1. The National Bank as an enterprise

1.1 Highlights

The most notable event in 2014 was the entry into force of the single supervisory mechanism on 4 November. However, as will be clear from the ensuing pages, this was not the only subject to which the Bank devoted its energy during the year under review. While continuing to pay attention to its changing environment, the Bank intends to chart a clear course on the major strategic options which will determine its future in the medium term. To that end, it launched an ambitious strategic review exercise in 2013 which it completed during 2014. In order to see the key events of 2014 in context, it is necessary to begin this retrospective account by reiterating the main conclusions of that strategic exercise. This digression will provide a clearer understanding of the various events discussed below in the Bank's many sectors of activity.

Box – The "NBB 2020" strategic review exercise

Known as "NBB 2020", the strategic review exercise which ended in 2014 aimed to analyse the extent to which the Bank's activities and method of operating need to be modified by 2020 to deal proactively with the internal and external changes that the Bank will inevitably face.

We are in the midst of rapid change from a production environment to a knowledge-based enterprise, partly as a result of the introduction of the "twin peaks" prudential supervision model. More than ever before, the Bank is becoming a **competence centre** for monetary policy, economic and financial analysis, and prudential supervision. In order to continue performing these tasks properly, the staff will need different skills; particular attention will therefore focus on training (see also 1.2 Human resources). The large number of employees leaving in the years ahead will also provide the opportunity to adjust the available skills by increasing the proportion of employees with a higher level of education. According to the projections, the total number of staff will decline from around 2 100 full-time equivalents (FTEs) to 1 700 FTEs by 2020.

In that context, scenarios have been drawn up for all the Bank's activities, incorporating the expected changes and the action that will be required. A road map divides these scenarios into stages so that their implementation can be monitored and assessed year by year, and any necessary adjustments can be made according to the circumstances.

In the future, the Bank intends to continue delivering **value added** for the Belgian authorities and for the European System of Central Banks by maintaining its investment in statistics and research, among other things with a growing emphasis on the regional dimension. Further improvements in our expertise in the implementation of monetary policy (for example, the programme for the purchase of asset-backed securities and covered bonds) remain a priority. The new market infrastructure (TARGET2-Securities, etc.) presents a major challenge in that respect. The Bank must also continue to play an active role in a range of international forums.

The Bank's prudential role will evolve further, e.g. following the inauguration of the single supervisory mechanism, the establishment of a resolution authority, and the reform of the prudential regulation framework (Solvency II and Basel III). These developments require the Bank to continue adjusting its skills, its internal organisation and its IT support so that it can carry on fulfilling its prudential role impeccably, both at national level and in collaboration with the ECB within the SSM.

In the banknote sector, the Bank's traditional role will be revised. By 2020, the Bank will no longer be printing banknotes but will buy them in. Tasks will also need to be reassigned between the Bank, the financial sector and the cash transporters. In this model, the Mons and Hasselt branches will close in 2016. However, the Bank will still keep watch over the quality of the banknotes in circulation.

As regards **support tasks**, the Bank will keep a close eye on the appropriateness of the resources used. Staff management will focus still more closely on mobility and talent management, while in IT the emphasis will be on strengthening cyber security. The proportion of other support tasks will gradually be reduced as staff retire.
The aim is to integrate the monitoring of the strategic exercise into the other management instruments. The NBB 2020 plan will be the key theme of the annual budget cycle. The Bank wants to extend the principle of multi-annual governance to the other management instruments over the next five years. That principle will therefore be extended to such areas as action plans, staff changes and staff costs, IT investment, technical facilities and the Bank's profit and loss account.

The Bank intends to take a critical look at its role in society, the activities that it performs, and the way in which its resources are used.

Prudential functions, financial stability and payment systems

With the entry into force of the **single supervisory mechanism** (SSM) in November of the year under review, the first pillar of the banking union has become a reality. The banking sector had previously been subjected to a comprehensive assessment. In Belgium, that comprehensive assessment was conducted for six banking groups: KBC, Belfius, Dexia, Argenta, AXA Bank Europe and Bank of New York Mellon. As the national supervisory authority, the Bank conducted this assessment on the basis of a uniform template developed by the ECB. In this connection, both the ECB and the national authorities enlisted the assistance of independent, external auditors and consultants.

The adoption of the European legislation on recovery and resolution, the intergovernmental agreement and the creation of a single resolution fund opened the way to the second pillar of the banking union, namely the single resolution mechanism (SRM). During the year under review, some of the provisions of that European legislation were transposed into Belgian law by the Banking Law, and the Bank was designated as the resolution authority. In regard to the third pillar, namely the common deposit guarantee system, the European Directive on that subject is to be transposed into Belgian law by the summer of 2015.

On 4 November 2014, the European Central Bank took on ultimate responsibility for bank supervision on the basis of close collaboration with the euro area's bank supervisors. The SSM defines two different categories of banks: significant institutions and less significant institutions.

In the case of significant institutions, the ECB takes direct charge of supervision via what are known as **joint supervisory teams**, i.e. teams directed by a member of the ECB's staff and comprising a small group of ECB staff members in Frankfurt plus a number of staff from the national supervisor seconded to the joint supervisory teams, and – in Belgium's case – under contract to the Bank. The Bank takes an active part in 17 joint supervisory teams, first of all the ones dealing with Belgian "significant institutions" (Argenta, AXA, Belfius, Bank of New York Mellon, Degroof, Dexia, KBC), the large Belgian subsidiaries of foreign significant institutions (BNPP Fortis, ING), and smaller subsidiaries of foreign significant institutions (CMNE, Santander, Monte Paschi, Puilaetco, SocGen) and a number of branches involved in collecting deposits (Deutsche Bank, ABN AMRO, Rabobank).

Belgium has 30 less significant institutions which the Bank now calls "local and specialised institutions". The Bank is their primary supervisor, but the SSM will apply a common methodology and will perform second-line monitoring, and can also take over the supervision of a "less significant" bank at any time.

In **organisational terms**, the Bank has tried to reflect the organisation of the SSM in its own structure wherever possible. Thus, the supervision of significant institutions (exercised in Frankfurt by Directorates 1 and 2) and the supervision of less significant institutions (Directorate General 3 in Frankfurt) are entrusted to separate teams at the Bank, so that each team can concentrate on the work and procedures applicable to the category that it deals with. At the same time, care is taken to retain enough connections between the respective teams to facilitate team rotation.

The Bank also adapted its **governance** in line with the new configuration: while the Board of Directors has to take fewer final decisions than previously, it still has to be fully informed of the SSM's activities, know about the subjects addressed by the JSTs, and approve any proposals by the Bank relating to significant or less significant institutions so that the Bank's viewpoints can be incorporated at an early stage in the SSM decision-making process. The Bank's **Risk Committee** has also set up a weekly SSM meeting for discussing matters concerning the SSM, identifying problems that need to be referred to the Board of Directors, and preparing meetings of the Prudential Supervision Board and the ECB Governing Council.

Thanks to the weekly reporting by the Bank's representatives in the joint supervisory teams and in the SSM's thematic substructures, the SSM Risk Committee is particularly well-placed to establish early links between the various issues so as to ensure consistency in the Bank's contributions to the SSM and to make proper preparations for the Board of Directors meetings concerning the SSM.

The SSM Risk Committee is chaired by the member of the Board of Directors who is also a member of the SSM Supervisory Board. It comprises the Directors responsible for the Prudential Supervision Services concerned, the heads of those services and a number of experts from those Services, plus the head of the Legal Service and the head of the International Coordination and Eurosystem Service. The latter Service takes charge of the secretariat for the SSM Risk Committee.

The operational launch of the SSM inevitably entails adjustments in the initial phase. For both the ECB and the national supervisors, this is a learning process in which problems are identified and resolved as they arise. It is often a question of knowing which rules apply (SSM or Belgian Banking Law), or which procedure should be followed. Obviously, there is still much work to be done to the SSM to improve the convergence of the prudential rules and supervision. At operational level, the smooth functioning of the complex day-to-day supervision matrix, with the ECB providing mentoring for the Bank's staff paid, assessed and promoted by the Bank, will require the maximum attention.

The **single resolution mechanism** (SRM) is the second pillar of the banking union. It brings together the Single Resolution Board (SRB), the EU Council, the European Commission, and the resolution authorities of the Member States participating in the SSM. The SRB is responsible for the preparation and adoption of the resolution plans and resolution instruments relating to institutions and groups regarded by the ECB as significant in the context of the SSM, those for which the ECB has opted to exercise its supervisory powers directly, and the remaining cross-border banking groups. The SRB comprises a chair, a vice-chair, four other permanent members and a representative of each national resolution authority of Member States participating in the SSM. For the purpose of implementing the single resolution mechanism and transposing the Directive on bank recovery and resolution, the Belgian legislature **designated the Bank as the national resolution authority**. This means that the Bank is competent in respect of credit institutions not directly covered by the SRB, and is responsible for implementing the SRB's decisions. The Bank will be represented in the SRB by the member of the Board of Directors responsible for bank resolution.

To ensure that prudential tasks are separated from resolution activities, the Organic Law establishes a new body at the Bank, namely the Resolution College, chaired by the Governor of the Bank. Apart from the Governor, the Resolution College is composed of the Vice-Governor, the Directors responsible for the Service in charge of the prudential supervision of banks and stockbroking firms, the Service in charge of prudential policy and financial stability, and the Service in charge of bank resolution, the Chairman of the FSMA, the Chairman of the Board of the Federal Public Service Finance, the official in charge of the resolution fund, four members appointed by the King by a Decree deliberated in the Council of Ministers, and a magistrate appointed by the King.

The organisation and functioning of the Resolution College and the Services responsible for preparing its work, the conditions under which the College exchanges information with third parties (including the Bank's other bodies and services), and the measures to prevent any conflict of interests between the Resolution College and the Bank's other bodies and services were defined by a Royal Decree adopted on 22 February 2015. That Decree also requires the Resolution College to adopt internal rules of procedure.

Since 1 September in the year under review, the Bank has had a **Resolution Unit** for the preparation of its work. This Unit will prepare the resolution plans of Belgian credit institutions and coordinate them with foreign resolution authorities; it will assess the feasibility of resolution, prepare decisions on the application of the powers intended to reduce impediments to resolvability and, in cases where a Belgian credit institution meets the conditions for resolution, will develop a resolution scheme defining the actions to be undertaken and the way in which the resolution instruments are to be applied. The Resolution Unit will also take part in developing resolution policy, both in Belgium and in international bodies, and will take charge of the secretariat of the Resolution College. In addition, the Resolution Unit will liaise between the Bank and the SSM, e.g. via its participation in the internal resolution teams that the SSM will set up. Those teams, specific to each banking group, will comprise members of the SRB's staff, and members of staff of the national resolution authorities, including – if appropriate – observers from non-participating Member States. These internal resolution teams are to be directed by coordinators appointed from the senior management of the SRB.

To ensure that a consistent position is developed in the Bank, and in order to avoid the duplication of duties, the Resolution Unit will work closely with all the Bank's prudential Services and other Departments. A Risk Team devoted to recovery and resolution will also be set up in order to reinforce that cooperation between all the Bank's Services dealing directly or indirectly with the subjects concerning recovery and resolution.

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With regard to the supervision of **insurance and reinsurance companies**, in the year under review, the agenda was again largely dictated by the forthcoming implementation of the European regulatory reform known as Solvency II, scheduled for 1 January 2016. This new regime strengthens the prudential framework of insurance companies and improves its harmonisation within the European Union. The regime is based on the risk profile of each individual insurance company in order to promote comparability, transparency and competitiveness.

In making preparations for the **Solvency II** regime, the colleges responsible for supervising cross-border groups tried to implement the preparatory guidelines and examined their impact on the functioning of the colleges. During the year under review, risk appraisal at the level of groups and their constituent entities was further developed. In the colleges for groups wishing to use an internal model from the entry into force of Solvency II, discussions began for the purpose of deciding on synchronisation of the approval process to take place in 2015.

During the year under review, in line with the Solvency II approach with its stronger focus on risk, and in order to ensure the efficient allocation of resources which will be in ever greater demand in the future, the teams of insurance company supervisors developed the **clustering** approach. This is an operational approach which aims to adjust the degree of supervision over companies according to the assessment of their risks. That approach is based on assessment of the vulnerabilities of each enterprise in regard to various identified risk areas, and the likely impact on financial / sectoral stability if the institution fails. The classification of companies on that basis determines the extent and frequency of the checks on each company.

Systemic institutions and others with a high risk of failure are subject to full, comprehensive supervision based on the application of the supervisory procedures in their broadest definition and most stringent form. Other institutions are subject to supervision that varies in intensity according to their vulnerability to specific risks relating to the nature and scale of their activities. Those which are not excessively vulnerable and have only limited sectoral importance are subject to limited supervision.

In 2013, the insurance sector had been asked about its practices relating to the best estimate of the technical provisions. The Bank thus aimed to examine the degree to which the sector was ready for the entry into force of the new prudential regime. The survey results were analysed and the findings were communicated to the companies, which were asked to respond and, where appropriate, devise a plan for improving the methodology used. The Bank is conducting an in-depth analysis of the institutions' responses so that it can make any necessary adjustments in good time. The ultimate aim is to ensure that when the new prudential regime comes into effect, companies achieve an acceptable methodological standard.

Under the Solvency II regime, companies will have to conduct a regular assessment of their entire solvency needs as part of their corporate strategy. In 2014, the Bank examined the degree to which companies were prepared for the Solvency II requirements on various subjects.

The work initiated in 2013 on **analysing the business model of insurance companies** forming part of a bancassurance group continued in 2014 and was extended to other large enterprises. Owing to the low interest rate environment, the focus of these analyses shifted towards analysis of the life portfolio's profitability. A profit source analysis was conducted for large (life) insurance companies. It was supplemented by company-specific analyses to explain certain developments in profit margins, underwriting results and costs for the various (groups of) products and companies.

In the future prudential framework of Solvency II, companies will be able to calculate their regulatory capital requirements on the basis of an internal model. The Solvency II Directive specifies that the prudential authority has six months in which to assess the model and approve its use for regulatory purposes. It was decided to permit firms to submit the model to the supervisory authority in advance for assessment, under a pre-application procedure. There is no question of the supervisory authority making a formal pronouncement on the model at this stage. During the year under review, the work on these issues continued with the aim of saving time during the formal approval procedure.

In February 2014, the Bank received for the first time the insurance companies' responses to the **anti-money-laundering** (AML) questionnaire (see Corporate Report 2013, p. 14). It used the information to enhance the formal basis of the classification relating to insurance companies' risks in regard to AML/TF and to refine its internal procedures on the subject. In 2014, the framework was already used, for instance, in two insurance companies where a full inspection was devoted to compliance with the Law of 11 January 1993 on prevention of use of the financial system for money-laundering and terrorist financing.

In view of what was discovered on that occasion, the Bank decided to remind life insurance companies of the need for constant verification that the legal and regulatory provisions in question are indeed respected, and that the resources allocated to dealing with this issue are actually adequate. The Bank intends to continue its supervisory operations focused on money-laundering.

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When the SSM was launched, the Bank decided to **centralise the inspection function** in the Service for Specific Operational Functions in the Field of Prudential Supervision. That organisation is the same as the one set up at the European Central Bank; it is intended to consider inspection as an autonomous function, conducting detailed analyses of risks, risk management measures and governance in accordance with specific procedures.

The inspectors who carry out assignments in insurance companies or financial institutions that do not come under the SSM (stockbroking firms, branches of non-EU financial institutions) also joined the same Service.

In this new structure, two groups were set up: one for banks and market infrastructures and the other for insurance companies. There are also two centres of expertise, one for information and communication technologies (ITC) and the other for internal models. In addition, these two centres are involved in monitoring the risks of institutions and, in regard to ITC, in prudential policy. The inspectors work in a matrix structure in which the first dimension is the type of institution and the second is the inspector's specialisation. This new organisation permits economies of scale and means that the inspection of different types of institutions can be conducted by inspectors who, in most cases, specialise in particular types of risk of technical subjects (ITC, internal models. etc.).

Depending on whether the institutions inspected come under the SSM, the methodology used will be that of the SSM Supervisory Manual or the NOVA, developed in 2013 and explained in a circular. These two methodologies, based on the same concepts and best practices in their sphere, are therefore parallel, with some minor formal differences.

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The central banks' involvement in **payment systems** is due to the need to be able to rely on secure and efficient payment systems both for the transmission of monetary policy stimuli and for the stability of the financial system as a whole.

At European level, the **SEPA (Single Euro Payments Area) project** aims to ensure the standardised, efficient and cheap handling of transfers, direct debits, and card payments and withdrawals in Europe.

Initially, the migration to SEPA in Belgium was designed as a gradual process based in particular on self-regulation by the banking sector. National direct debits and transfers had to migrate to their harmonised European standards. This process therefore involved every segment of society: public authorities, large, medium-sized and small firms, traders and consumers. To coordinate the project, the Bank made use of the social consultation facility provided by the Steering Committee on the Future of Means of Payment in Belgium. This Committee had been set up back in 2004 at the time of the discussions on the costs of the various means of payment in Belgium.

In this consultation, the Bank took on the chairmanship of the Steering Committee and the role of coordinator. A SEPA working group was promptly established to ensure the success of the migration for all parties concerned. The project was then split into various sub-groups, each responsible for supporting, guiding and measuring progress within its own sector: public authorities, firms and consumers. On the more practical front, the Bank set up a central register enabling banks to exchange data on direct debit mandates which had to migrate to their SEPA version.

Once an EU Regulation had set a deadline for that migration (February 2014), the process naturally speeded up. The work of the committee and its various sub-groups then focused mainly on good communication of the information that everyone needed to complete the migration in the time allowed. In the autumn of 2013, the Bank thus organised a joint press conference with the FPS Finance and SMEs/self-employed and Febelfin in order to draw attention to the key deadlines and the challenges to be met.

In Belgium, the migration to SEPA was ultimately a success: all the entities concerned managed to complete it in time.

Today, the Bank remains active in the retail payments sphere and actively monitors developments in Belgium in the same Steering Committee, including in regard to electronic, mobile phone and card payments.

Still in regard to the means of payment sector, the Bank is one of the very few central banks which also performs the role of **central securities depository** (CSD) for its country. In regard to securities settlement and clearing systems, the ECB decided back in 2008 to develop TARGET2-Securities (T2S), a single clearing platform for securities which will make a decisive contribution towards eliminating differences between national and cross-border transactions, at the same time as improving the efficiency of the settlement of those transactions. The Bank's CSD will join T2S in March 2016. With that in view, the Bank had decided not to adapt its NBB-SSS securities settlement platform, but instead to acquire a new platform that met the requirements of the new European context.

At the time of publication of this Report, some modules of the new **RAMSES platform** are already in production, now absorbing 85 % of the operational impact of the transition on the market. The new package is considerably more advanced than the previous clearing system, featuring very highly standardised processing of instructions, real-time settlement of transactions, the introduction of market claims into the system (mechanisms for compensation in the event of default), adaptation to a new, widespread standard permitting the exchange of messages according to the XML standard, and finally a very comprehensive web interface.

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Among its prudential missions, the Bank also exercises **oversight and prudential supervision of financial market infrastructures**. While the purpose of prudential supervision is to check whether the system operator is functioning correctly, oversight keeps watch over the smooth operation of the system itself. Market infrastructure here means a system whereby funds or securities can be transferred between different institutions.

During the year under review, the oversight of SWIFT by the G10 central banks, exercised under the direction of the Bank, again accorded particular importance to cyber risks. That subject likewise remains important for central securities depositories and retail payments via the internet. In addition, the Bank monitored the renewal of some major financial market infrastructure platforms, such as SWIFT and NBB-SSS.

The oversight of infrastructures and payment instruments focused among other things on the adaptation of the Bancontact/MisterCash debit card schemes to the SEPA (Single European Payments Area) standards and on the transfer of SEPA direct debits to the Centre for Exchange and Clearing (CEC), the Belgian clearing institution dealing with retail payment transactions.

Although no central counterparty has been established in Belgium, the Bank took part in the supervision colleges of eight foreign central counterparties, either as the supervisor of a central securities depository where the central counterparty effects settlement, or as the supervisor from one of the three countries with the largest number of clearing members in the central counterparty. During the year under review, the supervisors first assessed whether the central counterparties meet the requirements of the EMIR Regulation in order to qualify for recognition.

Apart from following the Euroclear action plan at the time of the CPSS-IOSCO oversight assessment and the completion of the assessment of NBB-SSS, the Bank devoted its attention to refining the recovery plans for market infrastructures on the occasion of the publication of the CPMI-IOSCO guidance. The prudential supervision of central securities depositories, banks providing custody of securities, and securities settlement systems (SSS) centred mainly on the conduct of the asset quality review and stress tests which were carried out in preparation for the SSM, and on monitoring the new standards (Basel III, CRD IV, large risk exposures, liquidity ratios, leverage ratio).

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The measures adopted at European level to improve financial stability and strengthen the institutions responsible include the recommendation by the European Systemic Risk Board that each country should acquire a **macroprudential supervision** structure to protect it against systemic risks. In Belgium, that task was entrusted to the Bank by a Law dated 25 April 2014. Since then, the Bank has been formally responsible for detecting and monitoring systemic risks, and has been equipped with instruments to prevent or attenuate those risks in order to preserve and improve the resilience of the Belgian financial system. If systemic risks do emerge, the Bank now has access to a wide range of instruments and can issue recommendations to the authorities which can help to combat the systemic risks identified.

The Bank's Board of Directors meets at least three times a year as the macroprudential authority. The Bank's Secretary takes charge of the secretariat, while the Financial Stability Review constitutes the authority's annual publication and serves as the report to Parliament on the Bank's mission as the macroprudential authority.

Macroeconomic research and statistics

The Report on economic and financial developments (chapter 1.3) describes the difficult conditions in which monetary policy was applied during the year under review. In order to reinforce the accommodative monetary policy stance and provide further support for lending to the real economy in the euro area, the Governing Council adopted new conventional and non-conventional measures again this year. These circumstances make it more necessary than ever for the partner central banks in the Eurosystem to keep abreast of scientific knowledge in the sphere in which they operate. For its part, the Bank intends to maintain and reinforce its own cutting-edge research and analysis capability. For that purpose, its measures include support for scientific research in Belgian universities and the promotion of joint projects with the academic world. In that context, since 2000, it has staged **biennial conferences** on macroeconomic topics: the eighth such conference, held on 16 and 17 October 2014, concerned the measurement, determinants and effects of **total factor productivity (TFP)**.

TFP is defined as the efficiency with which goods and services are produced from a given set of production factors, and covers for example the contribution of technical progress to growth. This topic was chosen because the growth of TFP has evidently slowed since the 2000s, particularly in Belgium and in Europe. However, in view of the implications of population ageing for economic growth and public finances, a more dynamic TFP is one means whereby developments in economic activity can make it possible to withstand that shock.

It emerged from the conference that the factors behind the slowdown in TFP include the lack of investment in intangible assets and innovative technologies, and a lack of efficiency in their use. In addition, it seems that market competition, notably the competition from imports, may have a positive impact on TFP. The conference also highlighted the importance of policies on innovation, education, training, public investment – particularly in infrastructure and structural reforms permitting the reallocation of resources, in terms of both employment and financial resources. The role of state aid, particularly during the crisis, was likewise mentioned.

The Bank also attaches great importance to viewing key economic events **in a historical perspective**. On 12 February in the year under review, the European Central Bank and the National Bank jointly hosted a conference in Brussels to commemorate the 20th anniversary of the establishment of the European Monetary

Institute, a major step along the way to Economic and Monetary Union.

Entitled **"Progress through Crisis? Conference for the 20th Anniversary of the Establishment of the European Monetary Institute"**, this conference aimed not only to celebrate that anniversary and pay homage to Baron Alexandre Lamfalussy, the first President of the EMI, but also to trace parallels between the way in which the lessons of the crisis in the 1990s had influenced progress towards Economic and Monetary Union (EMU) and the lessons to be drawn from the recent crisis in the euro area for the future functioning of EMU. In that respect, this conference was the opportunity to assess how past experience remained relevant for the future. Moreover, that approach is very much in the spirit of Alexandre Lamfalussy, the archetypal central banker looking to the future.

This conference, which was chaired by the Governor and welcomed a dozen distinguished contributors, including Alexandre Lamfalussy, Mario Draghi, Jacques de Larosière and Jean-Claude Trichet, attracted an audience of 500 which included ten central bank governors and numerous ministers. It formed the subject of a European Central Bank publication.

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Unlike many of its central bank colleagues, the Bank is the country's leading statistical institute; that gives it access to first-hand macroeconomic data.

In that connection, 2014 saw the entry into force of the **European System of Accounts ESA 2010**, a new standard for the compilation of the national accounts, which spells out for the European Union the general provisions defined at world level by the United Nations (System of National Accounts – SNA 2008).

Although this switch took place in September for Belgium, as it did nor many other EU countries, a great deal of advance preparation was required which involved all the major players. In fact, it represents much more than a simple technical modification, and has a profound impact on all areas of statistics, since it is intended to be more efficient at capturing the radical changes facing contemporary economies: globalisation (i.e. the increasing internationalisation of production processes), development of the knowledge economy, the financial dimension, and the importance of public finances.

In the national accounts sphere, as well as the switch to the ESA 2010, the year 2014 also brought the implementation of **current revisions** (which occur every year in the normal data compilation process) but above all occasional, thorough revisions (occurring about once in five years and resulting from a re-examination of sources and methods). In Belgium, the main occasional revision concerned recognition of the illegal economy (the drugs trade, prostitution and smuggling); although that recognition had previously been advocated by Eurostat, it had not yet been made obligatory owing to the methodological problems entailed.

These revisions, calculated retroactively from 1995, affected all but a few of the statistical series obtained from the national accounts. The revisions resulted in a structural increase of 2.81 % in the GDP for the reference year 2010. Most of that increase (+2.37 %) is attributable to the main change resulting from the ESA 2010: the improved recording of research and development costs which are no longer regarded as intermediate consumption (thus reducing GDP) but instead have to be treated as investment expenditure (increasing GDP). Among the occasional revisions, the recognition of illegal activities led to a much smaller increase in GDP (+0.37 %). In the sphere of public finances, the ESA 2010 revision caused changes in the deficit and public debt ratios as a percentage of GDP owing to complex effects at the level of both the numerators and the denominators. The Belgian public decision-makers and international bodies kept a close eye on these changes.

These major revisions, affecting the entire national accounts compilation process in 2014 and leading to numerous series being updated, necessitated the implementation of a specific communication plan dedicated to the ESA 2010: via a whole range of measures (specific web page, half-day seminar for universities and professionals, technical background briefing for the press, seminar for secondary school teachers, technical publications and publications for the general public, etc.), the plan reached a very wide public and achieved excellent media coverage.

The switch to the ESA 2010 also had a significant impact on **Belgium's financial accounts**. The aforesaid development of the financial dimension resulted in a more detailed breakdown of the financial sector into its various components. It also led to a considerable broadening of the financial sector to include entities previously classified in the non-financial corporations sector. The size of the financial sector, measured on the basis of the total amount of financial assets held by that sector, thus increased by around € 550 billion for the year 2013 in the financial accounts.

The new ESA 2010 methodology also permitted more detailed recording of certain financial instruments. For instance, pension rights are now clearly distinguished from life insurance entitlements, while commercial loans – which are recorded much more fully than before – are clearly identified as a separate financial instrument. The ESA 2010 also provided the opportunity for a complete revision of the process of compiling the financial accounts by the use of new data sources and the total redesign of the data processing application.

The other financial statistics produced by the Bank, which are used in particular as sources for compiling the quarterly financial accounts and for calculation of the European aggregates by the ECB, undergo periodic revisions to cater for new needs. In that context, the data collected on the assets and liabilities of credit institutions, investment funds and companies specialising in securitisation were extended to conform to the new ESA 2010 requirements. The same is true of other statistics collected for the purposes of the ECB, such as those on the issuance and holding of securities. Preparations were made in 2014 for all these new data collection measures which will enter into effect at the beginning of 2015.

It was also during the year under review that the balance of payments figures were published for the first time in the new (sixth) version of the **Balance of Payments and International Investment Position Manual (BPM6)**, the statistical manual for compiling the balance of payments and the overall external position. It outlines the policies on international standardisation of these statistics. To encourage harmonisation between the national accounts and the balance of payments, this updating took place simultaneously with the updating of the national accounts, improving consistency between national and foreign macroeconomic statistics.

The manual is produced by the IMF in close collaboration with European and international institutions. It aims to take greater account of certain economic developments apparent since the publication of BPM5, such as the increasing globalisation and greater importance of foreign direct investment. It also clarifies some of the BPM5 rules and requires a much greater level of detail. Another feature of BPM6 is the primary position accorded to the overall external position as an autonomous statistic alongside the balance of payments. The overall external position reflects the value of assets and liabilities between residents and non-residents at a specific moment in time. Following the preparatory work carried out in previous years, this new methodology actually came into use in 2014. For both the balance of payments and the overall external position, the figures were published according to the BPM6 for a period dating back to 2008. The introduction of BPM6 was the opportunity for other adjustments to make further improvements in the quality of the figures.

Since 2014, **the new application NBB.Stat** has been in use for on-line consultation of the Bank's statistical database. This application will gradually replace Belgostat. NBB.Stat is based on the DotStat package, originally developed by the OECD. Since 2010, this application has been supported by an international collaborative community, making it very cheap to develop and share the statistical program, add new features and encourage the mutual exchange of experiences.

As well as offering a very clear presentation and good search functions, NBB.Stat also provides an efficient interface with Excel. There are various ways of exporting the results, and the platform supports new statistical data exchange standards such as SDMX and JSON. The work of the collaborative community guarantees the future development of the program.

Microeconomic data

The National Bank is also a very important centre for the collection and circulation of microeconomic data and information, as is evident from its Central Balance Sheet Office and its Central Registers for Corporate Credit and Individual Credit. In view of the Bank's expertise in the secure management of large quantities of data, it was entrusted with the task of establishing and managing, on behalf of the Federal Public Service Finance, the **Central Contact Point** introduced by the Royal Decree of 17 July 2013. Since May 2014, it has therefore been the Bank that keeps a central record of the numbers of 46 million bank accounts held in Belgium by 17 million resident and non-resident natural and legal persons. Since 1 April 2015, that register has also stated the types of contract concluded by these customers with financial institutions, such as mortgage loan contracts, instalment sale agreements, leasing agreements, instalment loan agreements, etc.

The information has to be supplied by credit institutions, payment institutions, investment firms, etc. Their declarations never state the amounts relating to the accounts and contracts listed. Consultation is secure and is restricted to persons authorised by the tax authority under a procedure which is strictly defined by law. The natural and legal persons holding the accounts and contracts may also exercise their right of consultation free of charge, and if necessary request the free correction or deletion of incorrect data by their financial institution.

In regard to the **Central Balance Sheet Office**, the National Bank is continuing its efforts to set up an electronic central register favouring the use of the internet as the channel for collecting and consulting annual accounts. A new application for circulating **company files** was made available to the public in June 2014. It now gives firms free on-line access to their own file and enables any interested person to order a PDF or paper version on payment of a fee (€ 29.98). The development of this application also permitted a considerable improvement in the content and presentation of the file by the addition of graphs which are easy to read and interpret.

The company file offers an overall view of the components of the company's annual accounts, the cash flow table, a set of accounting ratios and the company's ranking in terms of financial health. Within the limits of the available data, that information is offered for two or three years in order to take account of changes over time, and is compared with the values for the reference sector.

Banknote production and circulation

In 2014, the **Printing Works** continued to implement the industrial plan drawn up by the Board of Directors in 2013, whereby the activities will be phased out by 2020. The plan is on schedule. The infrastructure needed to achieve this gradual reduction has been largely installed, while the decline in the number of employees has continued, leading to an increase in productivity.

On 23 September 2014, the **new € 10 note** was placed in circulation in the various Eurosystem countries. This is the second denomination in the new series of 7 banknotes being introduced gradually in ascending order of value. The new banknotes have stronger security features and their design has been revised to make further improvements in the banknote's security and durability. It remains a powerful symbol of monetary union. By incorporating new security features which are more effective at anticipating developments in counterfeiting, the new design helps to maintain public confidence.

The launch of the new € 10 note was preceded by a massive information campaign for the general public and the professionals concerned. Owing to the volumes in question – 2.2 billion € 10 notes in circulation – this change is a massive industrial and logistical operation, and inadequate or tardy preparation could lead to malfunctions detrimental to many sectors. That is why the sectors concerned were given all the technical information right at the beginning of 2014 and were offered test facilities. These measures made it possible for banknote handling machines to be adapted in time, and to ensure that the introduction of the new banknote went smoothly.

The € 10 notes from the first series will remain in circulation until stocks are exhausted. They will then be gradually withdrawn from circulation. Cessation of their legal tender status will be announced well in advance, and it will always be possible to exchange old banknotes at the National Bank.

On 24 February 2015, the Eurosystem unveiled the **new € 20 note** in the "Europa" series to be placed in circulation from 25 November 2015. The new note will have improved security features which will further enhance the integrity of the banknotes and ensure that they stay a vital technological step ahead of counterfeiting. As in the case of the launch of the new € 5 and € 10 notes, the Bank will assist manufacturers and suppliers of banknote-handling equipment in adapting their machines and authentication devices. In particular, a seminar will be arranged for them at the Bank on Friday 29 May 2015.

In 2014, the consolidation of banknote processing activities continued. In that connection, the Bank announced that **the Mons and Hasselt branches would close in 2016**. That decision was due to the steady decline in banknote-related activities at those two branches, notably as a result of the increased automation of operations and the restructuring of banknote and coin handling in the banking sector. The network has thus contracted from 14 branches in 1999 to 4 today, and will comprise only the Liège and Kortrijk branches by the end of 2016. The Bank is ensuring that its branch network is tailored to the changing paper money cycle in Belgium, and organising its banknote sector in the optimum way. 2015 will provide the opportunity to reorganise the gradual reallocation of staff from the Mons and Hasselt branches to other entities at the Bank.

Support activities

The support activities of logistical services include the work of adapting premises and technical and computer facilities in line with the needs of the business. As the "Sustainable enterprise" section describes, the Bank also pays very close attention to its ecological impact.

In a constantly changing economic and financial environment, the Bank used a tendering procedure to appoint McKinsey as the consultancy to provide expertise in devising an **IT strategy** for 2015 – 2020 corresponding to the needs of the "business" entities. Starting with a diagnosis of the current situation, McKinsey proposed a road map designed to achieve the target for 2020. This was included in the IT Department's strategic master plan, and a new Head of Department was recruited to carry it out.

The office renovation plan which began many years ago, known as the **Building Master Plan**, continued in 2014 with the total refurbishment of around 3 000 m^2 of office space.

The contracts have been placed and preparations have been made for the replacement of the monumental glass vault over the main banking hall of the "Van Goethem" building, inaugurated in 1954. This ambitious project will respect the characteristic style of this building. The glass roof that protects the vault will be removed and rebuilt at 4th floor level. The interior facades, which will be renovated on this occasion, will thus become internal walls, providing substantially better thermal insulation.

The work on the "**Hôtel du Gouverneur**" has also started. The roof will be renovated and insulated, and the two upper floors will be refurbished to take 55 work stations. The Bank's Museum has closed temporarily to facilitate this work ; however, it is still open to visitors on a small scale in a readily accessible area of the building at 3 boulevard de Berlaimont (see section 1.5 "Contacts"). During the strategic planning exercise, it was decided that the Scientific Library, installed in the historic UCB building, rue Montagne-aux-herbes-potagères, would close to the public in the spring of 2016 ; at the end of that year, this building will house the Bank's new Museum, which will be redesigned and restaged.

Plans for construction of a new data centre and a new works kitchen, both of which are very complex, reached the final stage of the construction survey at the end of 2014.

Sometimes, the Bank's activities evolve and change direction, making it necessary to dispose of certain buildings. In 2014, the Bank's clubhouse was sold to the municipality of Berchem-Ste-Agathe. The ongoing consolidation in the handling of banknotes led to the sale of the Bank's Antwerp branch. In Brussels, the EPHEC, building on rue d'Assaut was vacated during the year under review, the intention being to dispose of it in the same way. Until then, the office space has been rented out until the beginning of 2016 on market terms. Finally, the competent services are also preparing for the closure of the Mons and Hasselt branches scheduled for 2016.

The Bank's sponsorship policy wins Caïus awards

The Bank's sponsorship policy chimes with its identity as an institution serving the public interest. It comprises three elements : in-house projects managed by the Bank for the community – such as the Bank's Museum, long-term structural support for general educational, humanitarian, societal and cultural initiatives, and finally, specific support aimed mainly at projects with a high value for society which is generally maintained for several years. In that context, during 2012 to 2014, the Bank supported the Kazerne Dossin project : a memorial, museum and centre for documentation on the Holocaust and human rights.

In acting as a founding partner in this project the Bank aimed to support an initiative which it considered entirely in accordance with the range of civic values that it aims to defend. The Kazerne Dossin Museum is in fact based on the history of persecution of the Jews and Gypsies and the Holocaust, from the Belgian perspective ; it focuses on contemporary issues such as racism and the exclusion of certain population groups, and discrimination on grounds of ethnicity, creed, beliefs, skin colour, gender or customs.

In return for that support, the Kazerne Dossin Museum offered to name one of the three main rooms of the museum after the Bank. However, the Bank preferred to name the room after one of its staff who was executed in 1944 on account of his involvement in the resistance : Jean Ingels.

In recognition of the Bank's history of sponsorship and its support for the Kazerne Dossin project, the jury of the Caius corporate sponsorship competition organised by Promethea gave the Bank two awards in the 2014 competition, namely the "Caïus" sponsorship tradition award and the "Caïus" societal sponsorship award.

1.2 Human resources

1.2.1 Staff changes and recruitment

During the year under review, the Bank's staff diminished by 62.34 full-time equivalents.

A large number of employees will retire in the coming years. In the case of jobs that the strategic review classed as non-essential, the staff will not be replaced. In other cases, the jobs will be filled by internal redeployment or external recruitment. The closure of the Hasselt and Mons branches was approved during the year under review. The staff concerned will receive appropriate support.

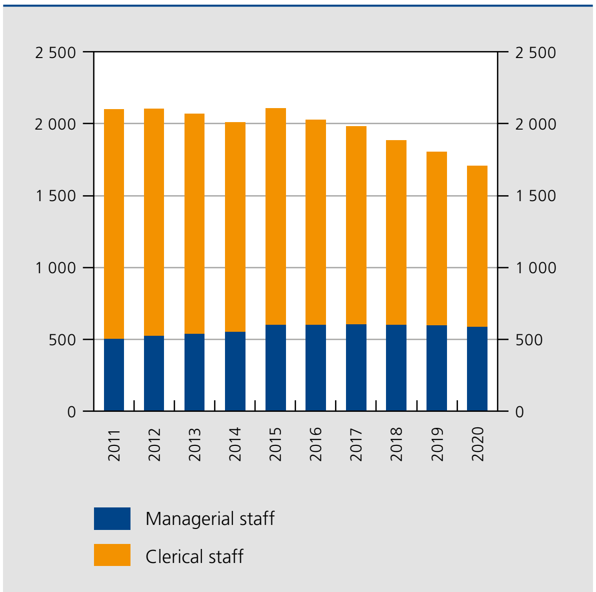
Following an in-depth assessment of the necessity and efficiency of the Bank's activities, it was estimated that barely 85 % of the current staff will be needed by 2020. Conversely, there will be no cuts in prudential supervision, which will in fact represent a larger share of the total staff.

In terms of calibre, there will be a shift towards a growing number of graduate managerial and supervisory staff rather than clerical workers. The Bank attaches great importance to in-service training following recruitment, and offers a large range of options. The topics of the lunchtime talks arranged for staff help to widen employees' horizons.

The Bank makes every effort to improve the effectiveness and efficiency of its recruitment methods. A new dedicated website was launched this year and is performing well. Recourse to social media is steadily growing; the Bank also makes increasing use of "job events" as a targeted, congenial way of attracting the profiles it needs. As the Bank is constantly evolving towards a knowledge business profile, the skills that it needs today are no longer the same as those of yesteryear.

With that in mind, it now also offers paid internships to actuaries, and will subsequently do the same for other types of job. From now on, internships relating to research will be examined in the light of the Bank's future recruitment needs.

STAFF MOVEMENTS AND PROJECTION UP TO 2020
(full-time equivalents as at 31 December)



1.2.2 Obituaries and retirement

In 2014, the Bank was saddened to learn of the death of the honorary Regent Baron Tony Vandeputte. Mr Vandeputte was a Regent of our institution from 1990 to 2005. The Bank was also saddened to learn of the death of the honorary Government Commissioner Edgard Van De Pontseele, who had held that post at the Bank from 1988 to 1990.

The Bank was also saddened by the death of six members of its staff in 2014:
Mr J.-P. Clesse
Mr J.-P. Collet
Mr K. De Weert
Mr T. Hejdrowski
Mrs C. Hendrickx
Mr P. Masson

They will always be remembered.

*

*   *

The Bank would like to express its gratitude to the members of the managerial and supervisory staff who reached the end of their career:

Mr P. Bobyr
Mr E. Cabooter
Mr D. De Paepe
Mr G. Dumay
Mr J.-M. Hardy
Mr A. Lenaert
Mr M. Mattens
Mr J. Meuleman
Mr G. Poullet
Mrs J. Simar
Mr M. Van Baelen
Mrs H. Van Hecke
Mr D. Vanden Broeck
Mr R. Vanden Eynde

It also thanks the members of the clerical staff whose career came to an end last year:

Mr G. Adriaens
Mrs A. Aelbrecht
Mrs M. Beydts
Mrs R. Chantrain
Mr E. Cielen
Mr M. Creyelman
Mrs M. Damien
Mr G. Dandoy
Mr F. De Backer
Mr D. De Beys
Mr W. De Boeck
Mr D. De Cock
Mr M. De Deken
Mrs R. De Jonge
Mrs M. De Looze
Mr W. De Ryck
Mr A. Degryse
Mr J. Deserrano
Mrs D. Dillens
Mr M. Dysers
Mrs M.-J. Engels
Mrs C. Fellemans
Mrs N. Gasparis
Mrs J. Gosset
Mr M. Haes
Mrs A. Huwaert
Mr D. Jaumol
Mrs C. Kalmes
Mr M. Levens
Mr J.-J. Louckx
Mrs M.-P. Marcoux
Mrs D. Moncomble
Mr G. Mossay
Mr J.-P. Moulart
Mrs I. Mussche
Mrs M. Nijs
Mrs C. Peckel
Mr J. Platteau
Mr C. Renders
Mr E. Ribant
Mr P. Rottiers
Mrs G. Rubens
Mr M. Ruykens
Mrs M. Sanchez Romero
Mrs B. Smets
Mr M. Soontjens
Mr M. Spaepen
Mr C. Steens
Mr G. Stuyck
Mrs N. Theys
Mrs A. Thollebeke
Mr E. Van Biesen
Mrs C. Van Cant
Mr E. Van den Broeck
Mrs J. Van Den Broeck
Mr H. Van Den Spiegel
Mr J. Van Mellaert
Mr M. Van Oudenhove
Mrs C. Van Peteghem
Mr J. Vantrimpondt
Mrs D. Vekeman
Mr F. Verbeeck

1.3 Sustainable enterprise

On the basis of the renewal application submitted to Environment-Brussels in 2014, the Bank was again awarded the "Ecodynamic Enterprise" label with three stars which it is entitled to display for a further three years. The various working groups and the steering committee now have the task of carrying out the environmental programme for the next three years.

In the past five years, we have saved no less than 19 % on our electricity consumption. These savings resulted from various measures including the renovation of the central compressor, application of the Green IT programme and the introduction of LED lighting.

In regard to heating, a small heating system was renovated and the printing rooms were equipped with adiabatic humidifiers instead of steam systems. A combined heat and power system produces 10 % of the heat required. This year, the Bank was awarded 1 400 green certificates.

The business travel plans introduced in the Brussels-Capital Region and the mobility service surveys conducted by the federal authorities show that the Bank is gradually reaching the limit of its scope for promoting sustainable mobility.

There have been many other initiatives relating to sustainability, such as the installation of two green roofs, special signs indicating sustainable meals, and the use of enzymes instead of detergents to clean the air ducts in the dishwashers. The quantity of volatile organic components in the air of the printing works has been reduced to the point where the bio filtration equipment is no longer needed there.

Paper saving continues at a rate of 6 % per annum. The number of printers has been drastically reduced.

All these measures are backed by a constant staff awareness campaign which is a major factor in their success.

1.4 List of publications in 2014

Economic review

JUNE

- *Economic projections for Belgium – Spring 2014*
- *Is government spending the key to successful consolidation?*
- *The new national consumer price index*
- *Employees: too expensive at 50? The age component in wage-setting*
- *Using BREL to nowcast the Belgian business cycle: the role of survey data*
- *Financial integration and fragmentation in the euro area*

SEPTEMBER

- *Outlook for the finances of the Communities and Regions*
- *Creating export value. An analysis of Belgium*
- *Global imbalances and gross capital flows*
- *Household indebtedness: evolution and distribution*
- *Lessons from the US for the institutional design of EMU*
- *The how and why of a negative rate for the deposit facility*

DECEMBER

- *Economic projections for Belgium – Autumn 2014*
- *Normalisation of monetary policy: prospects and divergences*
- *Recent changes in saving behaviour by Belgian households: the impact of uncertainty*
- *Main lessons of the NBB's 2014 conference on "Total factor productivity: measurement, determinants and effects"*
- *Financial structure and results of firms in 2013*
- *2013 social balance sheet*

Working Papers

- 253 *Micro-based evidence of EU competitiveness: The CompNet database*
- 254 *Information in the yield curve: A Macro-Finance approach*
- 255 *The single supervisory mechanism or "SSM", part one of the Banking Union*
- 256 *Nowcasting Belgium*
- 257 *Human capital, firm capabilities and productivity growth*
- 258 *Monetary and macroprudential policies in an estimated model with financial intermediation*
- 259 *A macro-financial analysis of the euro area sovereign bond market*
- 260 *The Belgian ports: Flemish maritime ports, Liège port complex and the port of Brussels – Report 2012*
- 261 *European competitiveness: A semi-parametric stochastic metafrontier analysis at the firm level*
- 262 *Employment, hours and optimal monetary policy*
- 263 *On the conjugacy of off-line and on-line Sequential Monte Carlo Samplers*
- 264 *The effects of state aid on Total Factor Productivity growth*
- 265 *Assessing the role of ageing, feminising and better-educated workforces on TFP growth*
- 266 *A constrained non-parametric regression analysis of factor-biased technical change and TFP growth at the firm-level*
- 267 *Market imperfections, skills and total factor productivity: Firm-level evidence on Belgium and the Netherlands*
- 268 *Import competition, productivity and multi-product firms*
- 269 *International competition and firm performance: Evidence from Belgium*

- 270 *Acquisitions, productivity, and profitability: Evidence from the Japanese cotton spinning industry*
- 271 *Total factor productivity: Lessons from the past and directions for the future*
- 272 *Outward Foreign Direct Investment and domestic performance: In search of a causal link*
- 273 *Economic importance of air transport and airport activities in Belgium – Report 2012*
- 274 *Fiscal policy and TFP in the OECD: Measuring direct and indirect effects*
- 275 *Effectiveness and transmission of the ECB's balance sheet policies*

Belgian Prime News

This quarterly publication in English is produced jointly by the Bank, the Federal Public Service Finance (FPS Finance) and a number of Primary Dealers.

- 62. *Special topic: The new institutional set-up in Belgium and the new European budgetary governance requiring a resolute implementation of a credible fiscal strategy*
- 63. *Special topic: State reforms and economic reforms should go hand in hand to ensure sustainability of welfare in Belgium*
- 64. *Special topic: Monitoring vulnerabilities and enhancing regulations for a more resilient financial sector: main takeaways from the NBB 2014 Financial Stability Review*
- 65. Special topic: *Revised reference statistics, for a sharper picture of the economy*

Statistical publications

The Bank makes a huge volume of macroeconomic statistics available to the public on its website and via its Belgostat statistical database. In the first quarter of 2015, Belgostat was replaced by a new database and new statistical tools named NBB.Stat. It is possible to subscribe to updates of specific tables. The publications and press releases are also available in electronic format on the Bank's website:

GENERAL STATISTICS:

- *Statistical Bulletin, Economic indicators for Belgium, Consumer survey, Half-yearly investment survey, Business surveys*

FOREIGN TRADE:

- *Monthly and quarterly bulletin*

FINANCIAL STATISTICS:

- *Belgium's financial accounts*
- *Non-financial corporations credit observatory, Monetary financial institutions interest rates, Bank Lending Survey, Quarterly surveys of loan conditions: credit constraints perception indicator*

NATIONAL ACCOUNTS:

- *Quarterly sectoral accounts, Quarterly accounts, First estimate of the annual accounts, General government accounts, Detailed accounts and tables, Supply and use tables, Regional accounts, Regional breakdown of Belgian imports and exports of goods and services, Satellite account of non-profit institutions*

THE EUROPEAN SYSTEM OF ACCOUNTS ESA 2010:

The new European standard ESA 2010 for the calculation of the non-financial and financial national accounts came into force in September 2014. This methodological revision is the outcome of lengthy development and is in line with international standards. It aims to improve the recording of specific changes in contemporary economies. The General Statistics Department therefore arranged a number of publications to inform various segments of the public about the new features:

General presentation of the ESA 2010 (February 2014)

Half-day seminar 27 May 2014 "The ESA 2010: national accounts for a changing world" (May 2014)

ESA 2010: the new reference framework for the national accounts (September 2014)

Computing capital stock in the Belgian national accounts according to the ESA 2010 (October 2014)

Methodological changes (added to the notes to the financial accounts for the 2nd quarter, October 2014)

MICROECONOMIC DATA:

- *Central Individual Credit Register: Statistical Report 2013*
- *Monthly key figures*

The Bank publishes quarterly statistics in electronic format on credit authorisations and credit use recorded in the Central Corporate Credit Register. The Central Balance Sheet Office makes the annual accounts data that it collects available to various target groups, and in various computerised forms. It is also possible to request a copy of the CD-ROM Figures from the standardised annual accounts. Finally, the Central Balance Sheet Office regularly publishes key figures on the demography and financial health of Belgian firms.

Other publications

- *Corporate Report 2013. Activities, governance and annual accounts*
- *Report 2013. Economic and financial developments*
- *Financial Stability Review 2014*
- *Annual report assessing the retail gas and electricity price safety net – March 2014*
- *Report assessing the retail gas and electricity price safety net – June 2014*

1.5 Contacts

SERVICES	ESTABLISHMENTS OFFERING THE SERVICES	OPENING HOURS
Banknotes and coins, State Cashier, Central Balance Sheet Office, Central Individual Credit Register	Brussels, boulevard de Berlaimont 3, Kortrijk, Hasselt, Liège and Mons	9.00 to 15.30 hrs, Monday to Friday
Scientific Library	Brussels, rue Montagne aux Herbes Potagères 57	10.00 to 17.00 hrs (daily except Sundays)
Museum	Brussels, boulevard de Berlaimont, 3	10.00 to 17.00 hrs, Monday to Friday

INFORMATION	
Website:	www.nbb.be
Inquiries:	info@nbb.be Tel. +32 2 221 21 11
Press officer:	Kristin Bosman, General Secretariat Tel. +32 2 221 46 28 Fax +32 2 221 31 60 pressoffice@nbb.be
Contact for the financial service for the Bank's shares:	Herwig Smissaert, Head of the Securities Service Tel. +32 2 221 43 28 Fax +32 2 221 32 05 securities@nbb.be

ADDRESSES

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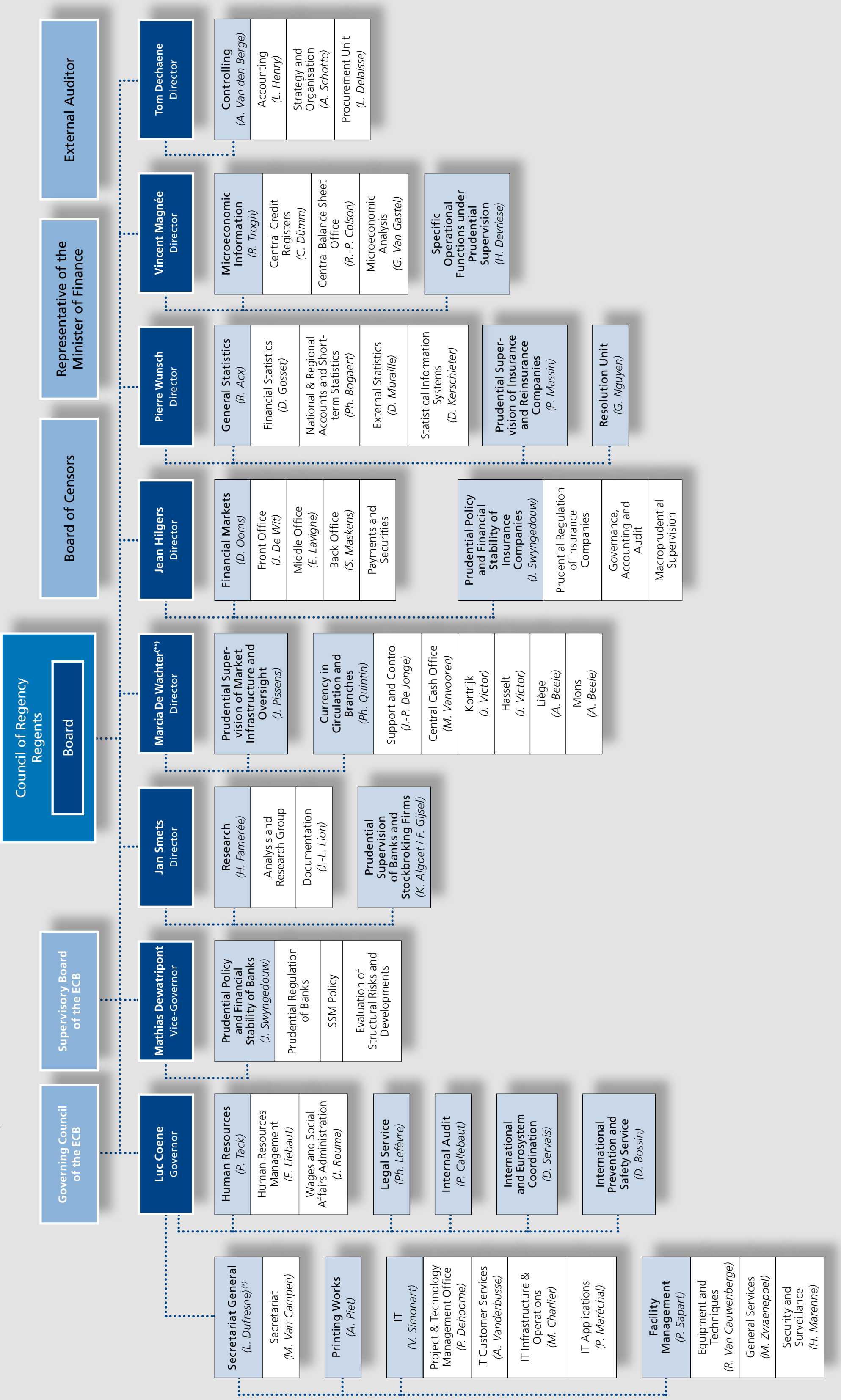
Kortrijk :	President Kennedypark 43, 8500 Kortrijk Tel. +32 56 27 52 11 Fax +32 56 27 53 90 kortrijksg@nbb.be	Mons :	avenue Frère-Orban 26, 7000 Mons Tel. +32 65 39 82 11 Fax +32 65 39 83 90 monssg@nbb.be
Hasselt :	Eurostraat 4, 3500 Hasselt Tel. +32 11 29 92 11 Fax +32 11 29 93 90 hasseltsg@nbb.be		

Departments and Services : see website

Organisation chart as at 6 January 2015



(*) Is also Secretary of the Bank.
(**) Is also Treasurer of the Bank.