• Independence	
The Constitution and the Law grant autonomy to the Banco de la República as Colombia	
This means that the Bank does not form part of the branches of Public Power (Executive	•
and Judicial), of the regulatory and auditing agencies nor of electoral power, but is a Sta unique nature, responsible for its own organisation in accordance with the functions it m	•
technical terms, the Bank's autonomy consists of its ability to analyse freely monetary pl	•
design and apply policy without being subject to other State pressures.	
Logally, the constitutional biography of the Pank analysis institutional stability and neurial	and a hoolthy
Legally, the constitutional hierarchy of the Bank enables institutional stability and nourisl permanence of traditions and criteria, being detached from external political developmer	•
influences.	its and
mindofficoo.	
Nevertheless, it is important to note that autonomy does not mean isolation. It is clear th	at monetary,
credit and exchange policies must be harmonious with the Government's general econo	mic policy. In
order to facilitate this co-ordination, the Minister of Finance is the presiding member of the	
of Directors. In addition, the Board must consult the Government's macroeconomic plan	•
design in those areas under its responsibility. Notwithstanding, the Board must take care	
compromise the achievement of its primary assigned goal of preserving price stability du	
consultations and co-ordination of efforts with the Government. In the case of conflict of	•
Bank may refuse to comply with eventual demands formulated by the Government to co shortcomings.	ver iiscai
Shortcomings.	
The independence of the monetary authority is a factor of significant importance in instill	•
maintaining credibility in the measures adopted; thereby leading to an increase in effecti	vei 1699.

Members of the Board of Directors: Prescribed Requisites and Nature of Appointments
Law 31 ratified the constitutional rule that granted the Bank's Board of Directors sole authority regarding monetary, exchange and credit matters. Law 31 also confirmed the composition of the Board of Directors as consisting of seven members who must comply with certain qualities and requirements, including abstention from a series of prohibitions both before assuming and after occupying their posts. This was designed with the aim of ensuring a high level of professional and ethical aptitude amongst the members coherent with their responsibility of representing the Nation's general interest.
As mentioned previously, <u>Law 31</u> provided for the periodic renewal of the Board. The Chief Executive Officer is elected by the remaining members of the Board for a period of four years and can be reelected for up to two additional terms.
The Stability of the National Currency: the Primary Responsibility of the Bank
According to constitutional and legal mandate, the essential responsibility of the Banco de la República is to safeguard the purchasing power of the national currency, therefore implying that inflation control is the primary objective of monetary policy. Accordingly, price stability is recognised as being necessary for economic progress and, therefore, the Bank must make adjustments to the overall growth of currency and credit with the achievement in mind. Moreover, Law 31 requires that, at the beginning of each year, the Bank's Board of Directors establish the inflation goal, thereby determining the economic policy that must be planned and executed.