

**OPINION OF THE EUROPEAN CENTRAL BANK**  
**of 17 November 2020**  
**on balance of payments reporting**  
**(CON/2020/29)**

**Introduction and legal basis**

On 8 October 2020 the European Central Bank (ECB) received a request from the Oesterreichische Nationalbank (OeNB) for an opinion on a draft regulation of the OeNB governing balance of payments reporting (hereinafter the 'draft regulation')<sup>1</sup>.

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union (TFEU) and on the third and fourth indents of Article 2(1) of Council Decision 98/415/EC<sup>2</sup>, as the draft regulation relates to the OeNB and the collection of balance of payments statistics. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

**1. Purpose of the draft regulation**

- 1.1 The draft regulation replaces the existing reporting regulation of the OeNB on cross-border financial transactions<sup>3</sup>. The draft regulation implements Article 6 of the Law of 2004 on exchange control<sup>4</sup>, under paragraph 1 of which the OeNB is responsible for compiling Austrian balance of payments statistics, international investment position statistics, and direct investment statistics. Under paragraph 1 of Article 6, the OeNB is also responsible for compiling all statistics regarding cross-border transactions and positions in the context of the three categories of statistics abovementioned; this responsibility is based on EU law requirements. The draft regulation shall become effective on 1 January 2022 and shall first apply to reports as of the reporting date of 31 December 2021.
- 1.2 According to the consultation request accompanying the draft regulation, the draft regulation aims to establish a new survey structure by reducing the number of reports addressed to the same company and providing a modern online reporting channel. At the same time, the draft regulation requires more detailed information to be reported by companies in each area in which the OeNB is

---

<sup>1</sup> Meldeverordnung ZABIL 1/2022 der OeNB betreffend die statistische Erfassung des grenzüberschreitenden Kapitalverkehrs.

<sup>2</sup> Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).

<sup>3</sup> Meldeverordnung ZABIL 1/2013 der OeNB betreffend die statistische Erfassung des grenzüberschreitenden Kapitalverkehrs in der novellierten Form ZABIL 1/2016.

<sup>4</sup> Devisengesetz 2004, BGBl I 123/2003 idF BGBl I 37/2018.

responsible for compiling statistics compared to what companies report under the existing regulation. As a result, while reporting agents will benefit from a more integrated and efficient data collection framework, more granular data will lead to enhanced statistical analysis.

- 1.3 The draft regulation requires the following seven data collection surveys to be undertaken: (1) cross-border shareholders and participations – transactions, (2) cross-border shareholders and participations – stocks, (3) cross-border receivables and payables, (4) cross-border asset transfers and real estate-related transactions, (5) cross-border financial derivatives, (6) domestic securities stocks and (7) securities accounts abroad, own holdings of securities and crypto asset investments.
  - 1.3.1 According to the consultation request, the draft regulation aims to reflect recent developments in cross-border capital movements, including changed financing behaviour of multinational corporations, and in particular increasing group financing and intercompany financial flows. Accordingly, the status of cross-border receivables and payables (including non-transaction-related changes and interest) with respect to other cross-border investments is to be reported either on a regional basis or broken down into foreign group entities or counterparties.
  - 1.3.2 Furthermore, the draft regulation envisages the collection of significant information about foreign minority shareholdings in the surveys addressed to foreign direct investments by Austrian entities, which require equity interests below 10% to be reported if a transaction is EUR 500,000 or higher. The draft regulation requires transaction types to be reported in more detail compared to the current regulation.
  - 1.3.3 As regards cross-border financial derivatives data, the draft regulation decreases the reporting threshold to EUR 1 million. Furthermore, a new classification is introduced in connection with derivatives, which gives more detailed information about the underlying asset class. In this respect, the draft regulation introduces an additional breakdown of financial derivatives into two more types: forwards and swaps.
  - 1.3.4 In connection with holdings of securities, the draft regulation introduces the requirement to report investments in crypto assets, as well as investments in domestic and foreign securities held with custodians abroad. The definition of a crypto asset will be defined in a guideline accompanying the draft regulation. This accompanying guideline will provide some flexibility to the OeNB to change definitions when considered necessary, without changing the regulation.

## 2. General Observations

- 2.1 The ECB generally welcomes that the draft regulation ensures consistency with the reporting requirements under Guideline ECB/2011/23 of the European Central Bank<sup>5</sup>, as amended by Guideline ECB/2018/1151 of the European Central Bank<sup>6</sup> and Commission Regulation (EU)

---

<sup>5</sup> Guideline (EU) 2012/120 of the European Central Bank of 9 December 2011 on the statistical reporting requirements of the European Central Bank in the field of external statistics (ECB/2011/23) (OJ L 65, 3.3.2012, p. 1).

<sup>6</sup> Guideline (EU) 2018/1151 of the European Central Bank of 2 August 2018 amending Guideline ECB/2011/23 on the statistical reporting requirements of the European Central Bank in the field of external statistics (ECB/2018/19) (OJ L 209, 20.8.2018, p. 2).

No 555/2012<sup>7</sup> as regards the update of data requirements and definitions, and that it follows the basic principles of the ECB Statistics Quality Framework (SQF)<sup>8</sup>. The main purpose of statistics on euro area balance of payments and international investment positions is to support the ECB's monetary policy and other Eurosystem tasks.

- 2.2 The ECB welcomes the proposed changes in the draft regulation as concerns the content and procedures envisaged for the reports on portfolio investments, direct investments, financial derivatives and other investments. These changes will help to avoid duplicating information over multiple reports, hence increasing the general efficiency of the balance of payments reporting system and reducing the burden of reporting on respondents. These changes will also improve the understanding of group financing and intercompany financial lending, taking into consideration the changed financing behaviour of multinational corporations. The ECB also welcomes the additional information that will be obtained regarding financial derivatives, which is in line with the current methodological developments and the need for a better understanding of the exposure and vulnerability of the Austrian economy to those financial instruments. Finally, the ECB welcomes the updating of definitions and references to ECB and Union legislation in a live electronic and transparent way, which will improve consistency and make the system more agile in respect of future changes.

This opinion will be published on EUR-Lex.

Done at Frankfurt am Main, 17 November 2020.

[signed]

*The President of the ECB*

Christine LAGARDE

---

<sup>7</sup> Commission Regulation (EU) No 555/2012 of 22 June 2012 amending Regulation (EC) No 184/2005 of the European Parliament and of the Council on Community statistics concerning balance of payments, international trade in services and foreign direct investment, as regards the update of data requirements and definitions (OJ L 166, 27.6.2012, p. 22).

<sup>8</sup> Available on the ECB's website at [www.ecb.europa.eu](http://www.ecb.europa.eu).