

In case of discrepancies between the French and the English text,
the French text shall prevail

BOP 1.1 Report
**«Breakdown of selected items from the
credit institutions profit and loss
account»**

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1 Introduction

The purpose of report BOP 1.1 is to provide the Banque centrale du Luxembourg (BCL) on behalf of BCL and Statec with all necessary information in order to establish the Luxembourg balance-of-payments.

The BOP 1.1 report shall include some selected transactions executed for own account with foreign entities, as soon as they have an impact on the profit and loss account of a resident credit institution. The transactions' economic nature must be classified according to the list in the annex.

2 Reporting population

The BOP 1.1 reporting must be provided by all resident credit institutions regardless of their legal status.

3 Frequency and reporting deadlines

Report BOP 1.1 must be provided to BCL on a monthly basis no later than the 10th working day after the end of the reference period. By choice of the reporting agent it can also be provided on a daily basis.

The exact reporting dates for report BOP 1.1 are published on BCL's website under www.bcl.lu

4 Reference date

The reference date of a transaction is no longer the payment date but is determined according to the accounting principle when rights become effective.

5 Cross-border transaction

Any event that involves the transfer of an effective right between a resident and a non-resident is considered as a « transaction with a non-resident ».

In application of that principle, transactions to be reported must meet the following conditions:

- recorded as profit or loss in the profit and loss account of the credit institution
- involving a non-resident counterpart
- whose economic nature is mentioned in the list of the annex

6 Reported amount

Transactions on services are generally valued according to accounting data available in invoices. The amount to be reported is the invoiced amount (including VAT, if charged in the invoice). In the absence of an invoice the amount corresponds to the one recorded as revenue or expenditure.

The reported amount should be expressed without decimals (rounded down) and possibly converted at a corresponding daily exchange rate in case of a currency different from the statement currency applies.

7 Types of breakdown

Economic transactions from the profit and loss account of credit institutions must be specified according to the following details:

- economic nature of the transaction
- credit or debit entry
- country code of the counterpart
- transaction currency (original currency or conversion into statement currency)

More details regarding the different items of the reporting are available in document «Definitions and concepts for the balance of payments reporting of credit institutions and the financial services of “Entreprise des Postes et Télécommunications”».

7.1 Economic nature of the transaction

Transactions must be specified according to the list attached to these instructions.

If the economic nature of a cross-border transaction does not appear on the mentioned list, the transaction does not have to be reported (e.g. interests received or paid).

The main cross-border transactions concerned by this reporting are fees and commissions, other revenues and expenses, overhead and administrative charges, and also information on dividends received or transferred (income on foreign direct investment).

7.2 Credit or debit entry

As regards revenues, i.e. the economic value of services sold to non-resident counterparts or income received from non-resident counterparts, transactions must be reported as credit entries («C»).

As regards expenses, i.e. the economic value of services purchased from non-resident counterparts or funds transferred by order of the credit institution in favour of non-resident counterparts, transactions must be reported as debit entries («D»).

The sign convention (debit-credit) thus corresponds to the accounting practice which captures a receipt or cash inflow as credit entry, while expenses or cash outflow as debit entry.

Example:

A credit institution (Id number 999) purchased legal services from a lawyer residing in Belgium for an amount of 1000 EUR. The report should mention the following items:

Transaction code	C/D	Country	Currency	Counterpart		Original amount
				Type	Identification number	
891	D	BE	EUR	23	999	1000

7.3 Country

The BOP 1.1 report includes the domicile country (or location of registered office) of the non-resident counterpart engaged with the resident credit institution, possibly based upon a contractual relationship. Only cross-border transactions must be reported in this report.

The country code is based on a two-character ISO code.

7.4 Transaction currency

The reporter can choose between the two following options:

- transactions are reported in the currency of the credit institution's profit and loss account
- transactions are split according to the currency of the effective payment

The currency code is based on a three-character ISO code (ISO 4217) (<http://www.iso.org>).

7.5 Counterpart identification

Credit institutions are identified via an identification number assigned by CSSF, complemented with the mandatory identification type 23.

Annex:

Code	Economic nature of the transaction
Services	
094	Refining services on products owned by non-residents
098	Maintenance and repair services n.i.e.
100	Transport on sea – passenger
101	Transport on sea - freight
102	Transport on sea - supporting, auxiliary and other sea transport services
110	Transport by air - passenger
111	Transport by air - freight
112	Transport by air - supporting, auxiliary and other air transport services
113	Transport on rail - passenger
114	Transport on rail - freight
115	Transport on rail - supporting, auxiliary and other rail transport services
116	Transport on road - passenger
117	Transport on road - freight
118	Transport on road - supporting, auxiliary and other road transport services
123	Transport on inland waterway - passenger
124	Transport on inland waterway - freight
125	Transport on inland waterway - supporting, auxiliary and other inland waterway transport services
126	Transport - space transport
127	Transport - pipeline transport
128	Transport - electricity transmission
129	Transport - other supporting and auxiliary transport services
130	Financial services
143	Postal and courier services

144	Telecommunication services
156	Construction services abroad
157	Construction services in Luxembourg
163	Information services - news agency services
164	Information services - other information services
170	Trade-related services
180	Insurance and pension - premiums - other direct insurance
181	Insurance and pension - premiums - life insurance
182	Insurance and pension - premiums - freight insurance
184	Insurance and pension - auxiliary insurance services
185	Insurance and pension - claims - other direct insurance
186	Insurance and pension - claims - life insurance
187	Insurance and pension - claims - freight insurance
194	Advertising, market research and opinion polling
203	Business travel
220	Charges for the use of intellectual property - licenses for the use of outcomes of research and development
221	Charges for the use of intellectual property - licenses to reproduce and/or distribute audiovisual products
222	Charges for the use of intellectual property - licenses to reproduce and/or distribute computer software
223	Charges for the use of intellectual property - licenses to reproduce and/or distribute other products
231	Audiovisual and related services
270	Operating leasing services
780	Insurance and pension - pension schemes and standardised guarantees - pension schemes - contributions
781	Insurance and pension - pension schemes and standardised guarantees - pension schemes - benefits
782	Insurance and pension - pension schemes and standardised guarantees - pension schemes - explicit service charges

783	Insurance and pension - pension schemes and standardised guarantees - standardised guarantees - premiums
784	Insurance and pension - pension schemes and standardised guarantees - standardised guarantees - claims
785	Insurance and pension - pension schemes and standardised guarantees - standardised guarantees - explicit service charges
790	Research and development services - provision of customised and non customised R&D services
791	Research and development services - sale of property rights arising from R&D
792	Research and development services - other (testing and other product/process development services)
793	Architectural, engineering, scientific and other technical services - architectural services
794	Architectural, engineering, scientific and other technical services - engineering services
795	Architectural, engineering, scientific and other technical services - scientific and technical services
839	other personal, cultural and recreational services - health services
840	Other personal, cultural and recreational services - education services
841	Other personal, cultural and recreational services - recreational services
842	Other personal, cultural and recreational services - other personal services
862	Computer services - software originals
863	Computer services - software other
864	Computer services - other
886	Waste treatment, agricultural and mining services - waste treatment and recycling

887	Waste treatment, agricultural and mining services - services incidental to agriculture, forestry and fishing
888	Waste treatment, agricultural and mining services - services incidental to mining, and oil and gas extraction
891	Legal, accounting, management consulting and public relations - legal services
892	Legal, accounting, management consulting and public relations - accounting, auditing, book-keeping and tax consulting services
893	Legal, accounting, management consulting and public relations - business and management consultancy and public relations services
898	Other business services n.i.e – services of employment agencies and recruitment of personnel
899	Other business services n.i.e - other
Investment income	
305	Rents
307	Income on foreign direct investment - dividends and revenues of affiliates
Current and capital transfers	
393	Current transfers
396	Capital transfers - investment grants
397	Acquisitions/disposals of fixed non-financial assets