

I. INTRODUCTION

In November 1999, the Bank of Albania's Supervisory Council approved the paper of medium term strategy for the institutional development of the Bank of Albania. "Public awareness" was ranked amongst the principle strategic targets of this paper.

"Public awareness" as specific target on its own is planned to be achieved through the quantitative and qualitative growth of public transparency. As manner of behavior and world out-look the increase of transparency contains two principal elements. The first is the observance of the public right for information. The second is the increase of Bank of Albania's responsibility in achieving the principal target of its activity.

This target intimidates not only a re-conception of institutional relations between the central banks and the public but even an engagement of all central bank structures to achieve contemporary rates of transparency.

To follow this attitude and inaugurate the process, some principal steps were regarded:

- the draft and approval of a regulatory platform inside the Bank of Albania based on the Constitution and the effective laws;
- the establishment and the adoption of individual or collegial structures to serve the law practices, rules and regulations having increase of transparency a matter of fact;
- the awareness of Bank of Albania's employees on the significance of the growing transparency, so that their engagement by this "new duty" be as natural as possible;
- the indirect awareness of public.

This article is proposed to follow the increase of public transparency. It is also intended to assist the public audiences and the Bank of Albania's employees in better understanding their public right for information and Bank of Albania's transparency.

II. WHY IS TRANSPARENCY NEEDED?

Transparency is currently getting ever more space in public discussions and institutional life. International institutions, mainly IMF have already prepared standards of being transparent. This became ever more underlying after the sweeping crises for the South-Eastern Asia and the incorrect signals given to this region and the mode of reporting information. Thus, we are living in an epoch which has already assimilated the philosophy of transparency. This is one more reason for Bank of Albania to stride by a unique model.

On the whole, the term "transparent" intimidates the state of being clear and easily understandable, identifiable, open, straightforward and sincere to allow penetration of light. From this viewpoint "the increase of transparency" in Bank of Albania's activity intimidates publication, information, explanation of Bank of Albania's policies procedures, targets and opinions, which ones should be first announced and later allowed for knowledge; second they should be clear and easily understandable; third they should be open and not confidential; and fourth Bank's actions should be sincere and fair. Transparency indicates that how opened Bank of Albania intends to be primarily in its monetary policy and activity.

Second, the increase of transparency promotes accountability in central bank activity. Its activity is submitted to a public debate and there are provided confrontation opportunities to see how fair have been the undertaken decisions or pursued policies whether they need correction or not in case they need where, when and how.

Third, the increase of transparency with other state institutions helps coordination of policies and activities and promotes consultation.

Fourth, the growing transparency especially with media and public audiences extends the Bank of Albania's awareness as institution and avails it of the opportunities to grow its own influence and authority over other state institutions.

Fifth, the growing transparency will serve another scope that of "education" For many reasons, media and public audiences have been less accommodated with economic issues. In case, public information and the simplicity of its issuing increases, assessment on economic policies and decisions will become an indivisible part of these groups' activity as well as of businesses' and economists will discipline their economic behavior and direct them. In the long run, this helps Bank of Albania build and set into efficiency the transmission mechanisms of its decisions into economy. If no body understands why a similar decision is undertaken no decision is guaranteed on its future success and signals received by the central bank and the economic environment will be distorted, making other decision making difficult.

Lastly, the increase of Bank of Albania's transparency will follow change in mentality and in the tradition of "holding secrets" as well as in "the monopoly of information" or "the power on information".

III. TRANSPARENCY AND THE RIGHT FOR INFORMATION

To understand the target of transparency it is important to clarify that transparency is an obligation and not right.

Transparency is directly enforced by the public right for information on official documents.

The right to get informed on official documents is one of the essential human rights in a democratic society and legal state. This is a basic right of democracy .

And its through this that public audiences exert their power to assess the level of governing for a public institution. Only a well-informed public has the capacity to appropriately perform its duty to render its contribution in a certain country's democracy and give the proper form to public administration.

In modern democracies, the public right for information is instrumentalized in two directions. First, public via legislator constrains the executive and judicial powers to not

censure the information. Second, it is the legitimacy of individual research, collection and information analysis that also acknowledges them the right to get informed on official papers of various types.

The right of information over official documents enjoys legal and constitutional guaranty in many countries with developed democracy. Its guaranty and regulation modes have Constitution as the highest level, whereas legally this varies in three main direction types;

- a) countries sanctioning it by separate laws;
- b) countries ensuring it through different acts such as on mass media, elected organs, administrative procedures etc;
- c) countries formulating in law the right for information and protection of personal rights.

Information, as legal duty sanctioned by law in

The United States of America played an important role in the transformation of American public administration and its transformation into a real transparent administration. Consequently, the American jurisprudence on the right for information has been considerably developed, affecting directly the quality of service in public institutions.

The spirit of transparency philosophy and the right for information is embarked even on Europe though it is not so predominant as in the United States of America.

Some member countries of European Community have approved legal acts to directly arrange this right through private initiatives.

Other countries have achieved it indirectly by accomplishing specific acts and furthermore through rules and regulations. The European Parliament and the European Council based on the European Convention of Human Rights have approved some acts to support this human right such as recommendations on their adoption in the legislation of member countries.

However, in no case the individual liberty is absolute. It is relative since it is only restricted on public interest to guaranty the thirds' interests. Law no. 8417, dated 21.10.1998, article 17 sanctions these two cases as the

only occasions when the information right is restricted. It is also important to mention that the restriction in both cases must be made by law only, (currently, by law no. 8457 dated 11.02. 1999 "On official confidence" and law no. 8503, dated 30.06.1999 "On the right to get informed over official documents").

The Albanian Constitution is based on international principals of human rights. Pursuant to this, article 23 of the constitution guarantees the right for information over the institutional activity of state units, classifying it as fundamental right. As sanctioned by the Constitution, this right is legally arranged by law. We can find the pursuant legislation to this constitutional right by two separate acts, practically, in the Code of Administrative Procedures (article 51 and 55) and in the law on the right to get informed over official documents.

The dispositions of the Code of Administrative Procedures and on the right to get informed orders the relationship in case of any administrative proceeding directly related to any individual. When an individual is part of an administrative proceeding, especially, when there is a prosecution or a handling of private data, the right to get informed is ensured by the law on the safeguarding of private data which in this case does not act as limitation but as guaranty of this right. Both law provisions establish the time schedules within which interested persons should get informed. In both cases, the information of interested persons is made on the presumption that they have and can not receive any information, that they or data related to them have become part of an administrative proceeding. In this case, it is clear that the legislator is interested for, the right of information be automatically enjoyed even in the cases, when there is no specific requirement for it.

The law on the information right on official documents is not only an accomplishment of the code for administrative procedures but a further growth of it, as sanctioned in article 23 of Albanian Constitution. Through this law, it is established the legal practical and procedural base for the application of this right. On one hand, this law makes public aware the ways and modes to enjoy the constitutional right of

getting information. And on the other hand, the law indicates the public administrate the way to work and be as more transparent throughout its activity.

IV. HOW DOES BANK OF ALBANIA INTEND ENHANCE ITS OWN TRANSPERANCY?

Perhaps, as to begin with it is place to perform a small intervention to clarify for the first time "officially" that genuine communication is merely a relationship in the long run and as such, it requires at least two agreeable parties in principle which should be equally willing to reciprocally benefit and comply with one another. One party should appraise the Bank of Albania's engagement to increase transparency, esteem the actions undertaken by the central bank and should not endeavor speculation with them (particularly in media). This requires proper time to be established. However, whether confronted with a correct attitude of the central bank, surely its reaction will be ever more serious. We believe, that this is the first elementary preliminary to have a basis where the upon erected relationship, in our case, is called communication.

To further deviate with this simple abstraction, we endeavored to bring in sustenance of our argument, we should not forget that any kind of relationship which is born, grown up and located inside a certain reality is forced to meet with a certain mentality; become part of this opinion that in the best occasion precede a new dimension in the existing world out-look.

In the current case, the Bank of Albania's relationship with public audiences is an utterly new phenomenon. The first and the most important is the lacking tradition. Its already known for all that Albanians have been bank attracted in this recent decade. So they had no need to know what a bank was previously. The less they were interested to know "its jargon", services it can offer, the guaranty or the physical accommodation it provides in money movements. And all this was never for their fault.

The second has to do with the bank affinity demonstrated against them until at late. Initially conceived as genuine institutions of state, the only banks, inherited by socialist economy, continued to stay remote from their customers

and individuals who already had a pressing need for bank service, information, sustenance and guaranty. Their “drowsiness” was coupled with the remarkable indifference of foreign or joint venture banks licensed in these years toward Albanian business and customers. As frequently acquainted in the theory and practice of these cases, the vacuum spaces are always filled up with what’s more simple from the reality. The simplest thing offered by the Albanian reality, largely besieged from the desire for easy and quick earnings and the tendency toward financial adventures of the newly shaped stratum of businessmen was the pyramid scheme phenomenon.

As any tremendous overthrowing of confidence based on lucky lotteries, the termination the “golden pyramidal scheme epoch” was more than agonizing for Albanians. This moment should have been better exploited by banks to occupy the deserving place in economy, business and in the Albanian financial opinion. This way we have neared another matter that of mentality where for facility we will include at the same time the common public (which is normally our interlocutor) and the bank predisposition to be open and sincere.

As to the above mentioned reasons, it seems that the biggest difficulty lies in the formation and the economic culture of Albanian public. So as to keep hiding endlessly behind the past and to take the courage of the most sagacious in taking the share of fault it belongs to us, we should accept that the greatest difficulties lie in the “overthrowing” of world out-look which should be previously conquered inside the institution.

To be open throughout its activity, Bank of Albania transparency against public audiences should be regarded as basic necessity that can not be tolerated either by its managing units or staff. This because the experience has shown that when a delicate problem is simultaneously important, the engaged persons are the skeptic which doubt its success and the result is always shaky. The one that doubts in the usefulness of what’s performing can convince nobody on what he says.

The practical steps that Bank of Albania has decided to undertake with this bearing take

into account the satisfaction of all interested strata for the moment. We say for the moment for several reasons which are not a subject matter of article. The information and education gap should be filled up by the common investment of all banks currently operating in the Albanian banking system. What really happens is utterly a second-tier bank indifference against conspicuous deficiencies in education.

To not prolong on this item, we have all the reasons to believe that what bears upon Bank of Albania is more than that and its is in its honor to play the leading role in this “neglected” liability that of the bank institution against domestic audiences.

This is one of the barriers be overcome to utterly change it or which could better call it as the current banker’s opinion. It would be fair to talk about a new stratum of bankers and their civilized opinion. We can not officially assert it for we, unfortunately, have been lacking a similar one until recently.

To be availed of bankers official opinion means to have public pronouncements (written and verbal) from the most outstanding bank authorities, have public explanations for the followed policies from the most successful managers, have competent and professional technicians giving public certainty for all financial phenomenon they comprehend or not; in other words have transparency in decision-making and communication in the entire chain of banking system. At least this has been the similar practice until lately. These things have recognized incipience in elementary forms. The end of the calendar year marked some Bank of Albania’s Governor appearances before the Parliament, various press conferences or meetings of conversing character. What is targeted has to do with the successiveness of the phenomenon.

To be more successful in its engagement, Bank of Albania has processed a simple and a very comfortable strategy to apply which one will certainly release notably positive results consequently.

What ‘s to be achieved is already known. How to realize it remains to be explained further

below. Bank of Albania will apply the classic forms of communication: verbal and written. The first consists in: the presentations before the Republic of Albania's Parliament and the Parliamentary Commission of Economy and Finance press conferences, presentations before electronic media, participation of conferences or other activities. The written communication consists in publications, press conferences, written interviews and articles. Bank of Albania has not been missing such kind of activities until currently. However, drafting a regulation on transparency ensures their well-functioning and organization. The arrangement of a Press Office and the provision of appropriate environments for holding press conferences is a Bank of Albania's prerequisite. Based on the significance a similar unit represents to a central bank, the organizing structure approved in the meeting of The Bank of Albania's Supervisory Council of October 4 includes a similar office.

The other side of the process is the increase of Bank of Albania's transparency throughout its activity. According to the performed estimation, it is concluded that Bank of Albania's reporting and explanation through processed standards for transparency practices of monetary area compelled by IMF until now is unsatisfactory,

This weakness is anticipated to overcome through the following steps:

IV. I The enhance of transparency in Supervisory Council Activity.

This point is worth ceasing a bit longer to explain it as new phenomenon of collective decision-making in our country. Elected by the Republic of Albania's Parliament, this council is responsible for the decisions it takes whether collectively or individually. The publication of these decisions and the way they are decided, the calendar of its customary meetings or a summary of these meetings' protocol is neither an excessive nor a courageous requirement. On the contrary, it is an accomplishment of a civil and professional duty and an indicator for the fair understanding of individual responsibilities in the collective decision-making.

IV.II The enhance of transparency in monetary policy, monetary operations, bank supervision, legal and regulatory framework as well as in accounting area.

Practically, it is requested a growing transparency by all of Bank of Albania's activity emphasizing moreover by its main activities, policy and monetary operations particularly.

The data covered items will be various:

- announcement of targets, policies, decisions, procedures and changes they suffer;
- explanation of targets, policies, decisions, procedures and changes they suffer in plain and clear language. We will always try to reply to get an answer for: "why it was done?", "why now?", " what is expected to change or what's it forthcoming effect?".

In the same way, it is required the increase of Bank of Albania's audiences, differentiating its various categories. Therefore, the levels of issuing information will include:

- the Parliament as the highest legislative unit of state where Bank of Albania is legally obliged to report as according to the law.
- Other high institutions engaged with economy or economic policy issues as the President, the Prime Minister, ministries, mainly the Ministry of Finance, that of Public Economy and Privatization, Economic Coordination and Trade as well as other international organizations.
- significant professional users which are part of the transmission mechanism such as banks, financial institutions, the Economic Faculty, the Jurisprudence Faculty, businesses and embassies.
- Other users such as media institutes of economic studies and the public.

To feel certain in the success of this gallant undertaking of Bank of Albania and in nomination of transparency in straight communication with public audiences, each of the above steps should be accompanied with a

growing collective awareness of Bank of Albania's specialists and managers.

Three additional elements to increase the Bank of Albania's transparency will be:

- 1- the opening of library. This intimidates the public opportunity to exploit the fund of Bank of Albania's library.
- 2- the opening of archive. A process that acquaints the public audiences with the history of Bank of Albania's alliances with other institutions, makes transparent its institutional experiences and decisions taken by it previously ect.
- 3- the publication of the phone book synthesis a mode of Bank of Albania's communication with its data interested. Bank of Albania should draft a phone book where to include the name of the official, the unit he works for, the area he covers and for which one he may also provide answers for the questions asked and the phone number.

It was considered rationale to accompany the last elements with some clarifying sentences for these are utterly new elements in the central bank activity and as such they perfectly fulfill the central bank efforts to be more clear and transparent with public audiences, providing the respective accommodation.

V. PRESS OFFICE DELIBERATIONS

On the approval of the new structure in Bank of Albania, there will be functioning a press office similarly as in all other institutions. Based on the relevance it bears for a central bank especially in the process of growing transparency and its first time establishment, we deem worthy to render some deliberations on it the Press Office is necessary to be capable to understand the public and be understood by it. To this moment backwards, Bank of Albania has been communicating with public audiences at a rather significant level and with adequate dignity due to its plenty and various type of publications. In this way it has managed to install a honest, regular and serious relationship with press and interested public audiences inside and outside Albania.

The Press Office will also provide the possibility to the Bank of Albania and its vested authority to complete their institutional, professional and civil portrait. More than that a genuine Press Office adds up to the safety of Bank of Albania's authorities and makes them feel at ease when they the daily press. This is because the Press Office performs with adequate competence the role of intermediate between the institution and assorted media.

To fulfill the above function it needs to maximally harmonize the features below:

- 1- To manage the establishment of a vivid relationship with written and electronic media similarly as all its homologues. In this function, it is obliged to respond before the public by means of press conferences, written and verbal interviews, condensed announcements until to telephonic talks.
- 2- Be aggressive in accomplishing its obligation against the institution for the continuous maintaining and improvement of the Bank of Albania's image in public. This means to have the competence the audacity, capacity to react at any movement in Bank of Albania's behalf and interest.
- 3- to be clearly positioned in the technical aspect of its duties. This means that a Press Office serves the institution, being utterly unaffected by the changes in governing programs and policy. This means that it will be operating in compliance with the laws that regulate Bank of Albania's activity and its relationship with other financial structures whether domestic or foreign.
- 4- Be morally decent, civilized and elegant in its public confronts. This means that in the throng of its meetings, introductions or innumerable talks with which domestic audiences are daily fed up, what Bank of Albania makes them see in the face of its press persons and what makes them hear from their voice be more than commendatory and esthetically processed.

5- Be ambitious in the place it should occupy in an unwritten rank of its homologues a rank which spontaneously appears in the media's preference for a certain press office. To be the best there should be dexterity in grasping the most biting problems of the moment, far-sightedness in the anticipation of various financial phenomenon and all the necessary authority to intervene when appropriate either for the clarification or prevention of various situations.

Bank of Albania deserves having a similar structure. Moreover, Bank of Albania is an institution that deserves to independent and disposes all the necessary capacities to be a similar one.

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