



## **Balance of Payments**

Notes to the Registration form SFI

DRA

Version 1.3

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## Introduction

### Purpose of the 'Registration form Special Financial Institutions (SFIs)'

De Nederlandsche Bank (DNB) collects *monthly and annual* data on cross-border transactions with non-residents and positions in foreign assets and liabilities. The information collected is used to compile the Balance of Payments and the International Investment Position (IIP) of the Netherlands. It is also used as input for the European Central Bank (ECB) to compile the Balance of Payments and the IIP of the Economic and Monetary Union (EMU). The registration of Special Financial Institutions (SFIs) is a legal obligation. The purpose of the registration form is to assess whether a monthly and yearly or once every two years reporting obligation should be imposed.

### Legal

Pursuant to Section 7, paragraph 1 of the External Financial Relations Act 1994 (EFRA; *Wet financiële betrekkingen buitenland 1994*, Wfbb), every entity is obliged to provide information and data that are essential to the compilation of the Balance of Payments. Pursuant to Section 7, paragraph 2 of the EFRA, the data should be provided in a timely, truthful and non-misleading manner. The provision of information and data to DNB should be in accordance with the instructions contained in the Balance of Payments Reporting Instructions 2003 (RV 2003). Pursuant to Section 8 of the EFRA, DNB is subject to a secrecy obligation with respect to the company-specific data it collects.

Within this framework, the registration of SFIs is an obligation resulting from Section 7 of the EFRA in conjunction with Section 9, paragraph 1 and 2 of the RV 2003.

In the event of non-compliance with the obligations under the EFRA, DNB is empowered to impose a cease and desist order under penalty or an administrative fine.

### Special Financial Institutions (SFIs)

Special Financial Institutions (SFIs) are 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 and whose objective is or whose business consists to a major extent of receiving funds from non-residents and channelling them to non-residents. The term 'funds' as used in the definition of Special Financial Institutions should be read in a broad sense, as meaning the input into the entity of not only cash, but also other types of assets serving foreign purposes, such as input of foreign equity capital which might be balanced, for instance, by a cash contribution from the (foreign) parent, or the input of intangible assets such as global film rights. 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;
- 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 (SPV's) created by foreign originators whose balance sheets almost exclusively contain foreign assets and foreign liabilities are also designated as Special Financial Institutions. They have to fill in the 'registration form Special Purpose Vehicles (SPV)' instead of the 'registration form Special Financial Institutions (SFI)'.

## Industry code and Ultimate Beneficial Owner (UBO)

We kindly request you to report the industry code of the worldwide group activities (this is not the industry code of the Special Financial Institution itself). We have attached an industry code list for this purpose. We also ask you to report the industry code of the company activities of the Ultimate Beneficial Owner (UBO).

You should only fill out one code. In case more than one code is applicable, we ask you to choose the code concerning the most important activity of the group/UBO. In the column "Comments" you may add any comments or a description of the group/UBO activities if you like.

UBO = Ultimate Beneficial Owner. When a parent company abroad is not owned for more than 50% by another natural or legal person, the foreign parent and the ultimate beneficial owner are the same person.

## Group structure

You should also add an overview of your latest group structure to the registration form. We will use this additional information to determine the appropriate reporting obligations and also the frequency of reporting. The group structure should at least show the Dutch group companies, the direct foreign participations and shareholder(s).

## Residents and non-residents

The Balance of Payments 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 EFRA. The EFRA (Section 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 DNB;
- 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 companies usually report independently to DNB, i.e. without the intervention of third parties. However, a reporting company may have its reporting done by an external party (a representative). Nevertheless, the reporting company 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 company.

Representation shall be subject to the following conditions: a) the reporting company shall inform DNB forthwith of the appointment of a representative and of any changes in that respect; b) DNB shall send all correspondence in the name of the reporting company 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 to EUR thousand

The figures must be reported in EUR thousand (for example EUR 1,250,000 becomes EUR 1,250). Rounding may only be applied at the level at which reporting takes place

## Reporting period

In case that the financial year does not correspond with a calendar year, you are requested to put this in the column 'last month of the financial year'. If the figures relating to the financial year have not yet been approved, provisional figures may be used.

## Valuation principles and conversion to Euro

The positions to be reported (as at the beginning and end of the year) should, in principle, be valued at current market prices. For the valuation of *year-end* positions, year-end market prices should be used; in this respect, amounts in foreign currency should be converted into euro using the official (mid-) rate on the last trading day of the same year. When exchange rates in conformity with market prices are used in your system, these rates can be used for the conversion. The positions as at the *beginning of the year* should be stated on the basis of yearend 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 mainly corresponds to the agreed transaction price. Transactions in foreign currency should be converted into euro according to the official (mid-) rate on the transaction day or the actual exchange rate used in the transaction.

## Further information

Voor nadere inlichtingen kunt u zich wenden tot:  
De Nederlandsche Bank NV  
Divisie Statistiek en Informatie  
Afdeling Overige financiële instellingen statistieken  
Postbus 98  
1000 AB Amsterdam  
Telefoon: 020 – 524 2410  
e-mail: [sir.dra@dnb.nl](mailto:sir.dra@dnb.nl)

## Financial data

### ***Foreign assets/liabilities***

In deze kolommen dient u te vermelden de totale (geschatte) stand aan het eind van het rapportagejaar van alle activa en passiva die op niet-ingezetenen betrekking hebben. Het gaat hier bijvoorbeeld om buitenlandse deelnemingen, verstrekte leningen aan/van niet-ingezetenen, buitenlandse banksaldi en deposito's, bezit aan door niet-ingezetenen uitgegeven effecten, eigen vermogen toekomstig aan de aandeelhouder(s) etc.

### ***Dutch assets/liabilities***

In deze kolommen dient u te vermelden de totale (geschatte) stand aan het eind van het rapportagejaar van alle activa die op Nederlandse ingezetenen betrekking hebben. Het gaat hier bijvoorbeeld om binnenlandse deelnemingen, verstrekte leningen aan ingezetenen, binnenlandse banksaldi en deposito's, bezit aan door ingezetenen uitgegeven effecten, etc.

Transitoria (bijvoorbeeld nog te ontvangen rente) en immateriële activa kunt u eveneens onder deze rubriek vermelden. Voorts dienen ter volledige dekking van de balans onder deze restpost ook alle overige buitenlandse activa die niet onder de buitenlandse activa kan worden gerubriceerd, te worden gemeld, bijvoorbeeld immateriële activa.

**N.B. De totale activa dient gelijk te zijn aan de totale passiva.**

### **Royalties and licence fees**

Indien uw onderneming met een niet-ingezetene royalty- en/of licentievergoedingen afrekenen dan dient u deze eveneens te rapporteren. *Royalty's en licenties* omvatten vergoedingen voor het geautoriseerde gebruik van niet-financiële immateriële activa (zoals patenten, auteursrechten, handelsrechten en industriële processen en ontwerpen), het gebruik door middel van licentieovereenkomsten van geproduceerde originelen of prototypen (zoals manuscripten, computerprogramma's, film- en muziekrechten) en franchises en soortgelijke rechten.