

Abstract

The thesis constructs the indices of independence, transparency and accountability of the National Bank of Georgia (NBG) and European Central Bank (ECB). The results for the NBG are compared with the ECB and policy recommendations for the NBG based on ECB practice are suggested. The results of the analyses show that the ECB has achieved almost full independence and transparency in conducting the monetary policy but there are less favorable results in case of accountability. The NBG, even though revealed a gradual increase in its independence, transparency and accountability since 1998, still needs to put more effort into improving its autonomy, communication practices and responsibility.