



OXFORD ANALYTICA

ISRAEL

MONETARY TRANSPARENCY

Country Report 2006

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ISRAEL



COMPLIANCE RATINGS

<i>Monetary transparency</i>	2006	2005	2004	2003
Clarity of roles	●●●●	●●●●	●●●●	●●●●
Open decision process	●●●	●●●	●●●	●●●
Availability of information	●●●●	●●●●	●●●●	●●●●
Accountability	●●●●	●●●●	●●●●	●●●●
Score	3.75	3.75	3.75	3.75

OUTLOOK & COMMENTARY

Monetary transparency is expected to be enhanced by a new Bank of Israel Law awaiting approval by the Knesset. The new law will grant formal independence to the central bank and will set a legal requirement for the publication of the minutes from the Bank's board meetings. Anticipating approval of this provision, since May 2006 the Bank of Israel (BoI) has been publishing minutes of its internal Monetary Policy Forum meetings two weeks after they have taken place.

A new Statistics and Information Division of the BoI has been operational since June 2006 and is responsible for collecting and aggregating monetary statistics according to IMF Special Data Dissemination Standard requirements.

Preparations for the launch of the Real Time Gross Settlement System (RTGS) are ongoing, and the system is expected to be launched in May 2007.

EXECUTIVE SUMMARY

3.75 Compliance in progress

Israel's commitment to monetary transparency is expected to be highly enhanced with the approval of a new Bank of Israel (BoI) Law which was proposed last year. A draft of this new law is being discussed by the Ministry of Finance (MoF) and the Bank of Israel (BoI), which are negotiating a number of specific provisions, including salary agreements. Once these negotiations are over, the Knesset (parliament) should approve the law quickly, given the apparent absence of opposition.

Although the full draft law is not yet publicly available, a number of its provisions are expected to enhance the transparency of monetary policy operations. For example, an announcement is expected to follow each decision taken by the Monetary Committee (a new body established by the law to conduct monetary policy together with the governor), and minutes of its meetings are expected to be published within two weeks. Anticipating this new requirement, the BoI began publishing the minutes of its Monetary Policy Forum in May 2006. While this move has improved transparency relative to the past, minutes do not yet include information on individual positions for or against changes in the interest rate.

Since June 2006, a new BoI Statistics and Information Division has been responsible for collecting monetary statistics, and it has started a project to calculate aggregate monetary statistics strictly according to the IMF Monetary and Financial Statistics Manual for reporting based on IMF Special Data Dissemination Standard (SDDS). While the BoI does not provide a pre-announced schedule of data to be released, this is available on the Central Bureau of Statistics (CBS) website. As of 2006, all research working papers are published with an English abstract.

A Real Time Gross Settlement (RTGS) system is expected to be launched in May 2007. An initial report on this system was published by the BoI at the beginning of 2006. By the end of 2006, the process of checking compatibility of the software with the BoI internal systems and the international SWIFT programme will have been completed. The system will be tested within the BoI until February 2007 and with external banks for the following two months, prior to its official launch in May 2007.

Israel's overall score is unchanged from last year.

1. CLARITY OF ROLES, RESPONSIBILITIES AND OBJECTIVES OF CENTRAL BANKS

●●●● Compliance in progress

The objectives and institutional framework of monetary policy

Central bank objectives and responsibilities

The Bank of Israel (BoI) Law sets out the functions and responsibilities of the central bank. The law is currently being revised to grant the BoI formal independence in its formulation and conduct of monetary policy. Negotiations between the Ministry of Finance (MoF) and the central bank on the last details of the draft (including salary agreements) are currently ongoing, and the Knesset (parliament) is expected to approve the law rather quickly once these negotiations are over, as there appears to be no obvious opposition to it.¹ In addition to formulating and carrying out monetary policy, the BoI regulates the banking system and acts as fiscal agent for the government. Israel maintains a flexible exchange rate regime. The central bank does not intervene in the foreign exchange market, except for very minor 'smoothing' operations typical of all free-floating currency regimes.

The previous BoI governor, David Klein, came under intense criticism for keeping policy too tight. Partly as a result, the government resuscitated the Monetary Policy Advisory Committee, a government-appointed committee comprised of leaders in the business and academic communities, to discuss policy on a regular basis and advise the BoI and the governor on economic and monetary policy. The committee has no power to decide policy and is viewed as a rubber stamp for the BoI's monetary policies. The approval of the Advisory Committee is not needed to change interest rates.²

According to the draft BoI Law, put forward by the current central bank Governor, Stanley Fischer, (an eminent IMF and World Bank economist appointed in May 2005), the main BoI objectives would be price stability (through inflation targeting), financial stability and, thirdly and not at the cost of the first two, the promotion of growth and employment. In order to strengthen the central bank's independence, the draft gives the BoI the right to use any monetary instrument it might require. Under the new law, the existing Monetary Policy Advisory Committee would be disbanded, and two new bodies would be formed: a Monetary Committee consisting of three independent members and three BoI members -- including the governor, who will act as chairman and hold the casting vote -- and an administrative council for personnel issues. The Monetary Committee would be responsible for decisions on changes in the interest rate. It would publish formalised meeting times and announcements on interest rate changes, as well as the rationale behind any decisions taken.³

Operational autonomy

Since the 1980s, when reforms to address the crisis of hyperinflation won the central bank its independence, BoI governors have consistently demonstrated the central bank's operational autonomy from government policy through their control of inflation. Specific events in 2002 contributed to the conservative bias in monetary policy in 2003. First, the governor and the finance minister in 2002 agreed that the former would reduce interest rates in return for the government reducing its deficit. In the event, the governor cut rates, but the government was unable to reduce the deficit. The government then attempted (but failed) to change the BoI law in a way that would have effectively turned the central bank into a department of the MoF.

Part IV of the current BoI law details the procedures for appointments, terms of office, and the criteria for removing the heads and members of the central bank's governing body. The IMF has recommended that the BoI law should be "amended to strengthen the central bank independence and reflect international best practice regarding monetary policy objectives and procedures, so as to enhance confidence and minimise the risk that temporary breaches of inflation targets could unhinge expectations."⁴ Once the new BoI law is passed, strengthening the central bank's autonomy and targeting inflation, these recommendations will be fully met.

Institutional relationship between monetary and fiscal operations

The laws establishing the BoI clearly distinguish its activities from those of the government.

Monetary and fiscal operations are normally coordinated through formal and informal meetings between the governor, the minister of finance and other senior staff from the BoI and the MoF. The BoI is the official economic adviser to the government. After a difficult year in 2002, when such meetings virtually came to a halt, the ministries increased discussions in 2003; for example, the MoF cooperated fully with the BoI's request for data to feed its macroeconomic model of fiscal policy. However, this was at management level; the rift between the finance minister and central bank governor remained wide. Since 2004, relations and coordination have further improved with a change in officials and in policy, and the current coordination between the BoI and the MoF is good.⁵

The BoI does not engage in substantial quasi-fiscal activities.⁶

Lending to government

According to the existing law, the BoI must not provide loans to finance government expenditure.⁷ However, the BoI is permitted to finance limited cash shortfalls, lend to finance excess expenditures in foreign currency, and provide loans for the repayments of government debt to the BoI. The BoI's monthly balance sheets disclose the amounts of credits, advances or overdrafts to the government.⁸

Central bank involvement in the rest of the economy

The BoI is not involved in equity ownership, membership of governing boards, procurement or provision of other services for a fee.

Central bank profit allocation

In accordance with the BoI law, the central bank must transfer its net profits to the government within 60 days from the expiration of each fiscal year. Since 1991, the BoI and the MoF have agreed to register part of these profits, known as 'realised real profits', as current income in the government budget.

Agency roles performed by the central bank on behalf of the government

The BoI law clearly defines the role of the central bank as the sole fiscal agent and banker to the government.⁹ Normally, the BoI plays an important consultative role in setting the government's budget and in suggesting areas for new economic and regulatory legislation.

The BoI acts as the manager of foreign exchange reserves. The MoF manages the public debt, accounts of which are published by the BoI. The central bank used to be responsible for arranging auctions through which tradable government bonds are sold to the public, but this responsibility has been transferred to the MoF.

2. OPEN PROCESS FOR FORMULATING AND REPORTING MONETARY POLICY DECISIONS

●●● Enacted

The framework, instruments and targets of monetary policy

Framework and monetary targets

Inflation targeting is the main objective of monetary policy.¹⁰ The BoI's *Inflation Report* details explanations of the interest rate and the monetary instruments used to achieve the inflation target. The report often contains models that help explain how monetary policy instruments control inflation.¹¹

However, some commentators have highlighted that the previous governor never indicated the importance he gave to each of the BoI models or various economic indices at his disposal when making decisions on interest rates. Once the new BoI law is passed, the way in which monetary policy decisions are made will be altered, in that they will become the combined decision of the Monetary Committee, rather than purely the decision of the governor. As part of the change in law, the BoI will be expected to publish details of how the committee reached its decision as to whether and by how much to change interest rates. Not only should this follow each Monetary Committee decision, but minutes of the meetings should be published within two weeks. Anticipating that this legal requirement will be set down in the new BoI law, the central bank started publishing minutes of its Monetary Policy Forum meetings in May 2006. While this decision has improved transparency relative to the past, minutes do not include information on individual positions in favour or against changes in the interest rate.¹²

The BoI has comprehensive inflation forecasts, including 'fan chart' projections of inflation. Since 2003, the projections have covered the coming twelve-month period, rather than the calendar year. The BoI in 2003 also provided, for the first time, a detailed explanation in both English and Hebrew of the methodology behind its inflation target. There is no explicit weighting given to any one indicator of inflationary pressure. The BoI and the MoF have been working more closely together over the past three years to ensure that their forecasts match.¹³

The IMF has recommended that the BoI "communicate more clearly its policy and its views regarding the inflationary environment in order to continue anchoring expectations within the inflation target range". It recommends that the BoI supplement the half-yearly *Inflation Report* with interim quarterly updates, and that the BoI place more emphasis on the dynamics of future inflation in the report.¹⁴ The BoI agrees on the need for greater transparency, although it is concerned that the markets might misinterpret the additional information -- specifically, the assessment of risks and likely policy response.¹⁵ Again, the policy announcements which will be released once the new BoI law is passed will improve the level of information available to the public.

Monetary instruments

Since 2001 the central bank's ability to use monetary instruments has improved. The BoI operates in the primary and secondary markets for government securities. The lending rate for required reserves at the central bank (the 'auction rate') is the primary tool of monetary policy. Open market operations are conducted in government securities for minor liquidity adjustment. T-bills are issued to operate monetary policy. There are no longer any ceilings on T-bills, and the market for these has widened.

The current BoI law details all monetary policy instruments.¹⁶ The interest rates on the BoI's lending and auctions for deposits from banks serve as important instruments. The BoI's major monetary policy tool in recent years was the deposit auctions conducted with commercial banks, but it has now moved to the sale of short-term notes. In 2002, the BoI embarked on a programme to increase the use of the monetary auctioning of tradable paper, known as *makam*, after the ceiling on *makam* was eliminated in December 2001.¹⁷ In 2005, the BoI also adjusted the way it conducts its monetary auctions. Previously, it lent to banks at preferential interest rates; that system has now been abolished and there is a band -- at 1% below BoI rates for deposits, and at 1% above BoI rates for lending. Banks also used to be able to carry over any deficits they held on the inter-bank market from day to day, but transaction balances are now closed on each trading day.¹⁸

The monetary policy-making body

Monetary board

The Monetary Policy Forum, headed by the governor, is an informal policymaking body responsible for monetary policy decisions. The Forum advises the governor on monthly monetary plan decisions and consists of directors and senior staff from four departments, including the Research Department, the Monetary Department and the Foreign Exchange Activity Department.¹⁹

Up until last year, monetary policy decisions were made by the governor alone. Although this continues to be the case, Stanley Fischer is working to change this, and the draft BoI Law is expected to include relevant provisions on the subject. The governor controls all public reporting, giving the appearance of BoI unanimity for all decisions. Differences of opinion and internal disputes only emerge once a senior official resigns and voices such differences to the media.

Two new bodies would also be formed under the new law: a Monetary Committee consisting of the governor, the deputy and three independent members, and an administrative council for personnel issues. The Monetary Committee would be responsible for decisions on changes in the interest rate. Its decisions would be reported immediately after being made, and a description of the decision-making process would be published two weeks after the meeting.²⁰

Advance meeting schedule

Following the monthly meetings of the Monetary Policy Forum (which usually take place on the last Wednesday of every month), monetary policy decisions, focusing particularly on the interest rate for the month ahead, are published on a pre-announced schedule by press release.²¹ The BoI website includes dates of announcements of changes in the interest rates and their effective dates for the current year.²²

Public statements on monetary policy

Periodic publications

By law, the BoI must publish certain reports that make it accountable for its actions. Among these is a weekly report which is published in the official gazette, *Reshumot*, showing amounts of currency in circulation and details of assets as cover for liabilities. The current BoI Law also specifies the various reports that need to be prepared: the governor must submit an *Annual Report*, including a balance sheet, to the government and the Finance Committee of the Knesset; the governor must also present a monthly report to the government containing the discussions and resolutions of the BoI's Advisory Committee.²³

Changes to the setting of monetary policy instruments have mainly involved the replacement of administrative instruments by market-oriented ones. The governor must consult the Advisory Committee on proposed changes in monetary policy instruments. These are announced immediately after a decision is made and disclosed in the *Annual Report*, the *Inflation Report* and on the BoI's website. Twice a year, the central bank publishes an *Inflation Report*, that examines monetary developments and the policies needed to achieve the inflation target. This is published on time, and copies are available in English. At any time when the money supply increases by 15% or more, the BoI is required to send a special report to the government.

The BoI failed to publish its *Annual Report* for 2001 as a result of an internal dispute between the governor and the workers' committee. The *Annual Report* for 2002 was published on time, but as a series of assessments, rather than as a single document. This method of producing the *Annual Report* continued in 2004 and 2005; whereas previously the research department produced one report, now economists from all departments participate in the preparation of a single document to be made available to the public. All the chapters of the report are discussed in a single forum -- mainly composed of research department staff, but also attended by other BoI economists -- before they are submitted to the governor.²⁴ The *Annual Report* is published in English, but with some lag.

The *National Budget*, previously an annual publication of the BoI and MoF, includes forecasts for the two years following the budget year. The *National Budget* for 2003 was not published jointly, because of disputes between the BoI and the MoF. Although this has continued to be the case, it is not seen as a concern either by BoI or MoF officials. In fact, commentators have regarded this as a better system, in that earlier reports were weaker because officials had to negotiate numbers, policy and wording, whereas now each report has clear analysis and projections, making the system a positive development for transparency. Last year, only the MoF published the *National Budget* for 2006.²⁵

The BoI has created a multi-year budget, based on budget trends and actual legislation, and published it for the first time in the 2002 *Annual Report*. It has been updated each year since, to reflect the passage of new measures. The BoI's multi-year budget study is a 70-page analytical report listing each separate budgetary component and each assumption that goes into it.

Fischer's predecessor as governor used speeches and press releases as his preferred means of communicating with the public. This centralised the governor's control over the flow of information from the BoI and circumvented the requirement that he hold an ongoing dialogue with the MoF. By contrast, Fischer is committed to the adoption of standard international practices including more open communication.

Regulations on data reporting by financial institutions to the central bank

In accordance with the current BoI Law, financial institutions must report to the central bank on their assets, liabilities and capital.²⁶ At the request of the governor, each bank must also submit a report on its liquid assets, which is done on a daily, weekly and monthly basis.

In 2003, the BoI began surveying banking sector participants on their attitudes towards future conditions, using the results to inform policy decisions. The results of these surveys have not yet been made public.

3. PUBLIC AVAILABILITY OF INFORMATION ON MONETARY POLICY

●●●● Compliance in progress

Release of central bank data

Israel is a subscriber to the IMF Special Data Dissemination Standard (SDDS) and meets its requirements for the coverage, periodicity and timeliness of financial sector data.²⁷

Daily interest rate data are disseminated on: the BoI key rate (the policy variable), auction rates for short-term and long-term government securities, the average inter-bank loan rate (a proxy for the policy variable rate), and yields to maturity from secondary markets on government securities: (a) long-term bonds with ten-year maturity, linked to the Consumer Price Index, and (b) short-term unlinked securities, with maturities of nine to twelve months.

Central bank data are disseminated monthly in millions of New Israeli Sheqalim (NIS) on the analytical accounts of the central bank. Data are disseminated on reserve money, net domestic claims on the central government (there are no claims on local authorities, non-profit institutions, or non-financial public enterprises), net domestic claims on the private sector and net foreign assets.

The central bank also produces an international investment position, external debt, exchange rates and the analytical accounts of the banking sector.

In its 2006 ROSC Data Module, the IMF recommended the standardisation of monetary statistics collection and dissemination. Since June 2006, a new BoI Statistics and Information Division has been responsible for collecting monetary statistics and has started a project to calculate aggregate monetary statistics strictly according to the IMF Monetary and Financial Statistics Manual for reporting based on SDDS.²⁸ Seasonally adjusted data or three-month rolling averages are available on the website of the BoI.

The central bank balance sheet

The BoI publishes monthly balance sheets with a lag of two to three weeks from the end of each reporting calendar month.²⁹ Annual balance sheets, including a profit and loss account, must be submitted to the government and the finance committee of the Knesset within five months from the end of the BoI's business year. These are posted on the BoI's website and are available in the *Annual Report*. Balance sheets are prepared according to Israeli accounting standards.

The BoI provides details of aggregate market transactions through its written reports to the legislature. Loans or deposits to commercial banks are undertaken through an auction process.³⁰ The BoI publishes information on this process in the monthly monetary plan for the next period.

Lender of last resort

At present, there are no regulations or policies that govern the BoI's role as lender of last resort. While there is no formal guarantee of central bank intervention in the event of a bank crisis, it is informally expected that the BoI

would offer its support, as happened in 2002.³¹ A risk team with representatives from the major banks is currently working together to estimate risks and decide how best to manage them.

A Real Time Gross Settlement System (RTGS) is being established, the major target of which is to reduce risk. All systems within the BoI are to be connected to RTGS, which is expected to be launched in May 2007. An initial report on this system was published by the BoI at the beginning of 2006. Software has been provided by Montren, a US company, while hardware has been provided by an Israeli company. Both were installed in July 2006. While the RTGS was originally expected to be launched in March 2007, the Lebanon war has resulted in a two-month delay. By the end of 2006, the process of checking compatibility of the software with the BoI internal systems and SWIFT will have been completed. The system will be tested within the BoI until February 2007 and with external banks for the following two months, before is it officially launched in May 2007.³²

Public information services

The BoI has a special unit that provides comprehensive information to the public and media on a regular basis. It is, however, subservient to the governor. BoI press releases are invariably designed to highlight only those points that the BoI wishes the public to recognise. Dissenting interpretations of the data are never included in the summaries. This will improve once the new BoI Law is passed, as it will enforce regular public announcements on monetary policy decisions and on how they were reached.

The BoI has begun to enhance the public understanding of the inflation process by presenting different economic scenarios. Improvements in transparency via the BoI website include the cataloguing of 400 publications, searchable by name, topic, author and other parameters. In 2003 directives and legislation on money laundering were posted on the website, with English translations. At the same time, there were improvements in the production of the *Recent Economic Developments* reports, which previously were translated and posted with a six-month lag. The Shekel exchange value time-series, dating from the establishment of Israel in 1948, was also made available on the BoI website. In 2005, the central bank published a further 100 time series data items in an interactive format on the website.³³

As of 2006, all research working papers are published with an English abstract. Whether or not to publish an entire research paper in English is up to the author. While the BoI does not provide a pre-announced schedule of data to be released, this is available on the Central Bureau of Statistics (CBS) website.³⁴

4. ACCOUNTABILITY AND ASSURANCES OF INTEGRITY BY THE CENTRAL BANK

●●●● Compliance in progress

Accountability before a designated public authority

The Knesset's Finance Committee summons the governor to discuss any matters related to the activities of the BoI. This normally occurs three or four times a year. In particular, these meetings are held following the publication of the BoI's *Annual Report* or interim assessments of inflation for the current year that indicate significant changes in trends. The governor often authorises the appearance of other officials before this committee and other institutional bodies.

Financial statement

Audited financial statement

The annual audited financial statement of the BoI is disclosed two months after the end of the financial period. An independent, private sector auditor audits the financial statement. Significantly, detailed information on the expenses and revenues of the BoI are not publicly disclosed.³⁵

External and internal audit

While internal governance procedures are not publicly disclosed, and therefore are not part of the media debate on the BoI's operations, the state comptroller does have access to the BoI's internal audit reports and can publish its own reports, subject to secrecy constraints.³⁶

Conduct of officials

Rules that regulate the conduct of officials are based on the BoI Law and the code of conduct for central bank employees in Israel.³⁷ In particular, the rules specify how BoI employees should deal with issues such as secrecy and work processes. Legal protection exists for all BoI officials, who are covered by the legal code used for all public employees.

INTERVIEWS

Representatives of *Oxford Analytica* interviewed the following officials during a visit to Israel between 13 and 17 November 2006:

Bank of Israel

16 November 2006

Eyal Argov	Economist	Research Department
Yehudit Golan	Senior Economist	International Affairs
Adi Brender	Senior Economist	Public Sector Analysis, Research Department
Ahuva Ben Shalom	Chief Analyst	IT Department

Ministry of Finance

13 November 2006

Marc Luban	OECD Coordinator	
Yossi Gordon	Deputy Director	Budget Department

15 November 2006

Avisar Cohen	Senior Deputy Accountant General	Accountant General's Office
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16 November 2006

Eldad Shidlovsky	Senior Division Manager	Economics and Research Department
Yariv Nehama	Deputy Accountant General	Accountant General's Office
Israel Kaplan	Senior Director	

ADDITIONAL INTERVIEWS

13 November 2006

Soli Peleg	Senior Director	Macroeconomics Department Central Bureau of Statistics (CBS)
Amir Davidson	Director	General Government and Social Services Accounts Sector Central Bureau of Statistics (CBS)

14 November 2006

June Dilevsky	Assistant Director	Department of International Affairs Israel Securities Authority
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Yoram Naveh

Deputy Director and
Legal Counsel

Corporation Finance Department
Israel Securities Authority
Israel Securities Authority

Shirelle Guttman-Amira

NOTES

- ¹ Interviews in Israel, 13-17 November 2006.
- ² Interviews in Israel, 11-14 October 2004.
- ³ Interviews in Israel, 1-4 November 2005.
- ⁴ IMF Concludes Article IV Consultation with Israel, April 29, 2004:
www.imf.org/external/np/sec/pn/2004/pn0448.htm
- ⁵ Interviews in Israel, 13-17 November 2006.
- ⁶ IMF 'Israel: Report on Observance of Standards and Codes – Fiscal Transparency Module', April 2004.
- ⁷ Bank of Israel Law, 5714-1954 in Israel's Banking Legislation, July 1996, Article 45(a).
- ⁸ See Bank of Israel website under 'Information and Data' at: www.bankisrael.gov.il
- ⁹ Bank of Israel Law, 5714-1954 in Israel's Banking Legislation, July 1996, Article 57(a).
- ¹⁰ 'About the Bank of Israel', Bank of Israel website at: www.bankisrael.gov.il.
- ¹¹ www.bankisrael.gov.il/publeng/publeng_pb.htm
- ¹² Interviews in Israel, 13-17 November 2006.
- ¹³ Interviews in Israel, 13-17 November 2006.
- ¹⁴ Israel: 2003 Article IV Consultation—Staff Report; Staff Statement; and Public Information Notice on the Executive Board Discussion, IMF, June 2004.
- ¹⁵ Israel: 2003 Article IV Consultation—Staff Report; Staff Statement; and Public Information Notice on the Executive Board Discussion, IMF, June 2004.
- ¹⁶ Bank of Israel Law, 5714-1954 in Israel's Banking Legislation, July 1996, Parts 8-10.
- ¹⁷ Interviews in Israel, 11-13 November 2002.
- ¹⁸ Interviews in Israel, 13-17 November 2006.
- ¹⁹ IMF, 'Code of Practices on Transparency in Monetary and Financial Policies – Follow-up Questions for Israel FSAP,' July 2000, p. 29.
- ²⁰ Interviews in Israel, 13-17 November 2006.
- ²¹ See the 'Press Releases' page on the Bank of Israel website at: www.bankisrael.gov.il
- ²² www.boi.gov.il/deptdata/monetar/intdatee_2007.htm
- ²³ Bank of Israel Law, 5714-1954 in Israel's Banking Legislation, July 1996, Article 24.
- ²⁴ Interviews in Israel, 13-17 November 2006.
- ²⁵ Interviews in Israel, 1-4 November 2005.
- ²⁶ Bank of Israel Law, 5714-1954 in Israel's Banking Legislation, July 1996, Article 56(a).
- ²⁷ See the IMF's SDDS website at dsbb.imf.org for the country site of Israel.
- ²⁸ "Israel: Report on the Observance of Standards and Codes – Data Module, Response by the Authorities, Detailed Assessments Using the Data Quality Assessment Framework (DQAF)," IMF, 2006.
- ²⁹ Bank of Israel Law, 5714-1954 in Israel's Banking Legislation, July 1996, Article 58. These are published in *Reshumot*, the government gazette and are posted on the Bank of Israel website under Bank of Israel Annual Financial statements and end of month balance sheets (monthly update) at: www.bankisrael.gov.il
- ³⁰ See 'Monetary Department Auctions' at: www.bankisrael.gov.il
- ³¹ Interviews in Israel, 13-17 November 2006.
- ³² Interviews in Israel, 13-17 November 2006.
- ³³ www.bankisrael.gov.il/series/en/
- ³⁴ Interviews in Israel, 13-17 November 2006.
- ³⁵ Interviews in Israel, 13-17 November 2006.
- ³⁶ Basic Law on the State Comptroller at: www.israel-mfa.gov.il
- ³⁷ 'Re: code of conduct for central bank employees in Israel', Bank of Israel, June 2001, p. 1.