



# Balance of Payments

Profile:  
BEB - Benchmark SFIs

Notes to the benchmark survey  
Assets and Liabilities  
financial year 2017

Version 1.0  
2018

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## Introduction

### Purpose of the report

De Nederlandsche Bank (DNB) collects monthly (calendar month) and annual data on transactions and positions in domestic and foreign assets and liabilities. The information collected is used to compile the Dutch Balance of Payments, International Investment Position (IIP) of the Netherlands, the Financial Accounts and the Sector Accounts, the latter two are compiled by Statistics Netherlands (CBS). It is also used as input for the European Central Bank (ECB) and the Statistical Office of the European Commission (Eurostat) to compile the Balance of Payments, the International Investment Position, the Financial Accounts and the Sector Accounts of the Economic and Monetary Union (EMU) and the European Union (EU).

This 'benchmark' survey is intended for Special Financial Institutions that are released from monthly reporting.

### Legal basis and submission period

Pursuant to section 7 of the External Financial Relations Act of 25 March 1994 (*Wet financiële betrekkingen buitenland*, Wfbb 1994), every entity is obliged in accordance with the relevant Bank regulations to truthfully submit all information and data that the Bank requires in order to prepare the balance of payments. Pursuant to section 8 of the External Financial Relations Act, the Bank is obliged to observe strict confidentiality in relation to the individual data supplied. Where applicable, the information and data will also be used for purposes as defined by Regulation (EC) 2533/98 under the confidentiality regime applicable in this Regulation.

The relevant benchmark report must be in the Bank's possession **no later than 4 May 2018**.

If final figures are not available by then, provisional figures must be completed on the basis of prudent estimates in order to ensure submission takes place within the time limit. Final figures which are significantly different from the provisional figures should be reported to DNB as soon as possible.

If the obligations under the Wfbb 1994 or the CBS-law are not fulfilled, DNB is authorized to impose a fine or penalty, without prejudice to any penalties under Regulation (EC) 2533/98.

### Special Financial Institutions

Special Financial Institutions: resident enterprises or institutions, irrespective of their legal form, in which non-residents hold a direct or indirect participating interest through a shareholding or otherwise or exercise influence and whose objective is or whose business consists to a major extent, in combination with other domestic group companies, of:

1. mainly holding assets and liabilities abroad and/or
2. transferring turnover consisting of royalty and licence income earned abroad to foreign group companies and/or;
3. generating turnover and expenses that are mainly associated with re-invoicing from and to foreign group companies

All SFIs are ultimately owned by foreign parents. Examples of SFIs are:

- holding companies of (mainly) foreign companies;
- finance companies that typically extend loans to foreign group companies and are themselves financed mainly from abroad;
- royalty companies, film and music rights companies that receive royalties mainly from abroad and transfer them to other foreign group companies;
- re-invoicing companies that are mainly invoiced by foreign entities and invoice other foreign entities;
- operational lease companies that typically lease durables to foreign customers;
- Special Purpose Vehicles (SPVs) created by foreign originators whose balance sheets almost exclusively contain foreign assets and foreign liabilities are also designated as Special Financial Institutions.

### Residents and non-residents

The balance of payments/international investment position includes transactions/positions between residents and non-residents only. In accordance with the definitions of the International Monetary Fund (IMF), residents of a certain country are taken to be the group of natural persons and legal entities whose centre of economic interest lies in the country concerned. In the Netherlands, this definition is elaborated further in the aforementioned Wfbb 1994.

The Wfbb 1994 (article 1) defines *residents* as:

1. Natural persons whose place of residence is in the Netherlands and whose names have been entered in the registers of births, deaths and marriages;
2. Legal entities, partnerships and limited partnerships which are established or have their offices in the Netherlands, as well as legal entities, partnerships and limited partnerships which, though not established in the Netherlands, are managed from the Netherlands, if so determined by the Bank;
3. Branches and agencies established in the Netherlands, if not covered by 2 above;
4. Natural persons of Dutch nationality, if not covered by 1 above, who have upon their own request been designated as residents by Our Minister.

*Non-residents* are taken to be: natural persons, legal entities, partnerships, branches, agencies and enterprises not covered by the definition of "residents".

## Representation

Reporting enterprises usually report independently to the Bank, i.e. without the intervention of third parties. However a reporting enterprise may have its reporting done by an external party (a representative). Many SFIs are represented by trust offices in The Netherlands. However, the reporting enterprise shall remain responsible at all times for the fulfilment of its reporting requirements. Sanctions for failing to meet the reporting requirements or not meeting them on time shall therefore be imposed on the reporting enterprise.

Representation shall be subject to the following conditions:

- a) the reporting enterprise shall inform the Bank forthwith of the appointment of a representative and of any changes in that respect;
- b) the Bank shall send all correspondence in the name of the reporting enterprise to the representative's correspondence address. This means that any correspondence about the imposition of sanctions shall also be sent to the representative's address;
- c) The representative must be a Dutch resident

## Rounding off to units of thousands of euros

The figures may exclusively be reported in Euro (EUR), rounded off to units of 1000 (for example EUR 1.250.000 becomes 1.250). Rounding may only be applied at the level at which reporting takes place.

## Reporting period

If the financial year does not correspond with the calendar of the reporting period (calendar year 2017) you are requested to report the figures for **the financial year** ending in 2017. (For technical reasons, the default number of the financial year's last month in our system is 12. Therefore, it cannot be changed)

## Valuation principles and conversion to the euro

The positions to be reported (for the beginning and end of the year) are in principle to be valued at current market prices. For the valuation of the *year-end* positions, market prices at the end of the year should be used; in this respect, amounts in foreign currency should be converted into euro using the official (middle) rate on the last trading day of the same year<sup>1</sup>. When in your system, exchange rates in conformity with market prices are used, these can be utilised for the conversion. The positions at the beginning of the year should be stated on the basis of year-end market prices and year-end exchange rates of the preceding reporting year. If current market prices (or recent transaction prices) are not available, e.g. in case of unlisted securities, prudent estimations of current prices are acceptable. In case of transactions, the market price almost always corresponds to the agreed transaction price. Transactions in foreign currency should be converted into euro according to the official (middle) rate on the transaction day or the actual exchange rate used in the transaction.

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<sup>1</sup> For information on exchange rates, please see DNB's website (<http://statistics.dnb.nl>)

## Way of reporting

To report to DNB, firms should use the 'e-Line Betalingsbalans' Internet application. The application and relevant documentation are made available via <https://bb.dnb.nl/en/statistics/eline-bb>. This website (available in both Dutch and English) includes a secure area accessed through the 'Log in e Line' link as well as a public area. Installation guidelines and a user manual for e-Line Betalingsbalans may be downloaded from the public area, under 'General user documentation'.

A printable version of the benchmark reporting forms (profile 'BEB') and explanatory notes are also found in the public area under Reporting profiles, BEB (benchmark).

## Sending the report

Before sending the report, you should check it. To do so, click 'Action' (in the upper left-hand corner) and then 'Check'. Then a message will appear on your screen saying that you cannot carry out a linking check. This is correct, because data on the preceding year are not asked for. Subsequently, a message will appear on your screen reporting either that a difference was found (incl. the difference factor) or that no errors were found. Differences must first be corrected before a report can be sent. After each correction, click 'Check'. Repeat this action until the message saying 'No errors were found' appears. If it does, you should click 'Action' again and, next, 'Send'. Now, you will see a message saying that the report has been sent, and the reporting status will change to 'Completed.'

## Further information

Further information can be obtained from:

De Nederlandsche Bank N.V.  
Statistics & Information Division  
Other Financial Institutions Statistics Department  
P.O. Box 98  
1000 AB Amsterdam  
The Netherlands  
Telephone:

(technical questions) +31 20 524 6111

(questions with respect to content) +31 20 524 2410

e-mail: [benchmark@dnb.nl](mailto:benchmark@dnb.nl)

## Form Register data

This form lists the registration information as included in DNB's Registry. It includes (among other things):

- **Data on the SFI:** name and correspondence address
- (If applicable) **data on its representative:** name and correspondence address;
- **Other data:** registration number DNB en Chamber of Commerce Registration number.
- **Contactperson:** name, sex (M/F), telephone number, e-mail address and preferred language (English/Dutch)

To notify us of any incorrect or incomplete Registry information please send an e-mail to [benchmark@dnb.nl](mailto:benchmark@dnb.nl).

## Assets & Liabilities form

### Assets

#### 1 Foreign assets

##### 1a Equity investments in non-resident companies

Here you should report the total position at the beginning and end of the 2017 reporting year for investments in the capital of a non-resident enterprise and direct investment in foreign real estate ('direct' means not via foreign subsidiaries or branches). You should split up the position by country by using the column '*country*.' For every country you have to add a new row.

The purpose of the equity investment must be to acquire a more or less permanent interest conferring a certain degree of control (i.e. 'significant influence' and a 'long-term relationship') over the management of the enterprise, in contrast to the motives of investors in securities, for example.

The type equity investment may vary from case to case:

- Through share capital. Your enterprise holds all or part of a non-resident company's share capital.
- Otherwise than through shares:
  - through the provision of working capital by your enterprise to non-residents provided these are not independent legal entities (branch offices and/or branches), and/or
  - in the form of (capitalised) expenditure incurred with a view to the permanent formation of fixed capital, e.g. for exploration with a view to the extraction of minerals and other natural resources (including investments for such exploitation).

The equity investment position should be reported (according to the % held) as the share owned by the SFI in the net asset value of the non-resident company. If the net asset value is not available, it is sufficient, at need, to state the book value of the company (e.g. on the basis of the historical cost). Direct investment in real estate must be reported as the market value of the real estate. If the market value is not available, it may be substituted by a recent estimated value or otherwise the historical cost.

In the column *Dividend or interest received in 2017* you should state your enterprise's share in the gross dividend declared in the 2017 reporting year (i.e. *before deduction of any dividend tax*) by your foreign investor company (or profit paid out by branches); in case of direct ownership of real estate in another country, you should state the operating profit paid out to your enterprise in the 2017 reporting year. In the column *Profit/Loss (after tax) in 2017* you should state the profit or loss (after tax) attributable to the non-resident company (or branch) in respect of the 2017 reporting year, excluding extraordinary income and expenditure and before profit distribution; in case of direct ownership of real estate in another country, you should state the operating result achieved in the 2017 reporting year. Under '*operating result*' you report the balance of operating revenue (including rents) and operating expenses relating to real estate directly owned in another country. Operating expenses include, for example, the fees charged by the foreign manager for managing and maintaining the property, and the local business taxes payable.

##### 1b Loans granted to and other accounts receivable with non-resident shareholders

Here you should report the total position at the beginning and end of the 2017 reporting year and interest accrued in 2017. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. If the accrued interest is not available the received interest can be reported, concerning:

- loans granted to foreign shareholders;
- all other assets (including current account assets) with foreign shareholders.

##### 1c Loans granted and other accounts receivable with non-resident group companies:

Here you should report the total position at the beginning and end of the 2017 reporting year and interest accrued in 2017. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. If the accrued interest is not available the received interest can be reported, concerning:

- loans granted to non-resident group companies (except for shareholders in the reporting enterprise);
- other assets (including current account assets) with non-resident group companies.

##### 1d Investments in securities issued by non-residents:

Here you should report the total position at the beginning and end of the 2017 reporting year in respect of the ownership of foreign securities (i.e. securities issued by non-residents). You should split up the position by country by using the column '*country*.' For every country you have to add a new row. The final position should be calculated on the basis of the closing prices (in the case of debt instruments: excluding accrued interest) on the last trading day in the 2017 reporting year. Non-interest bearing debt

instruments should be valued at historical cost. The interest or dividend received in respect of the ownership of equity issued by non-residents in the 2017 reporting year should also be reported. Non-negotiable (private) money or capital market paper should be reported as a short-term or long-term loan.

### **1e Loans granted to and other accounts receivable with third parties**

Here you should report the total position at the beginning and end of the 2017 reporting year and interest accrued in 2017. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. If the accrued interest is not available the received interest can be reported, concerning:

- loans granted to non-resident third parties;
- other assets with non-resident third parties (including deposit balances, accounts with foreign banks and other current account assets).

### **2 Dutch assets (total):**

Here you should report the total position at the beginning and end of the 2017 reporting year for all assets relating to Dutch residents. For example, this concerns Dutch equity investments, loans granted to residents, Dutch bank balances and deposits, ownership of securities issued by residents, etc. Accruals and deferrals (e.g. interest receivable) and intangible assets can also be reported under this heading. Further, to cover all the items of the balance sheet, all other foreign assets not included under heading 1a to 1e inclusive should be reported under this heading.

### **3 Total assets:**

Here you should report the total beginning and end of year position for all assets.

*Note: Total assets must equal the sum of all assets items.*



## Liabilities

### 4 Foreign liabilities

#### 4a Participation in equity capital of your company by non-resident shareholders:

Here you should report the total position at the beginning and end of the 2017 reporting year for participation in the equity capital of your company by non-resident shareholders. A non-resident owns some or all of your company's share capital. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. The purpose of the equity investment must be to acquire a more or less permanent interest conferring a certain degree of control (i.e. 'a significant influence' and a 'long-term relationship') over the management of your enterprise, in contrast to the motives of investors in securities, for example.

The equity investment position should be reported (according to the % held) as the value of the equity belonging to the non-resident shareholder(s) at the beginning and end of the reporting year. In the column *Dividend or interest paid in 2017* you should state the gross dividend declared in 2017 (i.e. *before deduction of any dividend tax*) accruing to the non-resident shareholder(s). In the column *Profit/Loss (after tax) in 2017* you should state the profit or loss (after tax) made by the reporting enterprise in 2017 and attributable to the non-resident shareholder(s) in proportion to its (their) % participation.

#### 4b Loans received from and other accounts payable to non-resident subsidiaries:

Here you should report the total position at the beginning and end of the 2017 reporting year and the interest accrued in 2017. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. If the accrued interest is not available the paid interest can be reported, concerning:

- loans received from non-resident subsidiaries of the reporting enterprise;
- all other **liabilities** (including current account **liabilities**) to non-resident subsidiaries of the reporting enterprise.

#### 4c Loans received from and other accounts payable to non-resident group companies:

Here you should report the total position at the beginning and end of the 2017 reporting year and the interest accrued in 2017. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. If the accrued interest is not available the paid interest can be reported, concerning:

- loans received from non-resident group companies which are not subsidiaries of the reporting enterprise (e.g. parent company or sister companies);
- all other **liabilities** (including current account **liabilities**) to non-resident group companies which are not subsidiaries of the reporting enterprise.

#### 4d Securities issued abroad by the reporting enterprise:

Here you should report the total position at the beginning and end of the 2017 reporting year for the equity issued by the reporting enterprise and deposited with a foreign central securities depository (CSD). You should split up the position by country by using the column '*country*.' For every country you have to add a new row. The security is deposited with a foreign central securities depository, if the central securities depository where the global note or equivalent certificate in respect of the outstanding security is deposited, is established abroad..

The closing balance should be calculated on the basis of the closing prices (in the case of debt instruments: excluding accrued interest) on the last trading day in the 2017 reporting year. Non interest bearing debt instruments should be valued at their historical cost throughout their life. The interest or dividend paid in 2017 in respect of equity issued and deposited with a foreign central securities depository should also be reported. In the case of non-interest bearing debt instruments (discount paper), the discount on issue in the year in which the debt instrument is redeemed should be reported as interest paid.

Non-negotiable (private) money or capital market paper should be reported as a short-term or long-term loan.

#### 4e Loans received from and other accounts payable to third parties:

Here you should report the total position at the beginning and end of the 2017 reporting year and the interest accrued in 2017. You should split up the position by country by using the column '*country*.' For every country you have to add a new row. If the accrued interest is not available the paid interest can be reported, concerning:

- loans received from non-resident third parties;
- all other **liabilities** (including current account **liabilities**) to non-resident third parties.

NB: Syndicated loans should be regarded as foreign loans if the syndicate manager is a non-resident, and as Dutch loans if the syndicate manager is a Dutch resident. 'Syndicate manager' means the entity

acting for the syndicate as its administrative agent (or the agent's back office) and via which are channelled the cash flows relating to the provision of the loan, repayments, and payment of interest.

**5 Dutch liabilities (total):**

Here you should report the total position at the beginning and end of the 2017 reporting year for all liabilities relating to Dutch residents. These include, for example, investments by Dutch residents in your enterprise, loans received from Dutch residents, etc. Accruals and deferrals (e.g. interest payable) and provisions may be stated under this heading. Further, to cover all the items of the balance sheet, all other foreign liabilities not included under heading 4a to 4e inclusive should be reported under this heading.

**6 Total liabilities:**

Here you should report the total position for all liabilities (= 4 + 5).

*Note: Total liabilities must equal the sum of all liabilities items.  
Total assets must equal total liabilities.*

**Royalties and licence fees**

Royalties and licences include fees for the authorised use of immaterial, non-produced, non-financial goods (such as patents, copyrights, trademarks, industrial processes and designs), the use through licensing agreements of produced originals and prototypes (such as manuscripts, computer programs, film and music rights) and franchises and similar rights. Under this heading you should report the fees received and paid in 2017 with regard to royalties and licences. ). You should split up the transactions by country by using the column 'country.' For every country you have to add a new row.