

AGREEMENT

of 16 November 2000

between the European Central Bank and the Bank of Greece regarding the claim credited to the Bank of Greece by the European Central Bank under Article 30.3 of the Statute of the ESCB and related matters

THE EUROPEAN CENTRAL BANK AND THE BANK OF GREECE,

ting the amount required to be contributed by the Bank of Greece in accordance with recital 2.

Whereas:

(1) Pursuant to Article 30.3 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the 'Statute') and Article 4(1) of Decision ECB/2000/14 of 16 November 2000 providing for the paying up of the capital and the contribution to the reserves and provisions of the ECB by the Bank of Greece, and for the initial transfer of foreign-reserve assets to the ECB by the Bank of Greece and related matters ⁽¹⁾, the European Central Bank (ECB) shall credit the Bank of Greece with a claim denominated in euro equivalent to the aggregate euro amount of the Bank of Greece's contribution of foreign-reserve assets. The Governing Council of the ECB has decided that the Bank of Greece shall, in compliance with the requirements of Article 49.1 of the Statute, transfer the same amounts of foreign-reserve assets in or denominated in US dollars, Japanese yen and gold that would have been transferred to the ECB by the Bank of Greece if the Bank of Greece had been a national central bank (NCB) of a Member State which has adopted the single currency (participating NCBs) on 1 January 1999. Pursuant to Article 4(2) of Decision ECB/2000/14, the aggregate euro equivalent value of the foreign-reserve assets transferred by the Bank of Greece shall be calculated on the basis of the exchange rates between the euro and the US dollar or Japanese yen established as a result of the daily concertation teleconference procedure on 29 December 2000 among those central banks that participate in such procedure and, in the case of gold, on the basis of the US dollar price of gold per fine troy ounce established in the London gold fixing at 10.30 a.m., London time, on 29 December 2000, and the amount so calculated shall be confirmed by the ECB to the Bank of Greece as soon as possible on 29 December 2000.

(2) Article 49.2 of the Statute requires the Bank of Greece to contribute to the reserves of the ECB, to those provisions equivalent to reserves, and to the amount still to be appropriated to the reserves and provisions corresponding to the balance of the profit and loss account as at 31 December of the year ending 31 December 2000.

(3) The ECB and the Bank of Greece agree that the claim required to be credited by the ECB to the Bank of Greece in accordance with recital 1 may be reduced by offset-

(4) The ECB and the Bank of Greece agree to reduce the claim to be credited by the ECB to the Bank of Greece following the offsetting set forth in recital 3 to an amount equal to EUR 1 028 200 000 in order to ensure that the ratio between the amount in euro of the claim credited to the Bank of Greece and the aggregate amount in euro of the claims credited to the other participating NCBs shall be equal to the ratio between the Bank of Greece's weighting in the key for subscription of the ECB's capital and the other participating NCBs' aggregate weighting in the key for subscription of the ECB's capital.

(5) The ECB and the Bank of Greece agree on other modalities for the crediting of the claim required to be credited by the ECB to the Bank of Greece, including the possibility that it may, depending on exchange-rate movements, be necessary to increase rather than reduce such claim to an amount equal to EUR 1 028 200 000.

(6) In view of the agreement of the parties reflected herein it is necessary to adapt the provisions of Article 4 of the Guideline of 3 November 1998, as amended by Guideline ECB/2000/15 of 16 November 2000, on the composition, valuation and modalities for the initial transfer of foreign-reserve assets, and the denomination and remuneration of equivalent claims, attached as Annex to Decision ECB/2000/14, relating to the waiver by participating NCBs of the claims credited to such NCBs by the ECB in the event that the ECB incurs an unrealised loss in any financial year during the transitional period between 1 January 1999 and 31 December 2001 owing to a decline in the euro-equivalent value of the ECB's foreign-reserve assets resulting solely from exchange-rate or gold price fluctuation. For the purposes of the application of Article 4(2) of Guideline ECB/2000/15, attached as Annex to Decision ECB/2000/14, the original value of the Bank of Greece's claim shall be taken to be EUR 1 028 200 000.

(7) Article 10.3 of the Statute, in conjunction with Article 43.4, provides that for any decisions to be taken under Article 30 of the Statute, the votes in the Governing Council of the ECB shall be weighted according to the shares in the capital of the ECB subscribed by the central banks of Member States without a derogation. The Governing Council of the ECB has approved the ECB's entry into this Agreement in accordance with such procedure specified under Article 10.3 of the Statute,

⁽¹⁾ See page 110 of this Official Journal.

HAVE AGREED AS FOLLOWS:

Article 1

Modalities for crediting of Bank of Greece's claim

1. If the aggregate amount of the claim required to be credited by the ECB to the Bank of Greece in accordance with Article 30.3 of the Statute and Article 4(1) of Decision ECB/2000/14 is greater than EUR 1 028 200 000 on the final date on which the ECB receives foreign reserve assets from the Bank of Greece, the amount of such claim shall be reduced on such date to an amount equal to EUR 1 028 200 000. Such reduction shall be made by offsetting the amount required to be contributed by the Bank of Greece as of 1 January 2001 to the provisions equivalent to reserves of the ECB for valuation losses with respect to foreign-exchange rates, pursuant to Article 49.2 of the Statute together with Article 5 of Decision ECB/2000/14. Such offsetting shall be treated as an advance contribution to the provisions equivalent to reserves for valuation losses with respect to foreign-exchange rates and market prices, and such advance contribution shall be deemed to have been made as of the date of such offsetting.

2. If the amount required to be contributed by the Bank of Greece to the provisions equivalent to reserves of the ECB for valuation losses with respect to foreign-exchange rates, is less than the difference between (a) the aggregate amount of the claim required to be credited by the ECB to the Bank of Greece in accordance with Article 30.3 of the Statute and Article 4(1) of Decision ECB/2000/14 and (b) EUR 1 028 200 000, then the amount of such claim shall be reduced to an amount equal to EUR 1 028 200 000 (1) by offsetting in accordance with paragraph 1, and (2) by the ECB paying the Bank of Greece an amount in euro equal to the amount of the shortfall remaining after such offsetting. Any amount required to be paid by the ECB in accordance with this paragraph 2 shall be due from 1 January 2001. The ECB shall, in due course, give instructions for the transfer of such amount, and of net accrued interest thereon, through Target (Trans-European automated real-time gross settlement express transfer system). Accrued interest shall be calculated at a rate equal to the marginal interest rate used by the ESCB in its most recent main refinancing operation, and the calculation of interest shall be effected on a daily basis, using the actual over-360-day method of calculation.

3. If the aggregate amount of the claim required to be credited by the ECB to the Bank of Greece in accordance with Article 30.3 of the Statute and Article 4(1) of Decision ECB/2000/14 is lower than EUR 1 028 200 000 on the final date on which the ECB receives foreign-reserve assets from the Bank of Greece, the amount of such claim shall be increased on such date to an amount equal to EUR 1 028 200 000. The amount of such claim shall be increased by the Bank of Greece paying the ECB an amount in euro equal to the amount of such

difference. Any amount required to be paid by the Bank of Greece in accordance with this paragraph 3 shall be due from 1 January 2001, and shall be paid in accordance with the procedures specified in Article 5(3) of Decision ECB/2000/14.

Article 2

Waiver of the Bank of Greece's claim

1. If the participating NCBs other than the Bank of Greece have waived the claims credited to such participating NCBs by the ECB in accordance with the provisions of Article 4 of Guideline ECB/2000/15, attached as Annex to Decision ECB/2000/14, in the event that the ECB incurs an unrealised loss in the financial year ending 31 December 2000 giving rise to such waiver, the amount of the Bank of Greece's claim of EUR 1 028 200 000 shall be reduced by the same percentage by which the original value of the other participating NCBs' claims shall have been so waived. In the event of such a reduction in the claim credited to the Bank of Greece, the ECB shall pay the Bank of Greece an amount in euro equal to the amount of such reduction.

2. The amount required to be paid by the ECB in accordance with paragraph 1 shall be due as of the date such waiver becomes effective. The ECB shall, in due course, give instructions for the transfer to the Bank of Greece on 30 March 2001 of any such amounts, and of accrued interest thereon, through Target. Accrued interest shall be calculated from the date such waiver becomes effective until 30 March 2001 at a rate equal to the marginal interest rate used by the ESCB in its most recent main refinancing operation, and the calculation of interest shall be effected on a daily basis, using the actual over-360-day method of calculation.

Article 3

Final provisions

This Agreement shall enter into force on 1 January 2001.

This Agreement shall be drawn up in two duly signed originals in the English language, one of which shall be retained by each of the ECB and the Bank of Greece.

This Agreement shall be published in the *Official Journal of the European Communities*.

Done at Frankfurt am Main, 16 November 2000.

European Central Bank

Willem F. DUISENBERG

President

Bank of Greece

Lucas D. PAPADEMOS

Governor