

THE STRATEGIC OBJECTIVES OF EESTI PANK IN 2010

I. THE ADOPTION OF THE EURO (see "Preparations for joining the euro area" pp 24–32).

- The technical preparations for the adoption of the euro will be completed by 1 January 2011.
- We will ensure a smooth transition to the euro and the circulation of euro cash in Estonia as of 1 January 2011.
- We inform the public about the changes in the economic policy framework and central bank's responsibilities that are due to the adoption of the euro.
- In reserve management we ensure the optimum investment of assets also when Estonia becomes a full member of the Economic and Monetary Union.
- We prepare the procedures and documentation for participation in monetary policy operations.
- As of 1 January 2011, we will be ready to participate in the design of single European monetary policy along with other national central banks in the euro area.

II. OTHER RESPONSIBILITIES

Monetary policy (see "Monetary policy" pp 36–39)

- We ensure price stability in Estonia through the fixed exchange rate of the Estonian kroon by maintaining the currency board arrangement until Estonia's accession to the Economic and Monetary Union. After that, we will contribute to ensuring price stability in the euro area.
- In monetary policy analysis we focus on Estonia's economic adjustment after the global recession.
- We facilitate joint research with other EU central banks and support domestic research and development.

Reserve management (see "Reserve management" pp 40–42)

- We hold and manage reserve assets to ensure the reliability and financial independence of the central bank.

Financial stability (see "Ensuring financial stability" pp 43–46)

- We adjust to and participate in the design of the updated framework for financial sector supervision.
- We strengthen joint crisis management together with the Ministry of Finance, the Financial Supervision Authority and international institutions.
- We contribute to the further integration of European financial markets by participating in the work of EU institutions.

Developments in statistics (see "Developments in statistics" pp 47–50)

- We ensure the consistent compilation of balance of payments and financial sector statistics in compliance with EU standards.

Payment and settlement systems (see "Payment and settlement systems" pp 51–56)

- We change the payment and settlement systems over to the euro and bring them into compliance with the Eurosystem requirements.
- We participate in the development of the securities settlement system TARGET2-Securities to strengthen the securities market infrastructure.

Cash (see "Meeting the cash demand" pp 57–62)

- We ensure the smooth circulation of currency and increase the performance of cash handling.

Partnership (see "International partnership and Public relations" pp 63–72)

- We protect Estonia's economic policy interests in international cooperation forums.
- We provide economic agents with the background information they need for making economic decisions, and the reliability and transparency of the central bank.

Organisation (see "Governance, organisation and human resources policy" pp 73–78)

- We develop the professional skills and knowledge of the staff to provide the central bank services in the most effective way.