



**E U R O P E A N C E N T R A L B A N K**

**OPINION OF THE EUROPEAN CENTRAL BANK**

**of 20 December 1999**

**at the request of the Luxembourg Ministry of Finance  
on a draft law amending the Decree of the Grand Duchy of Luxembourg,  
as amended on 10 November 1944, relating to exchange control**

**(CON/99/22)**

1. On 30 November 1999 the European Central Bank (ECB) received a request from the Luxembourg Ministry of Finance for an ECB Opinion on a draft law amending the Decree of the Grand Duchy of Luxembourg, as amended on 10 November 1944, relating to exchange control.
2. The ECB's competence to deliver an opinion is based on Article 105 (4) of the Treaty establishing the European Community and Article 2 (1), in particular the third and fourth indents, of Council Decision (EC) No. 98/415 of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions, as the draft law deals with the national central banks and the collection, compilation and distribution of balance of payments and international investment position ("position extérieure globale") statistics. In accordance with Article 17.5, first sentence, of the Rules of Procedure of the European Central Bank, this ECB Opinion has been adopted by the Governing Council of the ECB. This ECB Opinion is based on an unofficial English translation of the official French proposal.
3. The ECB notes that the purpose of the draft law is to prepare the legal framework for the transfer of statistical powers in the area of balance of payments and international investment position statistics from the Institut belgo-luxembourgeois du change (IBLC) to the Banque centrale du Luxembourg (BCL) and the Service central de la statistique et des études économiques (STATEC) and to specify the division of responsibilities between the BCL and the STATEC, both of which will finally take effect on 1 January 2002. The draft law takes account of the situation created by the transition to Stage Three of Economic and Monetary Union and of the end of the monetary association between the Grand Duchy of Luxembourg and Belgium.

4. The ECB welcomes the draft law. The proposed amendments are in line with Article 4 of Council Regulation (EC) No. 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank, which requires the Member States to organise themselves in the field of statistics and to co-operate fully with the European System of Central Banks (ESCB) in order to ensure the fulfilment of the obligations arising out of Article 5 of the Statute of the European System of Central Banks and of the European Central Bank. The proposed amendments are also fully in line with the spirit of the ECB Recommendation of 1 December 1998 on the statistical reporting requirements of the European Central Bank in the field of balance of payments and international investment position statistics, which, inter alia, requests the IBLC to establish with the BCL the appropriate modalities of statistical co-operation to ensure a permanent structure of data transmission aimed at fulfilling the statistical requirements of the ECB.
5. In particular, the ECB welcomes the fact that the BCL, as part of the competences that it will share with the STATEC, will not only be fully involved in the compilation of all the balance of payments and international investment position statistics, but also in the setting-up of both the data collection system and the related methodology, concepts and definitions. In principle, compliance with the statistical requirements of the ECB is thus ensured. The ECB also welcomes the proposal to establish a common database on the balance of payments and the international investment position at the BCL and the fact that the BCL will have the right to use not only data collected by itself or by the STATEC, but also data which are collected by other competent national administrative bodies or public institutions.
6. The ECB notes that the procedures for implementing the draft law, in particular in the area of the collection, verification and management of data, will be subject to an agreement between the BCL and the STATEC. The ECB is of the opinion that the agreement needs to provide for a legal mechanism which would allow any amendment to the existing internal statistical legal framework of the ESCB in the area of balance of payments and international investment position statistics automatically to become part of the agreement, insofar as this is deemed necessary, without the need for a new agreement between the BCL and the STATEC. At the same time, provision must be made to ensure that the agreement does not put the BCL in a position which makes it legally impossible for the BCL to comply with any future ECB Regulation in the area of balance of payments and international investment position statistics.

7. The ECB welcomes the fact that the draft law empowers the BCL and the STATEC to start to implement the provisions of the draft law before the IBLC ceases to carry out its tasks, in order to make early preparation for the cessation of these activities.
8. The ECB confirms that it has no objection to this ECB Opinion being made public by the competent national authorities at their discretion.

Done at Frankfurt am Main on 20 December 1999.

The Vice President of the ECB

[signed]

C. Noyer