

CMFB opinion
on the amendment of chapter II.4 "Recording interest" in the Manual on Government Debt and Deficit, 2010 Edition

1. At Eurostat's request the CMFB Chairman, with the assistance of the CMFB Executive Body, asked CMFB Members on 1 March 2012 to state their opinion on the amendment of chapter II.4 "Recording interest" of the Manual on Government Debt and Deficit, 2010 Edition. The deadline for replies was 12 March 2012. Twenty-one (21) national statistical institutes and twenty-three (23) national central banks from the EU Member States returned the questionnaire within the specified time. A total of forty-six (46) institutions, including the ECB and Statistics Norway provided their opinion.

The result of the consultation is the following:

2. The CMFB agrees, based on a very large majority, with the proposed amendments relating to financial instruments with "step-up" coupons. Several comments suggested that the drafting should be made clearer as regards the instruments covered.
3. The CMFB agrees, based on a large majority, with the proposed amendments relating to the recording of interest in the case of a "grace period". Some members noted the different nature of loans compared to debt securities, and it was suggested to clarify the recording of interest in case of a grace period for loans. The need to ensure global consistency in the recording of interest across institutional sectors and, where relevant, international statistical standards, were also mentioned.
4. The CMFB recommends that Eurostat take account of the specific remarks raised and editorial comments provided, partly in the form of specific drafting proposals and numerical examples, before finalising the chapter.
5. In addition to this opinion, all the anonymised answers from CMFB Members have been transmitted to Eurostat and will be kept in the records of the CMFB secretariat.

(Signed)

João Cadete de Matos
CMFB Chairman

Lisboa, 16 March 2012