

REGULATION (EC) No 2181/2004 OF THE EUROPEAN CENTRAL BANK
of 16 December 2004

amending Regulation (EC) No 2423/2001 (ECB/2001/13) concerning the consolidated balance sheet of the monetary financial institutions sector and Regulation (EC) No 63/2002 (ECB/2001/18) concerning statistics on interest rates applied by monetary financial institutions to deposits and loans vis-à-vis households and non-financial corporations

(ECB/2004/21)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

- (3) For the purposes of the statistical information which the European Central Bank (ECB) needs to fulfil its tasks, deposit liabilities and loans have to be reported at their nominal value.

Having regard to Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank⁽¹⁾, and in particular Articles 5(1) and 6(4) thereof,

- (4) In light of the above, it has become necessary to amend Regulation (EC) No 2423/2001 (ECB/2001/13) to include an explicit requirement regarding the reporting of deposit liabilities and loans at nominal value.

Whereas:

(1) Regulation (EC) No 2423/2001 of the European Central Bank of 22 November 2001 concerning the consolidated balance sheet of the monetary financial institutions sector (ECB/2001/13)⁽²⁾, requires monetary financial institutions (MFIs) to report, *inter alia*, monthly statistical information relating to their end-of-month balance sheets for the purposes of producing the consolidated balance sheet of the MFI sector.

- (5) At the same time, given the current stage in the process of harmonisation in the field of statistics that has been reached as a result of Regulation (EC) No 2423/2001 (ECB/2001/13), it is desirable to continue to apply the valuation rules that have until now been applied to provisioned loans and purchased loans. Therefore, national central banks may allow existing valuation rules to apply to such loans until the ECB updates these rules in order to harmonise reporting further.

(2) Regulation (EC) No 2423/2001 (ECB/2001/13) provides that the accounting rules to be followed in reporting are those laid down in the national transposition of Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions⁽³⁾, and in any other international standards applicable. Both national accounting legislation and international standards have changed since the adoption of Regulation (EC) No 2423/2001 (ECB/2001/13). Directive 86/635/EEC has been amended to the effect that certain financial instruments may be valued at fair value. International accounting standards may also provide for the valuation of certain financial instruments at fair value.

- (6) In view of the possibility that some MFIs may value debt securities issued at fair value, it is necessary to clarify the scope of the reporting of the 'other revaluation' adjustments in respect of price revaluation of securities.

⁽¹⁾ OJ L 318, 27.11.1998, p. 8.

⁽²⁾ OJ L 333, 17.12.2001, p. 1. Regulation as last amended by Regulation (EC) No 1746/2003 (ECB/2003/10) (OJ L 250, 2.10.2003, p. 17).

⁽³⁾ OJ L 372, 31.12.1986, p. 1. Directive as last amended by Directive 2003/51/EC of the European Parliament and of the Council (OJ L 178, 17.7.2003, p. 16).

- (7) As a consequence of the above, Regulation (EC) No 63/2002 (ECB/2001/18) of the European Central Bank of 20 December 2001 concerning statistics on interest rates applied by monetary financial institutions to deposits and loans vis-à-vis households and non-financial corporations⁽⁴⁾, should also be amended,

⁽⁴⁾ OJ L 10, 12.1.2002, p. 24.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 2423/2001 (ECB/2001/13) is amended as follows:

Annex I is amended in accordance with Annex I to this Regulation.

Article 2

Regulation (EC) No 63/2002 (ECB/2001/18) is amended as follows:

Annex II is amended in accordance with Annex II to this Regulation.

Article 3

This Regulation shall enter into force on 1 January 2005.

Done at Frankfurt am Main, 16 December 2004.

For the Governing Council of the ECB

The President of the ECB

Jean-Claude TRICHET

ANNEX I

Annex I to Regulation (EC) No 2423/2001 (ECB/2001/13) is amended as follows:

1. part 1, section II is replaced by the following:

‘II Accounting rules

Unless otherwise provided for in this Regulation, the accounting rules followed by MFIs for the purposes of reporting under this Regulation are those laid down in the national transposition of Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (*), as well as in any other international standards applicable. Without prejudice to accounting practices and netting arrangements prevailing in Member States, all financial assets and liabilities are reported on a gross basis for statistical purposes.

(*) OJ L 372, 31.12.1986, p. 1.;

2. in part 1, section III the following paragraphs are added:

‘Statistical valuation of deposit liabilities and loans

15. Deposit liabilities and loans are reported, for the purposes of this Regulation, at the nominal amount outstanding at the end of the month and on a gross basis. Nominal amount means the amount of principal that a debtor is contractually obliged to repay to a creditor.

16. NCBs may allow the reporting of provisioned loans net of provisions and the reporting of purchased loans at the price agreed at the time of their acquisition, provided that such reporting practices are applied by all resident reporting agents and are necessary to maintain continuity in the statistical valuation of loans with the data reported for periods prior to January 2005.;

3. in part 1, section IV the following paragraph 10 is added:

‘Statistical valuation of deposit liabilities and loans

10. Deposit liabilities and loans are reported according to the rules set out for monthly stocks in paragraphs 15 and 16 of section III.;

4. paragraph 11 of part 1, section V is replaced by the following:

‘11. The adjustment in respect of the price revaluation of securities refers to fluctuations in the valuation of securities that arise because of a change in the price at which securities are recorded or traded. The adjustment includes the changes that occur over time in the value of end-period balance sheet stocks because of changes in the reference value at which securities are recorded, i.e. potential gains/losses. It may also contain valuation changes that arise from transactions in securities i.e. realised gains/losses.’;

5. paragraph 12 of Part 1, Section V is replaced by the following:

‘12. No minimum reporting requirement is established for the liability side of the balance sheet. However, if valuation practices applied by reporting agents to debt securities issued result in changes to their end-period stocks, NCBs are permitted to collect data relating to such changes. Such data are reported as “other revaluation” adjustments.’;

6. the table entitled 'Detailed description of instrument categories of the monthly aggregated balance sheet of the MFI sector' in part 3 is amended as follows:

(a) the fourth indent of point 7 (Remaining assets) is replaced by the following:

— accrued interest receivable on loans

In accordance with the general principle of accruals accounting, interest receivable on loans should be subject to on-balance-sheet recording as it accrues (i.e. on an accruals basis) rather than when it is actually received (i.e. on a cash basis). Accrued interest on loans is classified on a gross basis under the category 'remaining assets'. Accrued interest is excluded from the loan to which it relates.'

(b) the fourth indent of point 13 (Remaining liabilities) is replaced by the following:

— accrued interest payable on deposits

In accordance with the general principle of accruals accounting, interest payable on deposits should be subject to on-balance-sheet recording as it accrues (i.e. on an accruals basis) rather than when it is actually paid (i.e. on a cash basis). Accrued interest on deposits is classified on a gross basis under the category "remaining liabilities". Accrued interest is excluded from the deposit to which it relates.'

ANNEX II

Annex II to Regulation (EC) No 63/2002 (ECB/2001/18) is amended as follows:

Paragraph 42 of part 4, section XIII is replaced by the following:

'42. Unless otherwise stated in the following paragraphs, the instrument breakdown for MFI interest rates and the definitions of the types of instruments shall follow the asset and liability categories as set out in Annex I to Regulation (EC) No 2423/2001 (ECB/2001/13):.'
