Technical Central Bank Cooperation (TCBC) among Central Banks

CEMLA‘s 60th Anniversary Commemorative Conference

Jürgen Sterlepper, Director of the Centre for Technical Central Bank Cooperation, Deutsche Bundesbank
The start of TCBC at the Deutsche Bundesbank

1989 - Hungarian borders opened / Berlin wall fell
- Financial systems in Central and Eastern Europe needed restructuring
- 15 new central banks were founded in the former USSR
- Some countries used fundaments of existing state banks
- Others had to begin from scratch
Development of TCBC at Deutsche Bundesbank

- Bundesbank‘s TCBC was initially coordinated by a small section in External Department

- 1994: Status of TCBC in Bundesbank upgraded from section to division

- 2005: Status of TCBC division upgraded to TCBC centre

- 2011: TCBC centre becomes a division in the newly established department “Economic Education, University and Technical Central Bank Cooperation”
For Deutsche Bundesbank TCBC means.....

- Central Banks as equal partners
- Promoting economic and financial stability
- Supporting the entire global financial system

- 300 TCBC events per year, focusing on the whole picture of central banking
- 3000 foreign central bankers involved, of whom 1000 in Germany and 2000 abroad
- More than 80 central bank partners worldwide
- Strictly demand driven
- Concept is showing, informing and discussing instead of lecturing

Jürgen Sterlepper, Deutsche Bundesbank
July 19, 2012
Today, Center for Technical Central Bank Cooperation

- has 28 employees, which means
- 1 Director and 1 Deputy Director
- 7 Senior Advisers
- 19 Project Coordinators, Project Managers and Support Staff
- Moreover, the support from specialists from entire Bundesbank is available
Our relationship with CEMLA

− Since 1996 Deutsche Bundesbank is collaborating partner of CEMLA

− The same year our cooperation in TCBC started

− In 2011 further deepening of the relationship by signing a Memorandum of Understanding
Our relationship with CEMLA

−CEMLA as a center of regional monetary cooperation offers Bundesbank the unique opportunity to share our knowledge, experience and procedures with central banks staff from all Latin American and Caribbean central banks.

−Attention is always given to tailor-made seminars, courses or workshops focusing on modern central banking questions e.g. „Modelling and forecasting“, „Macroprudential supervision“, „Central Bank Governance“ or „Internal Audit in Central Banks“
Statistics

Since the beginning of the relationship the number of activities performed by Bundesbank experts increased on a regular basis, especially since 2005

• The number of activities increased from two in 2005 to nine in 2011

• The number of participants reached 176 in 2011 compared to 36 in 2006
Experiences from our cooperation with CEMLA

−Good organisational background in the CEMLA-Headquarters in Mexico City

−For us, using CEMLA as South American contact platform is most favourable

−Cooperation through all those years was very pleasant

HAPPY BIRTHDAY CEMLA!
Competition in TCBC?

- Today – many central banks and institutions worldwide offer TCBC

- Some of those central banks, who earlier have been TCBC recipients, changed into TCBC providers

- Bundesbank considers this as welcome, friendly competition!

Jürgen Sterlepper, Deutsche Bundesbank
July 19, 2012
Need for International TCBC coordination?

- International networking between all providers and recipients makes TCBC transparent. This is an advantage for all.

- But strong international TCBC coordination is rather a disadvantage, for it limits the freedom of choice and the flexibility for all.
TCBC among Central banks – what has it achieved?

- Generally, it is difficult to identify which part of Central Bank`s success is related to TCBC

- But there is no doubt, that the international integration of Central Banks is a sharp instrument for fighting against today`s and tomorrow`s financial crises.

- This scenario needs even more TCBC instead of less TCBC.