, highly motivated, creative, perfectionist, supportive team and a consistent policy;

- a learning organization where employees strive to constantly develop, learn and educate each other, regardless of official position, age and previous experience, aiming to solve the strategic problems of the Central Bank and always have up-to-date knowledge;
- performance appraisal based on human contribution/output, rather than pure employment, which will be the basis for remuneration and promotion;
- formation of experts in demand in international market: training, development and involvement of staff as international level experts in works in international structures;
- establishment of platforms and resources for active participation in initiatives and community programs under the corporate social responsibility of the Central Bank, in addition to the tasks of the Central Bank.

To achieve these results, as well as to implement the digital agenda defined in our strategy, we will create favorable conditions to make the Central Bank attractive for talented and qualified staff in all fields, ensuring appropriate working conditions and unlimited growth opportunities. For this purpose, we will expand the cooperation with the higher educational institutions, introduce ourselves at a high level, review the program of attracting young specialists, and introduce an institute of mentors.

Concurrently, we will create an environment for recruitment and dismissal, promotion and evaluation, which will be based on constant feedback. With this in view, we will identify and evaluate the capabilities of employees in 1-2 years and will be able to better understand the capabilities and wishes of each member of our team. By using them in the best possible way, we will achieve our mission. An employee who is aware of his/her role in professional development will be involved and will initiate the transfer of experience and knowledge on various internal and external platforms.

Next, we will increase the international recognition and reputation of our employees by involving them in various platforms and providing the necessary support and tools. The creation and use of a network of mentors will play a significant role here, including with the involvement of former Central Bank employees. In order to strengthen and transfer knowledge, the staff of the Central Bank will also implement training programs for different target groups.

As a result, the employees who will appear in the international authoritative magazines thanks to their innovative approaches and research abilities will be promoted; they will be recognized experts in their field who present their own knowledge and research in international platforms and conferences. Hence, we will increase the reputation of the Central bank and the Republic of Armenia in the world.

We will ensure to conform the abilities of the existing processes and personnel in the Central bank within 1-2 years thus strengthening the culture of communication and feedback.

As a structure, we will encourage any social initiative implemented out of the Central Bank (involvement in various environmental, social platforms, etc.) raising social responsibility as an integral part of the Central Bank culture.

The **People priority implementation criterion** is a knowledgeable, motivated and cooperative, constantly evolving teammates who see their work as a mission; and formation of an international team, whose members consider the Central Bank as the best place to manifest their professional skills.

**Our strategic message is:** *our success is directly related to the introduction of modern technologies.*

**On achieving this goal,** *we will provide our employees with high quality services through access to the best technologies and solutions.*

**Transformation characteristic features of this strategic priority are:**

- ✓ Improving internal processes, including disposal of redundant functions through continuous business process analysis and risk management.
- ✓ Information and cybersecurity risk management with appropriate knowledge and tools.
- ✓ Collection and consolidation of information and data, introduction of quality and management criteria (creation, collection, processing, transfer, archiving, deletion).
- ✓ Targeted application of technologies and innovative solutions through development and/or localization.

**As a result, we expect to have:**

- process review and automation, introduction of electronic signatures, hybrid work capabilities;
- creation of a cyber security center;
- data governance based on quality data, using new technological solutions, integration, creation and widespread use of e-learning platforms;
- creating a research and development (R&D) team.

To achieve these results, we will first build re-engineering capacity to improve existing processes, model new ones, reduce and manage existing risks.

As a result, it is planned to introduce modern management systems using MIS and ECM + BPMS tools within 3 years.

A unified data collection management system will be established, which will enable all users, based on their competence, to have access on a one-contact principle.

To manage the consequences of cyber-attacks, an internationally qualified team and a cyber security management center will be formed within 2-3 years. Thus, by recording all the attempts of cyber-attacks on both the Central Bank and the financial system, we will be able to analyze the information and make decisions based on the collected data through a rapid detection and response system.

To respond to the new challenges, we will build a research and development team. In 1-2 years, a model for identifying human capabilities from internal and external sources will be created with the view to localizing technologies and developing innovative solutions, after which, within 3 years, a relevant team will be established.

The **priority criteria for Technologies** are the provision of reliable, quality, fast, reliable and accessible services to our employees, as well as the entire financial sector and applicable and fully accessible databases, both raw and processed.

## GOVERNANCE

**Our strategic message is:** *we must be driven and unite around our values and priorities.*

**On achieving this goal,** *we will ensure effective implementation of the tasks set under our mission and vision, based on outcome-based management of the implemented processes.*

**Transformation characteristic features of this strategic priority are:**

- ✓ Flexible mechanisms of quick response, including effective coordination of work with Central Bank subsidiaries.
- ✓ Introduction of effective management decision-making and communication methods: team-based collegial decision-making.
- ✓ Development of responsible, leading senior and middle managers.
- ✓ Creation of high-performing, collaborative teams with motivated professionals playing a key role.
- ✓ Turning the management pyramid upside down (delegating), speeding up the decision-making process and building on the research-based approach.
- ✓ Introduction of project management thinking.
- ✓ Introduction of a budget process aimed at solving problems.

**As a result, we expect to have:**

- flexible, responsive, and regularly reviewed structure based on feedback and the need to respond to new challenges from a dynamically changing environment. The key to this structure will be the highly motivated individual, rather than job description;
- effective decision-making formats: facilitating team-based collegial decision-making of the Board, Executive Committee, committees, as well as consultative bodies with the involvement of international experts; oversight by international observers;
- transition from the institution of traditional management to the formation of the institution of responsibility;
- business processes that enhance evidence-based and data driven decision-making;
- transforming the institute of executive clerks by involving highly efficient team specialists;
- an effective system of processes and risk management and control;
- introduction of a medium-term project budget;
- project management culture;
- accountable and transparent procurement function;
- introduction of the best internationally accepted IT governance standards;

- alignment of subsidiary company strategies with the Central Bank strategy, including personnel and procurement policies synchronized with subsidiaries, joint cyber security measures (common center), governance, including IT, embedded standards and approaches;
- continuous development of the management system and introduction of an external evaluation mechanism to ensure the efficient use of resources, in line with international standards and best practices.

To achieve these results, a management model will be developed, guided by the “principles rather than rules” approach. Due to this, there will be a transition from discrete procedures to policy-based management. A new effective risk management and control system, as well as a project management culture and project budgeting will be introduced.

Within 1 year, the institute of clerks will be completely transformed into the institute of team assistants, creating development opportunities.

Relevant international standards (COBIT and ISO23001) will be introduced in 2-3 years to ensure the visibility and efficiency of the Central Bank's management system.

In order to ensure a transparent procurement function, we will publish the Central Bank's procurement reports on an annual basis and disseminate the Central Bank's procurement policy.

The **priority criterion for Governance** will be achieving goals under strategic priorities. Another criterion will be a flexible but stable, easily adaptable management structure. The next criterion is international evaluation and audit of the introduced standards in 3-5 years.



***Our strategic message is:*** we must achieve high credibility through feedback with beneficiaries and by making our policy perceptible.

***On achieving this goal,*** we will ensure the understanding of our strategy, policies and functions, evaluation of their impact and effectiveness.

**Transformation characteristic features of this strategic priority are:**

- ✓ Instilling a strategic mindset and the values of the Central Bank through the transformation of corporate culture.
- ✓ Ensuring public feedback.
- ✓ Increasing the level of understanding of the policies implemented by the Central Bank.

**As a result, we expect to have:**

- feedback mechanisms;
- mechanisms for implementing programs with higher educational institutions and scientific centers;
- publications on the achievements of the Central Bank;
- Central Bank image development and branding.

We will use up-to-date outreach tools for internal communication, and we will significantly increase human contacts and feedback. We will incorporate the strategic thinking and values of the Central Bank into communication, as well as training programs.

We will introduce intranet in 2-3 years through which the Central Bank's internal content management will be enhanced.

To achieve these results, we will regularly communicate with the public within 1-2 years, and cooperate with various professional groups, and we will assess the effectiveness of communication through surveys.

To develop research thinking, we will conduct research and establish academic cooperation, conduct joint research and educational activities with higher educational institutions and research centers with the active involvement of Board members and staff of the Central Bank.

Finally, we will create communication strategy within 1-2 years, through which we will raise the awareness of different sectors of society. The latter will also define measures for managing reputational risk situations for the Central Bank.

We will succeed in implementing our strategy in the event of good implementation of communication.

The **priority criterion of communication** will be the independent surveys, confirming the growth of trust to the Central Bank, both externally and internally.