



In accordance with the authorization granted in Article 35, paragraph 1, subparagraph 1.1, as well as Article 25, paragraph 1, subparagraph 1.2 of the Law on Central Bank of Republic of Kosovo, the Board of the Central Bank of the Republic of Kosovo, in its meeting held on November 24, 2011 approved:

Regulation on Monetary - Financial Statistics and Financial Accounts Statistics

Article 1 Purpose

The Central Bank of Republic of Kosovo in order to achieve its objectives compiles and publishes Monetary - Financial Statistics and Financial Accounts Statistics. The purpose of the Regulation on Monetary - Financial Statistics and Financial Accounts Statistics (hereinafter "Regulation") is reporting of Monetary and Financial Statistics and Financial Accounts Statistics consistent with international statistical standards. Consequently, the regulation defines the reporters, statistical obligation of reporters, reporting period, statistical reports, and confidentiality.

Article 2 Definitions

For purposes of this Regulation:

- "CBK" - Central Bank of Republic of Kosovo.
- "MFS" - Monetary and Financial Statistics.
- "FAS" - Financial Accounts Statistics.
- "Financial corporations" comprise of all resident financial institutions engaged in financial intermediation or financial auxiliary activities that are closely related to financial intermediation. Financial corporations are divided into depository corporations (central bank and other

depository corporations) and other financial corporations (other financial intermediaries, insurance companies, pension funds and financial auxiliaries).

- "Other depository corporations" are composed of resident financial institutions (except central bank) that are engaged in financial intermediation and their liabilities are part of the broad money. Other depository corporations consist of commercial banks and other corporations that hold deposits. In case of Kosovo, other depository corporations are commercial banks.

- "Insurance companies" are composed of companies and the main functions of which are life insurance, accident insurance, health insurance, fire insurance and other forms of insurance for institutional units or groups of units.

- "Pension Funds" are established for the purpose of providing pension benefits for specific groups (contributors) of workers. Pension funds have assets and liabilities and make economic transactions on their behalf and responsibility.

- "Other Financial Intermediaries" consist of all resident corporations engaged in financial intermediation except depository corporations, insurance companies and pension funds. In Kosovo, other financial intermediaries consist of microfinance institutions.

- "Financial auxiliaries" deal with financial institutions that do not relate directly to financial intermediation like exchanges offices, brokers, different agents, etc. In Kosovo this subsector consists of exchange offices, money transfer agencies and asset managers.

- "Resident" means the legal entities that are registered and operating in Kosovo and natural persons whose residence is located in Kosovo and who do not leave Kosovo for a period longer than one year (except diplomatic staff, students and medical patients). In other words, according to the definitions of the International Monetary Fund, residents of a particular country are physical and legal entities whose economic interest center lies in the respective country.

- "Nonresident" means any physical or legal entity that operates on the basis of its activity in any country other than Kosovo. Subsidiaries or branches of a nonresident company operating in Kosovo are Kosovo residents. Consistent with this, any branch or subsidiary of a company operating outside Kosovo is Kosovo nonresident.

Article 3

Reporters

Financial corporations report periodically to the CBK certain statistical reports. In accordance with Article 25, paragraph 1, subparagraph 1.2 of the Law on Central Bank of Republic of Kosovo, reporters are all financial corporations, respectively, other depository corporations (commercial banks), insurance companies, pension funds, other financial intermediaries (microfinance institutions), financial auxiliaries (money transfer agencies, exchanges offices and asset managers).

The CBK, in certain specific cases, may require from financial corporations, additional statistical reports based on sample and format specified in advance. The CBK informs in written form and if necessary contacts subjects that are included in the sample regarding the modes of reporting.

The CBK, for statistical purpose sectorizes (classifies by sector) financial corporations according to International Statistical Standards of International Monetary Fund, European Central Bank, Eurostat, etc.

Article 4 **Statistical obligations of reporters**

Reporters are obliged to provide information required by the CBK in order to compile the MFS and FAS at Kosovo level. Statistical information required should be prepared for the CBK in formats sent by the CBK. CBK in principle specifies the individual subjects as reporting units.

For all reporters who do not meet the statistical requirements set forth in this Regulation, the Executive Board of the Central Bank of Republic of Kosovo shall act in accordance with applicable law.

Article 5 **Reporting period**

Statistical reports should be sent to CBK on regular monthly basis, according to the deadlines stated below:

<u>Reporters</u>	<u>Reporting period</u>
• Commercial banks	t +15 (15 days after the reference period)
• Insurance companies	t +15 (15 days after the reference period)
• Pension funds	t +15 (15 days after the reference period)
• Microfinance institutions	t +15 (15 days after the reference period)
• Financial auxiliaries	t +15 (15 days after the reference period)

If the final statistics are not available within these deadlines, provisional (preliminary) data must be submitted to CBK, within the time specified by this Regulation. Any revision of statistics by reporters should be reported again to the CBK, when identified.

Article 6 **Statistical reports**

Financial corporations report to the CBK in a regular periodical basis and pursuant to the deadlines specified in Article 5 of this Regulation. The CBK through reporting instructions defines in detail the statistical reports to be submitted to the CBK. Reporting instructions contain

detailed reporting forms and instructions on completing these forms. Statistical reports submitted to the CBK are:

- Commercial banks:
 1. *Statistical Bank Report*;
 2. *Interest Rate Report*;
- Insurance companies:
 3. *Insurance Companies Statistical Report*;
- Pension funds:
 4. *Pension Funds Statistical Report*;
- Microfinance institutions:
 5. *Microfinance Institutions Statistical Report*;
 6. *Microfinance Institutions Interest Rate Report*;
- Financial auxiliaries:
 7. *Financial Auxiliaries Statistical Report*.

Statistical reporting requirements are based on International Statistical Standards such as: *Monetary and Financial Statistics Manual* (International Monetary Fund 2000), *Monetary and Financial Statistics Compilation Guide* (International Monetary Fund 2008), *System of National Accounts 2008*, *European System of Regional and National Accounts 95*, *Manual on MFI Interest Rate Statistics* (European Central Bank 2003).

For purposes of MFS and FAS, financial corporations report to the CBK, the audited financial statements (annually), within the deadline specified in the applicable legislation. Financial corporations must report additional statistical information, if so required by the CBK. This will also be the case if the specific requirements for statistical reporting may be different from existing ones.

Article 7 Confidentiality

In accordance with applicable law, the CBK respects confidentiality in relation to individual data sent by the reporters, and uses such information only for statistical purposes, as defined in this Regulation.

Article 8 Quality of information reported

With the aim of increasing the quality of reported statistics, the CBK does monitoring and evaluation of the quality of data sent to CBK and take all measures it deems reasonable and necessary to ensure that the quality of data is based on defined statistical standards.

Article 9
Entry into force

This Regulation shall enter into force 15 days after its approval by the Board of the Central Bank of Republic of Kosovo. Statistical reports for microfinance institutions and money transfer agencies shall be implemented from January 2012, while insurance companies and pension funds statistics starting from March 2012.

Gazmend Luboteni
Chairman of the Board of the Central Bank of Republic of Kosovo