EUROPEAN CENTRAL BANK

EUROSYSTEM

OPINION OF THE EUROPEAN CENTRAL BANK

of 21 May 2010

on statistics, cross-border cash movements and Българска народна банка (Bulgarian National Bank) competences

(CON/2010/43)

Introduction and legal basis

On 7 April 2010 the European Central Bank (ECB) received a request from the Bulgarian Minister of Finance for an opinion on a draft law amending the Law on the currency[1] and the Law on measures against money laundering[2] (hereinafter the 'draft law').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union and the first, second, third and fourth indents of Article 2(1) of Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions[3], as the draft law relates to currency matters, means of payment, Българска народна банка (Bulgarian National Bank) (BNB) and the collection of statistics. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

1. Purpose of the draft law

The draft law will amend certain provisions of the Law on the currency, among other things to:

(a) regulate the controls of cross-border cash movements between Bulgaria and other Member States or third countries;

(b) introduce rules on the collection, maintenance and reporting of balance of payments and international investment position statistics, provide definitions of certain terms in this field, and extend BNB's competences;

(c) bring the terminology of the Law on the currency and the Law on measures against money laundering into line with the terminology of Bulgarian and Union legislation.

1 Published in *Darjaven vestnik* No 83, 21.9.1999.

2 Published in *Darjaven vestnik* No 85, 24.7.1998.

3 OJ L 189, 3.7.1998, p. 42.

2. Specific observations

2.1 *Controls of cross-border cash movements between Bulgaria and other Member States or third countries*

The ECB understands that the proposed amendments are aimed at aligning the Law on the currency with the provisions of Regulation (EC) No 1889/2005 of the European Parliament and of the Council of 26 October 2005 on controls of cash entering or leaving the Community[4].

2.2 *Balance of payments and international investment position statistics*

The ECB welcomes the proposed amendments to the Law on the currency and the aim of achieving the required level of statistical legal convergence with the relevant Union framework and the Sixth Edition of the IMF's Balance of Payments and International Investment Position Manual.

The ECB welcomes the removal of the reference to the quarterly reporting requirement in proposed Article 10(1) of the Law on the currency, in order to allow the monthly collection and processing of statistics. For the same reason, it is advisable to make the reporting requirement in relation to resident natural persons, under proposed Article 10(2) of the Law on the currency, more frequent than once a year. Therefore, the ECB suggest deleting the words 'on an annual basis by 31 March each year' in proposed Article 10(2) of the Law on the currency.

2.3 *BNB's competences concerning statistics*

The ECB welcomes the extension of BNB's competences, which will entitle BNB to: (a) require from any person information relevant to the international investment position of Bulgaria[5]; (b) access public administration databases containing information necessary for the production, development and distribution of European statistics[6]; (c) conduct other regular statistical surveys[7]; and (d) verify and compulsorily collect statistical information pursuant to Article 6 of Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank[8].

4 OJ L 309, 25.11.2005, p. 9.

5 See the proposed amendment to Article 8(1) of the Law on the currency.

6 See the proposed amendment to Article 8(3) of the Law on the currency.

7 See the proposed amendment to Article 10(3) of the Law on the currency.

8 OJ L 318, 27.11.1998, p. 8. See the proposed amendment to Article 17(2)(a) of the Law on the currency.

This opinion will be published on the ECB's website.

Done at Frankfurt am Main, 21 May 2010.

[signed]

The President of the ECB

Jean-Claude TRICHET