

Currency Union Technical Expert Group (CUTEG)

OUTCOME PAPER (CUTEG) # 15-1

JANUARY 24, 2005

(1) Topic: Classification of the Claims/Liabilities Resulting from the Initial Transfer of Reserve Assets to the CUCB

(2) Issues – see CUTEG Draft Follow-up Paper #15
<http://www.imf.org/external/np/sta/bop/pdf/fp15.pdf>

(3) Outcome of the discussion:

1. It was agreed that the claims arising from the initial transfer of reserve assets to the CUCB be classified as *other investment*, probably under *other assets*. The exact instrument classification would depend upon the nature of the claim.

2. It was agreed that if a CU member does not fully meet its obligations to transfer reserve assets to the CUCB, the CUCB may report a claim on the member country. Such claims should be classified in the national data as *other investment / monetary authorities/other liabilities*.

3. There was interest in separately identifying transactions arising from the transfer of reserves separately from transactions arising from the subscription to the CUCB capital.

(4) Rejected Alternatives:

None.

(5) Actions

The CUCBs agreed to review the reasoning behind their present classification approaches.