

## **Hungarian Monetary Statistics: the Road to EU Membership**

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Relying on ECB assistance, co-operation with EU member states and accession countries, preparatory work started in 2000, and finally completed by the beginning of 2003. According to the IMF's Report on the Observance of Standards and Codes of 2000-2001, the starting position of Hungarian monetary statistics was fairly good. Still, substantial changes had to be introduced in terms of changing various classifications, valuation rules, defining and identifying money market funds, money market paper. The changes had to be implemented by maintaining the joint balance sheet data collection system with the institutionally separate Hungarian Financial Supervision Authority.

According to the Hungarian decision, ECB requirements had to be adopted as soon as possible, — after consulting reporting agents well ahead of time. The transition was carried out in two phases. Major outstanding issues that remain to be solved are working out the way of deriving flows for balance sheet items and achieving compliance with the sampling rule for interest rate reporters. Subject of decision is further the introduction of euro interest rates statistics that besides ECB needs have special domestic significance in the period until joining the EMU. Parallel to implementing ECB standards, the Statistics department of the Hungarian central bank went through substantial streamlining, and the implementation of quality assurance system.

Major tasks ahead:

- extending the range and improving the quality of methodological publications,
- creating communication channels with the users of monetary statistics,
- creating the infrastructure for data communication with the ECB,
- building a statistical data base,
- the transition from census type data collection to sampling techniques (e.g. OFI sector balance sheet statistics) and
- actively contributing to the methodological development work at the ECB.