

## ANNEX

**GUIDELINE OF THE EUROPEAN CENTRAL BANK**  
**of 3 November 1998**  
**as amended by the Guideline of 16 November 2000**  
**on the composition, valuation and modalities for the initial transfer of foreign-reserve assets, and the denomination and remuneration of equivalent claims**

*(ECB/2000/15)*

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the 'Statute') and in particular to Articles 12.1, 14.3, 30 and 32 thereof,

Whereas:

- (1) Article 30.1 of the Statute, in conjunction with Articles 43.1 and 43.4, provides that the European Central Bank (ECB) shall be provided by the national central banks (NCBs) of Member States which have adopted the single currency in accordance with the Treaty establishing the European Community (participating NCBs) with foreign-reserve assets, other than Member States' currencies, euro, IMF reserve positions and special drawing rights (SDRs), up to an amount equivalent to EUR 50 000 million. Article 30.1 of the Statute further provides that the Governing Council of the ECB shall decide on the proportion to be called up by the ECB following its establishment and the amounts to be called up at later dates. Article 30.1 of the Statute further provides that the ECB shall have the full right to hold and manage the foreign reserves that are transferred to it and to use them for the purposes set out in the Statute.
- (2) Article 30.2 of the Statute, in conjunction with Article 43.6, provides that the contribution of each participating NCB shall be fixed in proportion to its share in the capital of the ECB subscribed by the NCBs of Member States without a derogation.
- (3) Article 30.3 of the Statute provides that each NCB shall be credited by the ECB with a claim equivalent to its contribution. Article 30.3 of the Statute further provides that the Governing Council of the ECB shall determine the denomination and remuneration of such claims.
- (4) Article 30.6 of the Statute provides that the Governing Council of the ECB shall take all other measures necessary for the application of Article 30 of the Statute.
- (5) Article 33.2 of the Statute provides that in the event of a loss incurred by the ECB the shortfall may be offset against the general reserve fund of the ECB and, if necessary, against the monetary income of the relevant financial year in proportion and up to the amounts allocated to the participating NCBs in accordance with Article 32.5 of the Statute. In accordance with Article 32.5 of the Statute, the Governing Council of the ECB adopted the Decision of 3 November 1998 on the allocation of monetary income of the national central banks of participating Member States and losses of the ECB for the financial years 1999 to 2001 <sup>(1)</sup>.
- (6) Article 32.7 of the Statute provides that the Governing Council of the ECB shall take all other measures necessary for the application of Article 32 of the Statute.
- (7) Article 10.3 of the Statute, in conjunction with Article 43.4, provides that for any decisions to be taken under Article 30 of the Statute, the votes in the Governing Council of the ECB shall be weighted according to the NCBs' shares in the capital of the ECB subscribed by the central banks of Member States without a derogation.
- (8) In accordance with Articles 12.1 and 14.3 of the Statute, ECB Guidelines form an integral part of Community law,

HAS ADOPTED THIS GUIDELINE:

*Article 1*

**Definitions**

For the purposes of this Guideline:

- 'cash' shall mean the lawful currency of the United States (US dollar) or Japan (Japanese yen),
- 'foreign-reserve assets' shall mean securities, gold or cash,

<sup>(1)</sup> See page 119 of this Official Journal.

- 'gold' shall mean fine troy ounces of gold in the form of London Good Delivery Bars, as specified by the London Bullion Market Association,
- 'participating Member States' shall mean those Member States which adopted the single currency on 1 January 1999 in accordance with the Treaty,
- 'participating NCBs' shall mean national central banks of participating Member States,
- 'securities' shall mean any eligible security or financial instrument as specified by the ECB,
- 'transitional period' shall mean the period between 1 January 1999 and 31 December 2001.

#### Article 2

##### **Transfers of foreign-reserve assets by participating NCBs**

1. Each participating NCB shall transfer to the ECB foreign-reserve assets in or denominated in US dollars, Japanese yen and gold equivalent to the euro amounts set out in the Appendix to this Guideline.
2. The US dollar amount, the Japanese yen amount and the gold amount (in fine troy ounces) equivalent to the euro amounts set out in the Appendix to this Guideline shall be calculated on the basis of the exchange rates between the ecu and the US dollar or Japanese yen established as a result of the concertation teleconference procedure at 11.30 a.m., Brussels time, on 31 December 1998 among those central banks that participate in such procedure and, in the case of gold, on the basis of the US dollar price of gold per fine troy ounce established in the London gold fixing at 10.30 a.m., London time, on 31 December 1998. The amounts so calculated shall be confirmed by the ECB to the participating NCBs as soon as possible on 31 December 1998.
3. Each participating NCB shall transfer to the ECB a portfolio of securities and cash in or denominated in US dollars or Japanese yen within deviation bands around the modified durations of the tactical benchmark portfolios as are specified by the ECB, and in conformity with such credit limits as are specified by the ECB.
4. The settlement dates for securities and cash to be transferred to the ECB shall be specified by the ECB, and in due course each participating NCB shall give instructions for the transfer of the ownership of securities and for the transfer of cash to the ECB on the settlement dates. The value of all securities shall be calculated on the basis of prices designated by the ECB, and each participating NCB shall transfer securities and cash to such accounts as are specified by the ECB.
5. Each participating NCB shall transfer gold on such dates, to such accounts and at such locations as are specified by the ECB.

#### Article 3

##### **Denomination, remuneration and maturity of claims equivalent to participating NCBs' contributions**

1. The ECB shall credit each participating NCB with a claim denominated in euro-equivalent to the aggregate euro amount of each participating NCB's contribution of foreign-reserve assets.
2. The aggregate euro equivalent values of the foreign-reserve assets transferred by each participating NCB shall be as set out in the Appendix to this Guideline.
3. The claim credited by the ECB to each participating NCB shall be remunerated at a rate that shall be equivalent to 85 % of the marginal interest rate used by the ESCB in its main refinancing operations. The calculation of interest on each participating NCB's claim shall be effected by the ECB on a daily basis, using the actual over-360-day method of calculation.
4. The claim shall be remunerated at the end of each financial year. The ECB shall inform the NCBs on a quarterly basis of the cumulative amounts.
5. The claims are not redeemable.

#### Article 4

##### **Transitional regime for foreign exchange losses**

1. Each participating NCB shall waive the claim credited to such participating NCB by the ECB to the extent set out in paragraphs 2 and 4 in the event that the ECB incurs an unrealised loss in any financial year during the transitional period owing to a decline in the euro-equivalent value of the ECB's foreign-reserve assets resulting solely from exchange rate or gold price fluctuations, provided that such shortfall cannot be offset in accordance with Article 33.2 of the Statute.
2. In the event of any unrealised losses as referred to in paragraph 1, the shortfall resulting solely from such losses for the relevant financial year shall be offset by each participating NCB waiving a part of the original value of its claim corresponding to its share of such losses in an amount up to the limit set out in paragraph 4.
3. The offsetting of losses in accordance with paragraph 2 shall take place on an annual basis, together with the calculation of the monetary income of the ESCB for the corresponding financial year.

4. Waivers of the value of each participating NCB's claim shall be fixed in proportion to each participating NCB's share in the capital of the ECB subscribed by the central banks of Member States without a derogation. The maximum cumulative waivers of the value of each participating NCB's claim during the transitional period shall not exceed 20 % of the original value of the claim.

*Article 5*

**Final provisions**

This Guideline is addressed to the national central banks of participating Member States.

This Guideline shall be published in the *Official Journal of the European Communities*.

Done at Frankfurt am Main, 3 November 1998, and amended and approved for publication in the *Official Journal of the European Communities* on 16 November 2000.

*On behalf of the Governing Council of the ECB*

*The President*

Willem F. DUISENBERG

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## Appendix

**Euro-equivalent amounts of foreign reserve assets to be transferred by each participating NCB whose Member State shall have adopted the single currency on 1 January 1999**

National central bank	Euro-equivalent amounts of US dollar and Japanese yen securities and cash	Euro-equivalent amounts of gold	Aggregate euro-equivalent amounts of foreign-reserve assets
Nationale Bank van België/Banque Nationale de Belgique	1 217 965 000	214 935 000	1 432 900 000
Deutsche Bundesbank	10 409 737 500	1 837 012 500	12 246 750 000
Banco de España	3 779 737 500	667 012 500	4 446 750 000
Banque de France	7 154 322 500	1 262 527 500	8 416 850 000
Central Bank of Ireland	361 080 000	63 720 000	424 800 000
Banca d'Italia	6 330 375 000	1 117 125 000	7 447 500 000
Banque centrale du Luxembourg	63 410 000	11 190 000	74 600 000
De Nederlandsche Bank	1 818 150 000	320 850 000	2 139 000 000
Österreichische Nationalbank	1 002 745 000	176 955 000	1 179 700 000
Banco de Portugal	817 360 000	144 240 000	961 600 000
Suomen Pankki	593 725 000	104 775 000	698 500 000
<b>Total</b>	<b>33 548 607 500</b>	<b>5 920 342 500</b>	<b>39 468 950 000</b>