ANNEX II

DEFINITIONS

PART 1

Definitions of instrument categories

1. This table provides a detailed standard description of the instrument categories, which national central banks (NCBs) transpose into national categories in accordance with this Regulation. The table does not constitute a list of individual financial instruments and the descriptions are not exhaustive. The definitions refer to the European system of national and regional accounts in the European Union (hereinafter the 'ESA 2010') laid down by Regulation (EU) No 549/2013.

2. For some of the instrument categories, maturity breakdowns are required. These refer to original maturity, i.e. maturity at issue, which is the fixed period of life of a financial instrument before which it cannot be redeemed, e.g. debt securities, or before which it can be redeemed only with some kind of penalty, e.g. some types of deposits.

3. Financial claims can be distinguished by whether they are negotiable or not. A claim is negotiable if its ownership is readily capable of being transferred from one unit to another by delivery or endorsement or of being offset in the case of financial derivatives. While any financial instrument can be potentially traded, negotiable instruments are designed to be traded on an organised exchange or 'over-the-counter', although actual trading is not a necessary condition for negotiability.

TABLE A

Definitions of instrument categories of the assets and liabilities of IFs

ASSET CATEGORIES

Category	Description of main features
1. Deposits and loan claims	For the purposes of the reporting scheme, this item consists of funds lent by IFs to borrowers, or loans acquired by IFs, which are either evidenced by non-negotiable documents or not evidenced by documents It includes the following items: — deposits placed by the IF, such as overnight deposits, deposits with agreed maturity and deposits redeemable at notice — holdings of non-negotiable securities: Holdings of debt securities which are not negotiable and cannot be traded on secondary markets — traded loans: — loans that have *de facto* become negotiable are classified under the item 'deposits and loan claims' provided that there is no evidence

ASSET CATEGORIES	
	of secondary market trading. Otherwise they are classified as debt securities — subordinated debt in the form of deposits or loans: subordinated debt instruments provide a subsidiary claim on the issuing institution that can only be exercised after all claims with a higher status have been satisfied, giving them some of the characteristics of equity. For statistical purposes, subordinated debt is classified as either ‘loans’ or ‘debt securities’ according to the nature of the instrument. Where the IF’s holdings of all forms of subordinated debt are currently identified as a single figure for statistical purposes, this figure is classified under the item ‘debt securities’, on the grounds that subordinated debt is predominantly constituted in the form of debt securities, rather than as loans — claims under reverse repos against cash collateral: counterpart of cash paid out in exchange for securities purchased by IFs at a given price under a firm commitment to resell the same (or similar) securities at a fixed price on a specified future date — claims under securities borrowing against cash collateral: counterpart of cash paid in exchange for securities borrowed by IFs For the purposes of this Regulation, this item also includes holdings of euro and foreign currency banknotes and coins in circulation that are commonly used to make payments
2. Debt securities	Holdings of debt securities, which are negotiable financial instruments serving as evidence of debt, are usually traded on secondary markets or can be offset on the market, and do not grant the holder any ownership rights over the issuing institution This item includes: — holdings of securities which give the holder the unconditional right to a fixed or contractually determined

ASSET CATEGORIES		
		income in the form of coupon payments and/or a stated fixed sum at a specific date or dates, or starting from a date defined at the time of issue — traded loans which have become negotiable on an organised market, provided that there is evidence of secondary market trading, including the existence of market makers, and frequent quotation of the financial asset, such as provided by bid-offer spreads. Where this is not the case they are classified as 'deposits and loan claims' — subordinated debt in the form of debt securities Securities lent out under securities lending operations or sold under a repurchase agreement remain on the original owner's balance sheet (and are not recorded on the temporary acquirer's balance sheet) where there is a firm commitment to reverse the operation and not simply an option to do so. Where the temporary acquirer sells the securities received, this sale must be recorded as an outright transaction in securities and entered in the temporary acquirer's balance sheet as a negative position in the securities portfolio
3.	Equity and investment fund shares/units	Financial assets that represent property rights in corporations or quasi-corporations. Such financial assets generally entitle the holders to a share in the profits of the corporations or quasi-corporations and to a share in their net assets in the event of liquidation This item includes listed and unlisted shares, other equity, MMF shares/units and non-MMF IF shares/units Equity securities lent out under securities lending operations or sold under a repurchase agreement, are treated in accordance with the rules in category 2 'debt securities'
3a.	Equity and investment fund shares/units of which listed shares	Listed shares are equity securities listed on an exchange. Such an exchange may be a recognised stock exchange or any other form of secondary market. Listed shares are also referred to as quoted shares. The existence of quoted prices of shares listed on an exchange

ASSET CATEGORIES		
		means that current market prices are usually readily available
3b.	Equity and investment fund shares/units of which investment fund shares/units	This item includes holdings of shares/units issued by MMFs and non-MMF IFs (i.e. IFs other than MMFs) included in the lists of MFIs and IFs for statistical purposes MMFs are defined in Regulation (EU) No 1071/2013 (ECB/2013/33) IFs other than MMFs, are defined in Article 1 of this Regulation
(2+3)a	of which securities (debt securities, equity and investment fund shares/units) lent out or sold under repurchase agreements	This item includes those securities, reported under categories 2 (debt securities) and 3 (equity and investment fund shares/units), which have been lent under securities lending operations or sold under repurchase agreements (or any other type of similar operations, such as sell and buy-back transactions)
4.	Financial derivatives	Financial derivatives are financial instruments linked to a specified financial instrument, indicator, or commodity, through which specific financial risks can be traded in financial markets in their own right This item includes: — options — warrants — futures — forwards — swaps — credit derivatives Financial derivatives are recorded at market value on the balance sheet on a gross basis. Individual derivative contracts with positive market values are recorded on the asset side of the balance sheet, and contracts with negative market values on the liability side of the balance sheet Gross future commitments arising from derivative contracts should not be entered as on-balance-sheet items Financial derivatives may be recorded on a net basis according to different valuation methods. In the event that only net positions are available, or positions are recorded other than at market value, these positions are reported instead This item does not include financial derivatives that are not subject to on-balance-sheet recording according to national rules

ASSET CATEGORIES		
5.	Non-financial assets (including fixed assets)	Tangible and intangible assets, other than financial assets. Fixed assets are non-financial assets which are used repeatedly or continuously by the IF for more than one year. This item includes dwellings, other buildings and structures, machinery and equipment, valuables, and intellectual property products such as computer software and databases.
6.	Remaining assets	This is the residual item on the asset side of the balance sheet, defined as 'assets not included elsewhere'. NCBs may also require under this item individual breakdowns of the following: — accrued interest receivable on deposits and loans — accrued interest on holdings of debt securities — accrued rent receivable — amounts receivable which do not relate to the IF's main business

LIABILITY CATEGORIES		
Category		**Description of main features**
7.	Loans and deposits received	Amounts owed to creditors by the IF, other than those arising from the issue of negotiable securities. This item consists of: — loans: loans granted to the IFs which are either evidenced by non-negotiable documents or not evidenced by documents — repos and repo-type operations against cash collateral: counterpart of cash received in exchange for securities sold by the IF at a given price under a firm commitment to repurchase the same (or similar) securities at a fixed price on a specified future date. Amounts received by the IF in exchange for securities transferred to a third party ('temporary acquirer') are to be classified here where there is a firm commitment to reverse the operation and not merely an option to do so. This implies that the IF retains all risks and rewards of the underlying securities during the operation

LIABILITY CATEGORIES	
	— cash collateral received in exchange for securities lending: amounts received in exchange for securities temporarily transferred to a third party in the form of securities lending operations against cash collateral — cash collateral received in operations involving the temporary transfer of gold against collateral
8. IF shares/units	Shares or units, including in the form of equity capital, issued by IFs that are included in the list of IFs for statistical purposes. This item represents the total liability to the IF's shareholders. Funds arising from non-distributed benefits or funds set aside by the IF in anticipation of likely future payments and obligations are also included
9. Financial derivatives	See category 4
10. Remaining liabilities	This is the residual item on the liabilities side of the balance sheet, defined as 'liabilities not included elsewhere'. NCBs may also require under this item individual breakdowns of the following: — debt securities issued Securities issued by the IF, other than equity, which are instruments usually negotiable and traded on secondary markets or which can be offset on the market and which do not grant the holder any ownership rights over the issuing institution — accrued interest payable on loans and deposits — amounts payable not related to the IF's main business, i.e. amounts due to suppliers, tax, wages, social contributions, etc. — provisions representing liabilities against third parties, i.e. pensions, dividends, etc. — net positions arising from securities lending without cash collateral — net amounts payable in respect of future settlements of transactions in securities

PART 2

Definitions of security-by-security attributes

TABLE B

Definitions of security-by-security attributes

Field	Description
Security identifier code	A code that uniquely identifies a security. It may be the ISIN code or another security identifier code, subject to the NCB's instructions
Number of units or aggregated nominal amount	Number of units of a security, or aggregated nominal amount if the security is traded in amounts rather than in units
Price	Price per unit of a security, or percentage of the aggregated nominal amount if the security is traded in amounts rather than in units. The price is usually the market price or is close to the market price. NCBs may also require accrued interest under this position
Total amount	Total amount for a security. In the case of securities that are traded in units, this amount equals the number of securities multiplied by the price per unit. Where securities are traded in amounts rather than in units, this amount equals the aggregated nominal amount multiplied by the price expressed as a percentage The total amount is, in principle, equal to market value or is close to market value. NCBs may also require accrued interest under this position
Financial transactions	The sum of purchases minus sales (securities on the asset side) or issues minus redemptions (securities on the liability side) of a security recorded at transaction value
Securities purchased (assets) or issued (liabilities)	The sum of purchases (securities on the asset side) or issues (securities on the liability side) of a security recorded at transaction value
Securities sold (assets) or redeemed (liabilities)	The sum of sales (securities on the asset side) or redemptions (securities on the liability side) of a security recorded at transaction value
Currency of recording of the security	ISO code or equivalent of the currency used to express the price and/or the outstanding amount of the security

PART 3

Definitions of sectors

The ESA 2010 provides the standard for sector classification. This table provides a detailed standard description of sectors which NCBs transpose into national categories in accordance with this Regulation. Counterparties located in the territory of the Member States whose currency is the euro are identified according to their sector in accordance with the lists maintained by the European Central Bank (ECB) for statistical purposes and the guidance for the statistical classification of counterparties provided in the ECB's 'Monetary financial institutions and markets statistics sector manual: Guidance for the statistical classification of customers'.

TABLE C

Definitions of sectors

Sector		Definition
1.	MFIs	MFIs as defined in Article 1 of Regulation (EU) No 1071/2013 (ECB/2013/33). This sector consists of NCBs, credit institutions as defined in Union law, MMFs, other financial institutions whose business is to receive deposits and/or close substitutes for deposits from entities other than MFIs and, for their own account, at least in economic terms, to grant loans and/or make investments in securities, and electronic money institutions that are principally engaged in financial intermediation in the form of issuing electronic money
2.	General government	The general government sector (S.13) consists of institutional units which are non-market producers whose output is intended for individual and collective consumption, and which are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth (ESA 2010, paragraphs 2.111 to 2.113)
3.	Non-MMF IFs	IFs as defined in Article 1 of this Regulation
4.	Other financial intermediaries, except insurance corporations and pension funds + financial auxiliaries + captive financial institutions and money lenders	The other financial intermediaries, except insurance corporations and pension funds sub-sector (S.125) consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits (or close substitutes for deposits), IF shares/units, or in relation to insurance, pension

a See page 107 of this Official Journal.

		and standardised guarantee schemes from institutional units. FVCs as defined in Regulation (EU) No 1075/2013 of 18 October 2013 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (ECB/2013/40)[a] are included in this sub-sector (ESA 2010, paragraphs 2.86 to 2.94) The financial auxiliaries sub-sector (S.126) consists of all financial corporations and quasi-corporations which are principally engaged in activities closely related to financial intermediation but which are not financial intermediaries themselves. This sub-sector also includes head offices whose subsidiaries are all or mostly financial corporations (ESA 2010, paragraphs 2.95 to 2.97) The captive financial institutions and money lenders sub-sector (S.127) consists of all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services, and where most of either their assets or their liabilities are not transacted on open markets. This sub-sector includes holding companies that hold controlling-levels of equity of a group of subsidiary corporations and whose principal activity is owning the group without providing any other service to the businesses in which the equity is held, that is, they do not administer or manage other units (ESA 2010, paragraphs 2.98 and 2.99)
5.	Insurance corporations + pension funds	The insurance corporations sub-sector (S.128) consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as a consequence of the pooling of risks mainly in the form of direct insurance or reinsurance (ESA 2010, paragraphs 2.100 to 2.104) The pension funds sub-sector (S.129) consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as the consequence of the pooling of social risks and needs of the insured persons (social insurance). Pension funds as social insurance schemes provide income in retirement, and

a See page 107 of this Official Journal.

		often benefits for death and disability (ESA 2010, paragraphs 2.105 to 2.110).
6.	Non-financial corporations	The non-financial corporations sector (S.11) consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of goods and non-financial services. This sector also includes non-financial quasi-corporations (ESA 2010, paragraphs 2.45 to 2.50)
7.	Households + non-profit institutions serving households	The households sector (S.14) consists of individuals or groups of individuals as consumers and as entrepreneurs producing market goods and non-financial and financial services (market producers) provided that the production of goods and services is not by separate entities treated as quasi-corporations. It also includes individuals or groups of individuals as producers of goods and non-financial services for exclusively own final use. The household sector includes sole proprietorships and partnerships without independent legal status, other than those treated as quasi-corporations, which are market producers (ESA 2010, paragraphs 2.118 to 2.128) The non-profit institutions serving households (NPISHs) sector (S.15) consists of non-profit institutions which are separate legal entities, which serve households and are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general government and from property income (ESA 2010, paragraphs 2.129 and 2.130)

a See page 107 of this Official Journal.

Changes to legislation:
There are outstanding changes not yet made to Regulation (EU) No 1073/2013 of the European Central Bank. Any changes that have already been made to the legislation appear in the content and are referenced with annotations.
View outstanding changes

Changes and effects yet to be applied to :

– Regulation revoked by S.I. 2021/1300 Sch. 1 para. 69