

ANNEX VI

RECOMMENDATION OF THE EUROPEAN CENTRAL BANK
of 8 April 1999
on the accounting treatment of costs incurred in connection with the issue of banknotes
(ECB/1999/NP7)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the 'Statute') and in particular to Article 26 thereof,

Whereas:

- (1) It is appropriate to harmonise the accounting treatment of costs incurred in connection with the issue of banknotes as from the start of stage three of Economic and Monetary Union in order to standardise the reporting of operations undertaken by the national central banks (NCBs).
- (2) The harmonised accounting treatment should apply to the costs incurred in connection with the issue of both national banknotes and euro banknotes.
- (3) This Recommendation shall be without prejudice to any Decision which may be taken by the Governing Council of the European Central Bank under Article 32.4 of the Statute,

HAS ADOPTED THIS RECOMMENDATION:

Article 1

Accounting treatment of banknote costs

It is recommended that the costs incurred in connection with the issue of both national banknotes and euro banknotes should be taken to the profit and loss account as they are invoiced to, or otherwise incurred by, the NCBs.

Article 2

Final provisions

1. This recommendation shall apply to all costs of the type specified in Article 1 that are incurred as from 1 January 1999.
2. This recommendation is addressed to the NCBs of the Member States that have adopted the single currency in accordance with the Treaty establishing the European Community.

Done at Frankfurt am Main, 8 April 1999.

The President of the ECB
Willem F. DUISENBERG
