

**DECREE**  
**of the Czech National Bank**  
No. 514/2002 Coll.  
of 20 November 2002

**stipulating the terms and conditions for coding by purpose the financial transactions  
necessary for the compilation of the balance of payments of the Czech Republic**

Pursuant to Article 41(5) of Act No. 6/1993 Coll., on the Czech National Bank, as amended by Act No. 442/2000 Coll., the Czech National Bank stipulates the following:

Article 1

- (1) A condition for the compilation of the balance of payments of the Czech Republic is the coding by purpose of financial transactions with the payment items specified in Groups 1–9 of Annex 1 hereto and with the special constant symbols specified in Annex No. 2 hereto.
- (2) For purposes of this Decree, “financial transaction” shall mean a receipt, payment, transfer, deposit or withdrawal effected either directly or in cash.

Article 2

- (1) Clients, banks and foreign bank branches shall code the following financial transactions with the payment items specified in Groups 1–8 of Annex 1 hereto:
  - a) financial transactions to and from foreign countries between residents<sup>1</sup> and non-residents<sup>2</sup>, between residents and between non-residents in both Czech and foreign currency;
  - b) financial transactions within the Czech Republic between residents and non-residents in foreign currency.
- (2) Banks and foreign bank branches shall code financial transactions effected within the Czech Republic between residents and between non-residents in foreign currency with the payment items specified in Group 9 of Annex 1 hereto. Clients may do likewise.

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<sup>1</sup> Article 1(b) of Act No. 219/1995 Coll., the Foreign Exchange Act, as amended.

<sup>2</sup> Article 1(c) of the Foreign Exchange Act

- (3) Clients, and, in the case of their own transactions, banks and foreign bank branches, shall code financial transactions effected within the Czech Republic between residents and non-residents in the Czech currency with the special constant symbols corresponding to the relevant payment items specified in Annex 2 hereto.

#### Article 3

The procedure of foreign exchange entities for effecting payments to and from foreign countries and vis-à-vis non-residents is stipulated in a special legal rule.<sup>3</sup>

#### Article 4

The coding by purpose of financial transactions with payment items pursuant to Article 2(1)(a) shall not apply to payments of up to EUR 12,500 effected in euros from the Czech Republic to another member state of the European Union or to another state of the European Economic Area.

#### Article 5

The CNB Provision stipulating the Payment Items for Coding Financial Transactions by Purpose, promulgated under No. 36 in Volume 89/2000 Coll. in the section “Measures of Central Authorities”, is hereby repealed.

#### Article 6

This Decree shall take effect on 1 January 2003, except for Article 4, which shall take effect on the date the Treaty of Accession of the Czech Republic to the European Union enters into force.

Governor  
Zdeněk Tůma

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<sup>3</sup> Decree No. 183/2002 Coll., stipulating the Procedure of Foreign Exchange Entities for Effecting Payments to and from Foreign Countries and vis-à-vis Non-residents.

## **PAYMENT ITEMS**

### **GROUP 1 RECEIPTS AND PAYMENTS FOR GOODS**

Group 1 concerns receipts and payments connected with the export and import of goods, processing and repairs of goods, and financial leasing.

**110 EXPORT OF GOODS** – receipts for goods exported at an agreed parity, including delivery costs forming part of the invoiced price (e.g. costs for transportation, storage, insurance, fees and commissions, assembling of goods, and interest), adjusted for correcting items (e.g. returns, cancellations and discounts). Included are receipts and payments connected with factoring and forfeiting.

**112 FINANCIAL LEASING – EXPORT** – receipts and payments connected with the export of goods in the form of leasing with subsequent sale (or the return of instalments already paid if subsequent sale does not take place); excluded are receipts and payments connected with operational leasing (see the payment items of Groups 2 and 3).

**120 IMPORT OF GOODS** – payments for imported goods at an agreed parity, including delivery costs forming part of the invoiced price (e.g. costs for transportation, storage, insurance, fees and commissions, assembling of goods, and interest), adjusted for correcting items (e.g. returns, cancellations and discounts). Included are receipts and payments connected with factoring and forfeiting.

**122 FINANCIAL LEASING – IMPORT** – payments and receipts connected with the import of goods in the form of leasing with subsequent purchase (or return of instalments already paid if purchase does not occur); excluded are receipts and payments connected with operational leasing (see the payment items of Groups 2 and 3).

**130 REEXPORT** – receipts and payments for deliveries of goods purchased and imported from abroad and sold and exported without subsequent adjustments or changes being made to their quality.

**132 PROCESSING** – receipts and payments connected with the (inward and outward) processing of goods.

**135 REPAIRS** – receipts and payments connected with repairs on goods.

**190 TRANSACTIONS CONNECTED WITH THE USE OF BILLS OF EXCHANGE AND CHEQUES** – receipts and payments connected with the unidentifiable use of bills of exchange and cheques, i.e. if the purpose of the payment is indeterminable.

**195 PAYMENT ITEMS WITH UNSPECIFIED TIME** – receipts and payments connected with the specification of payment items in more detail (receipts in particular). This is a substitute payment item attached by a correspondent bank intermediating transactions for the client of another bank and for its own operations pursuant to a special legal rule.<sup>1</sup>

## **GROUP 2 TRANSPORTATION SERVICES AND TRAVEL**

Part of Group 2 – transportation services – relates to:

- a) services connected with the transportation of goods during export and import (except for costs included in the price of the goods – see payment items 110 and 120), transit of goods across the territory of the Czech Republic, transportation of goods between third countries and transportation of postal deliveries;
- b) services connected with passenger transport (fares, payment for ferry transport, etc.);
- c) other services connected with the transportation of goods and services, including rentals of carriers with crew (for a limited period – usually a single voyage).

Part of Group 2 – travel – relates to purchases and sales of funds in foreign currency to natural persons and legal entities, and foreign currency and koruna receipts and payments by entities doing business in the foreign travel area.

## **TRANSPORT**

**210 RAIL FREIGHT** – receipts and payments connected with transportation of goods by rail.

**211 RAIL PASSENGER** – receipts and payments connected with transportation of persons by rail.

**212 OTHER RAIL TRANSPORT** – receipts and payments connected with other rail transport services, e.g. cargo handling, storage and warehousing, packing, maintenance of transportation equipment and other operational services at railway stations, and salvage operations.

**213 SEA FREIGHT** – receipts and payments connected with transportation of goods by sea, and rentals of vessels with crew for the carriage of freight.

**214 SEA PASSENGER** – receipts and payments connected with transportation of persons by sea, and rentals of vessels with crew for the carriage of passengers.

**215 OTHER SEA TRANSPORT** – receipts and payments connected with other sea transport services, e.g. cargo handling, storage and warehousing, packing, maintenance of vessels and other operational services at ports, pilotage, and salvage operations, including the towing of damaged vessels.

**216 INLAND WATERWAY FREIGHT** – receipts and payments connected with transportation of goods by inland waterway, and rentals of vessels with crew for the carriage of freight.

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<sup>1</sup> Decree No. 183/2002 Coll., stipulating the Procedure of Foreign Exchange Entities for Effecting Payments to and from Foreign Countries and vis-à-vis Non-residents.

**217 INLAND WATERWAY PASSENGER** – receipts and payments connected with transportation of persons by inland waterway, and rentals of vessels with crew for the carriage of passengers.

**218 OTHER INLAND WATERWAY PASSENGER** – receipts and payments connected with other sea transport services, e.g. cargo handling, storage and warehousing, packing, maintenance of vessels and other operational services at ports, pilotage, and salvage operations, including the towing of damaged vessels.

**219 AIR FREIGHT** – receipts and payments connected with transportation of goods by air, and rentals of aircraft with crew for the carriage of freight..

**220 AIR PASSENGER** – receipts and payments connected with transportation of persons by air, and rentals of aircraft with crew for the carriage of passengers.

**221 OTHER AIR TRANSPORT** – receipts and payments connected with other air transport services, e.g. cargo handling, storage and warehousing, packing, salvage operations, maintenance of aircraft and other operational services at airports, and air traffic control.

**222 ROAD FREIGHT** – receipts and payments connected with transportation of goods by road vehicle, and rentals of road vehicles with crew for the carriage of freight.

**223 ROAD PASSENGER** – receipts and payments connected with transportation of persons by road vehicle, and rentals of road vehicles with crew for the carriage of passengers.

**224 OTHER ROAD TRANSPORT** – receipts and payments connected with other road transport services, e.g. cargo handling, storage and warehousing, packing, maintenance of transportation equipment and other operational services.

**226 COMBINED TRANSPORT** – receipts and payments connected with the use of combined transport, e.g. rail and road.

**233 SPACE TRANSPORT** – receipts and payments connected with space transport, e.g. transportation of telecommunication satellites into orbit.

**235 PIPELINE TRANSIT** – receipts and payments connected with transit by pipeline across the territory of the Czech Republic, and electricity transmission.

**239 OTHER TRANSPORTATION SERVICES** – receipts and payments connected with other services not classified under the other types of transport, e.g. customs charges and customs warrantees.

### ***TRAVEL***

Payment items 260 to 295 relate to travel only. Cheques, bills of exchange, foreign currency purchases and sales, and payment cards relating to business activities are coded with payment items according to the nature of the transaction.

**260 PURCHASES OF FOREIGN CURRENCY FOR CASH** – purchases of foreign exchange and cheques in foreign currency in return for Czech currency in the form of banknotes, coins and cheques, except for purchases carried out by non-bank exchange offices – see payment item 285. Payments include returns of unused korunas.

**262 PURCHASES OF FOREIGN CURRENCY WITH CREDITING OF THE KORUNA ACCOUNT OF A NATURAL PERSON** – purchases of foreign exchange and cheques in foreign currency in return for Czech currency, with the amount exchanged being credited to the client's koruna account.

**265 PURCHASES OF FOREIGN CURRENCY WITH CREDITING OF THE KORUNA ACCOUNT OF A LEGAL ENTITY** – purchases of foreign exchange and cheques in foreign currency in return for Czech currency, with the amount exchanged being credited to the client's koruna account. Also included are payments from a casino to a koruna account.

**270 SALES OF FOREIGN CURRENCY FOR CASH** – sales of foreign exchange and cheques in foreign currency in return for Czech currency in the form of banknotes, coins and cheques, except for sales carried out by non-bank exchange offices – see payment item 285. Receipts include returns of unused foreign currency.

**272 SALES OF FOREIGN CURRENCY WITH DEBITING OF THE KORUNA ACCOUNT OF A NATURAL PERSON** – sales of foreign exchange and cheques in foreign currency in return for Czech currency, with the amount exchanged being debited from the client's koruna account. Receipts include returns of unused foreign currency.

**275 SALES OF FOREIGN CURRENCY WITH DEBITING OF THE KORUNA ACCOUNT OF A LEGAL ENTITY** – sales of foreign exchange and cheques in foreign currency in return for Czech currency, with the amount exchanged being debited from the client's koruna account. Receipts include returns of unused foreign currency. Usually comprise sales of funds for business travel and any returns of such funds.

**280 INCOMING TRAVEL** – receipts and payments (or returns) from natural persons and legal entities (e.g. travel agencies and hotels) connected with travel services provided in the Czech Republic; non-cash payments between travel agencies; and payments for stays in the Czech Republic.

**282 OUTGOING TRAVEL** – receipts (or returns) and payments from natural persons and legal entities (e.g. travel agencies and hotels) connected with travel services accepted in other countries; non-cash payments between travel agencies; and payments for stays abroad, including recreational stays.

**285 NON-BANK EXCHANGE OFFICES** – transfers of funds in foreign currency purchased by non-bank exchange offices.

**295 TRANSACTIONS CONNECTED WITH THE USE OF PAYMENT CARDS** – receipts and payments ensuing from the billing of payment cards. The receipts side records the use of payment cards by non-residents in the Czech Republic and the payments side records the use of payment cards by residents abroad, e.g. for retail purchases and payments in restaurants and hotels.

### **GROUP 3 OTHER SERVICES**

The payment items of Group 3 consist of receipts and payments connected with the provision of all types of business and non-business services except for transportation services and travel.

**310 POSTAL SERVICES** – receipts and payments connected with postal services.

**311. COURIER SERVICES** – receipts and payments connected with courier services.

**312 TELECOMMUNICATION AND RADIOCOMMUNICATION SERVICES** – receipts and payments connected with telecommunication and radiocommunication services.

**315 CONSTRUCTION AND ASSEMBLY WORK ABROAD** – receipts and payments connected with construction and assembly work, including project preparation (except for construction and assembly costs included in the price of the goods).

**318 CONSTRUCTION AND ASSEMBLY WORK IN THE CZECH REPUBLIC** – receipts and payments connected with construction and assembly work, including project preparation (except for construction and assembly costs included in the price of the goods).

**320 MERCHANTING** – receipts and payments for goods purchased abroad and subsequently resold without the goods having crossed the Czech customs frontier.

**325 REPAIRS** – receipts and payments for repairs on goods that did not cross the Czech customs frontier (not included in Group 1).

**326 FREIGHT INSURANCE** – receipts and payments connected with insurance of goods against damage or loss during transportation (during export and import). Excluded is freight insurance included in the price of the goods (see items 110 and 120).

**327 REINSURANCE** – receipts and payments connected with transfers of premiums and claims between insurance companies and reinsurance companies.

**328 SERVICES AUXILIARY TO INSURANCE** – receipts and payments for other services connected with insurance – agents' fees and commissions, broking and consultancy fees for risk assessment and evaluation, claim settlement and debt recovery.

**330 OTHER INSURANCE** – receipts and payments connected with the contingency insurance of property and individuals (i.e. all types of insurance except for insurance included in the price of the goods and services, life insurance and pension schemes), e.g. accident and medical insurance, vehicle insurance, travel insurance, loan insurance and credit card insurance.

**332 LIFE INSURANCE AND PENSION FUNDING** – receipts and payments connected with life insurance (e.g. up to a certain age or death) and with pension schemes.

**335 FINANCIAL SERVICES** – receipts and payments for financial services (except for interest and insurance services) provided by banks and other financial institutions. Includes services in respect of both clients and banks – service fees associated, for example, with letters of credit, clearing, exchange-office transactions, maintaining accounts, lending (including provision of mortgage loans), payment cards, transactions in securities and financial derivatives, management of assets and securities, factoring, financial leasing and credit rating.

**340 ADVERTISING** – receipts and payments for advertising, publicity and promotional services, market research and public opinion polling.

**345 LEGAL SERVICES** – receipts and payments connected with the provision of legal services (except for asset management).

**346 ACCOUNTING AND AUDITING SERVICES** – receipts and payments relating to accounting, auditing, bookkeeping and tax consulting services (except for asset management).

**347 BUSINESS AND MANAGEMENT CONSULTANCY AND PUBLIC RELATIONS SERVICES** – receipts and payments relating to the provision of advice, guidance and assistance in the areas of business and public relations, e.g. corporate policy and strategy, project, production and financial management, marketing, the personnel area, and technical and professional analysis.

**348 RENTS** – receipts and payments for rentals of buildings and facilities (including, for example, seasonal rentals).

**352 RENTAL AND LEASING OF MACHINERY AND EQUIPMENT** – receipts and payments for the rental and leasing of machinery and equipment (operational leasing), except for rental of transportation equipment with crew (see the items of Group 2).

**355 RESEARCH AND DEVELOPMENT** – receipts and payments connected with services provided in the area of basic and applied research and development in the technical and social fields.

**360 ROYALTIES AND LICENCE FEES** – receipts and payments connected with the use of intellectual proprietary rights – copyright and related rights, and industrial rights such as patents, utility designs, industrial designs, corporate names and software use rights. Excluded are receipts and payments connected with purchases and sales of such rights (see payment item 640).

**361 TRADEMARKS AND FRANCHISES** – receipts and payments connected with fees for the use of trademarks and with fees for franchises, i.e. for the use of designs (products, forms of sale) and technological processes, including payments for training, assistance and advertising.

**365 COMPUTER SERVICES** – receipts and payments for computer services, e.g. development and installation of software, software support, operator services, and consultations and seminars connected with the operation and design of computer technology.

**368 INFORMATION SERVICES** – receipts and payments connected with information provision, e.g. news agencies, the media, presentation of information on the Internet, book lending, and direct, non-bulk subscriptions to newspapers and periodicals.

**369 DIRECT INVESTMENT BUSINESS-TO-BUSINESS SERVICES** – transfers of funds relating to operational needs, overhead expenses and other services between a parent company and its subsidiary. (Excluded are loans accepted and provided.)

**370 EMBASSIES AND CONSULATES OF THE CZECH REPUBLIC ABROAD** – transfers of funds connected with the activities of Czech embassies and consulates abroad (funds for their operation and equipment and other associated costs).

**372 FOREIGN EMBASSIES AND CONSULATES IN THE CZECH REPUBLIC** – transfers of funds connected with the activities of embassies and consulates of other countries.

**375 GOVERNMENT CREDITS AND DEBITS** – receipts and payments connected with involvement in UN peacekeeping forces, NATO, etc.

**376 OTHER GOVERNMENT CREDITS AND DEBITS** – receipts and payments connected with administrative expenditures, with the sending of humanitarian (non-military) missions to other countries and with the activities of information and promotion centres and offices abroad.

**378 INTERMEDIATION SERVICES** – receipts and payments for intermediation of trade in goods and services (commission charges), except for services intermediated by banks and financial institutions.

**380 OTHER BUSINESS SERVICES** – receipts and payments for purchase and sale of translating and interpreting services, personnel agency services, security and investigative services, real estate services, property maintenance, photographic services and utility services.

**382 AUDIO-VISUAL SERVICES** – receipts and payments connected with films, musical recordings and radio and television programmes – fees for distribution rights to films and television programmes and broadcasting rights to sporting events and theatrical, musical and circus productions (for a limited number of showings), and fees received by actors, directors and musicians for productions abroad.

**384 EDUCATION SERVICES** – receipts and payments connected with educational services, e.g. lecturing, for fees seminars, conferences and correspondence courses, and school fees.

**385 CULTURAL, LEISURE, SPORTS AND RECREATIONAL SERVICES** – receipts and payments connected with cultural, sports, recreational and leisure services (such as libraries, museums, archives and exhibitions).

**386 HEALTH AND VETERINARY SERVICES** – receipts and payments connected with medical treatment of persons and animals, laboratory services, and transfers of funds to hospitals and social institutions (old-age and community-care facilities) to and from other countries.

**387 AGRICULTURAL SERVICES** – receipts and payments connected with agricultural activities (provision of agricultural mechanisation, protection against insects and disease, increasing of harvest yields, cultivation and breeding), forestry, fishing and hunting.

**388 WASTE TREATMENT AND DEPOLLUTION SERVICES** – receipts and payments relating to disposal of waste (including nuclear waste processing), removal of damage to the environment caused by mining and manufacturing activities, and decontamination and reclamation work.

**390 TECHNICAL SERVICES** – receipts and payments relating to services of a technical nature, e.g. design, development and construction work, construction supervision, product testing and certification and technical inspection.

**392 MINING SERVICES** – receipts and payments connected with mining and processing of raw materials (geological prospecting and extraction of raw materials). Excluded are receipts and payments for the right to extract mineral deposits, use inland waters and other activities specified in payment item 550.

**395 CZECH COMPANY REPRESENTATIONS ABROAD** – receipts and payments connected with expenditure on company representations. Excluded are wage costs – see Group 4.

**397 FOREIGN COMPANY REPRESENTATIONS IN THE CZECH REPUBLIC** – receipts and payments connected with expenditure on company representations. Excluded are wage costs – see Group 4.

#### **GROUP 4 EARNED INCOMES**

Group 4 comprises transfers of money earned for work.

**410 TRANSFERS OF INCOMES EARNED DURING SHORT-TERM STAYS** – transfers of wages, salaries and other benefits earned by natural persons while working abroad for a period of less than a year (refers to residents abroad and non-residents in the Czech Republic). Also included are cases where a Czech firm employs non-residents with a workplace abroad.

**412 TRANSFERS OF INCOMES EARNED DURING LONG-TERM STAYS** – transfers of wages, salaries and other benefits earned by natural persons while working abroad for a period of a year or more (refers to residents abroad and non-residents in the Czech Republic). Also included are cases where a Czech firm employs non-residents with a workplace abroad.

#### **GROUP 5 PROPERTY AND INVESTMENT INCOME**

Group 5 comprises income connected with financial assets and liabilities.

**510 DIRECT INVESTMENT INCOME** – receipts and payments connected with transfers of shares in distributed direct investment income (i.e. dividends and distributed branch profits) and other forms of shared earnings (e.g. net income from real estate rental).

**520 PORTFOLIO INVESTMENT INCOME** – receipts and payments connected with transfers of portfolio investment income (e.g. dividends).

**530 INTEREST – DIRECT INVESTMENT** – interest received and paid on loans provided and received within the framework of direct investment.

**532 INTEREST – PORTFOLIO INVESTMENT** – interest received and paid on portfolio investment (e.g. bonds).

**535 INTEREST ON FINANCIAL AND OTHER LOANS** – interest received and paid on financial and special-purpose loans provided and received in respect of foreign banks, foreign financial institutions and other entities. Also included is interest on government loans.

**538 INTEREST ON TRADE CREDITS** – interest received and paid on provided and received trade credits not included in the price of the goods, i.e. in Group 1.

**540 INTEREST ON DEPOSITS** – interest received and paid on deposits and forward transactions.

**550 INCOME FROM LAND** – receipts and payments from land ownership, i.e. rents from agricultural land, built-up land, from the use of open land, from forest land, and from the use of inland waters and mineral deposits.

#### **GROUP 6 TRANSFERS**

Group 6 relates to current and capital transfers.

**610 TRANSFERS (NON-REPAYABLE) – SUPPORT REMITTANCES, INDEMNITY PAYMENTS, DOWRIES, ETC.** – receipts and payments connected with transfers of funds to natural persons (such as dowries, support remittances, indemnity payments, gifts up to and including CZK 10,000, fees for study stays abroad, insurance claim payments, etc.) and legal entities.

**612 INHERITANCES AND GIFTS** – receipts and payments connected with transfers of inheritances and gifts of a capital nature (exceeding CZK 10,000). Gifts up to CZK 10,000 are included in payment item 610.

**615 ALIMONY** – receipts and payments ensuing from transfers of alimony.

**618 PENSIONS** – receipts and payments ensuing from old-age and other pensions.

**620 CONTRIBUTIONS TO INTERNATIONAL ORGANISATIONS FROM THE STATE BUDGET** – receipts and payments connected with contributions paid to international organisations from budgetary funds.

**622 CONTRIBUTIONS TO INTERNATIONAL ORGANISATIONS OUTSIDE THE STATE BUDGET** – receipts and payments connected with contributions paid to international organisations from non-budgetary funds.

**625 TRANSFERS CONNECTED WITH MIGRATION** – transfers of funds in connection with migration of the population.

**628 FOREIGN ASSISTANCE** – receipts and payments connected with voluntary contributions to international and non-governmental institutions, subsidies, scholarships and other forms of financial assistance and grants.

**630 SUBSIDIES** – non-repayable subsidies intended exclusively for operating purposes (excluded are loans, funds for equity increases, etc.).

**632 FINES AND PENALTIES** – receipts and payments connected with payments of fines, penalties and other sanctions, court costs and court fees. Where fines or penalties are directly related to supply of goods or services, they form part of the relevant payment item.

**635 TAXES AND FEES** – receipts and payments connected with taxes and fees, e.g. inheritance tax, gift tax, tax on capital gains (interest and dividends), property tax, income tax and administrative fees.

**640 PURCHASE AND SALE OF PROPRIETARY RIGHTS AND NON-FINANCIAL ASSETS** – receipts and payments connected with purchases and sales of intellectual property rights – copyright and related rights, and industrial rights such as patents, utility designs, industrial designs, corporate names and software use rights. Also includes purchases and sales of land for embassies and consulates of the Czech Republic abroad and foreign embassies and consulates in the Czech Republic.

**650 OTHER FINANCIAL TRANSFERS** – transfers of funds for subsequent investment in financial and non-financial assets (such as the purchase of securities or the establishment of a firm). Where the purpose of use of the funds is known, a payment item from Group 7 or 8 is assigned directly.

**652 CONTRIBUTIONS AND WINNINGS** – contributions to special-interest organisations and societies, registration fees, and winnings from games and lotteries.

**653 DEPOSITS AND CONTRIBUTIONS TO CHARITABLE ORGANISATIONS AND FUNDS** – receipts and payments connected with transfers paid to charitable organisations and funds.

**GROUP 7 INTERNATIONAL TRANSACTIONS IN FINANCIAL ASSETS**

Group 7 concerns international transactions in financial assets, i.e. transactions by residents abroad.

**710 FOREIGN DIRECT INVESTMENT** – receipts and payments for the purchase and sale of holdings by residents abroad. This concerns direct investment, i.e. such where the investor owns or acquires a holding of 10% or more of the registered capital of a commercial company or co-operative or 10% or more of the equity capital of a company or 10% or more of the voting rights or any other share in excess of 10% in the business of a company. Included are increases and decreases in the capital of direct investments abroad and related transfers.

**712 SHORT-TERM FINANCIAL LOANS CONNECTED WITH DIRECT INVESTMENT** – receipts and payments connected with drawings and repayments of loans provided between domestic investors and their direct investments abroad with maturities up to and including one year.

**715 MEDIUM AND LONG-TERM FINANCIAL LOANS CONNECTED WITH DIRECT INVESTMENT** – receipts and payments connected with drawings and repayments of loans provided between domestic investors and their direct investments abroad with maturities exceeding one year.

**718 FOREIGN PORTFOLIO INVESTMENT** – receipts and payments for purchases and sales of holdings by residents abroad. This concerns investment where the investor holds less than 10% of the registered capital of a commercial company or co-operative or less than 10% of the equity capital of a company or less than 10% of the voting rights or any other share of less than 10% in the business of a company.

**720 SHORT-TERM FOREIGN DEBT SECURITIES** – receipts and payments for purchases and sales of foreign debt securities with maturities up to one year.

**722 MEDIUM AND LONG-TERM FOREIGN DEBT SECURITIES** – receipts and payments for purchases and sales of foreign debt securities with maturities exceeding one year.

**725 FINANCIAL DERIVATIVES** – receipts and payments from the settlement of transactions in financial derivatives (positive fair value).

**735 PURCHASE AND SALE OF REAL ESTATE ABROAD** – receipts and payments connected with purchases and sales of real estate abroad, except for purchases and sales of land as given in payment item 640.

**740 SHORT-TERM SPECIAL-PURPOSE LOANS EXTENDED** – receipts and payments connected with drawings and repayments of loans extended to non-residents for a period up to and including one year for a precisely specified purpose.

**742 SHORT-TERM FINANCIAL LOANS EXTENDED (NO PURPOSE SPECIFIED)** – drawings and repayments of loans (including syndicated loans) extended to non-residents for a period up to and including one year with no purpose specified (including repo operations).

**745 MEDIUM AND LONG-TERM SPECIAL-PURPOSE LOANS EXTENDED** – receipts and payments connected with drawings and repayments of loans extended to non-residents for a period exceeding one year for a precisely specified purpose.

**748 MEDIUM AND LONG-TERM FINANCIAL LOANS EXTENDED (NO PURPOSE SPECIFIED)** – drawings and repayments of loans (including syndicated loans) extended to non-residents for a period exceeding one year with no purpose specified (including repo operations). Also included are government loans.

**750 DEPOSITS IN AND WITHDRAWALS FROM SPOT AND SHORT-TERM DEPOSIT ACCOUNTS** – deposits in and withdrawals from current accounts and deposit accounts abroad with maturities up to and including one year.

**752 CREDITING OF ACCOUNTS** – crediting of nostro accounts between domestic and foreign correspondent banks.

**755 DEPOSITS IN AND WITHDRAWALS FROM MEDIUM AND LONG-TERM DEPOSIT ACCOUNTS** – deposits in and withdrawals from deposit accounts abroad with maturities exceeding one year.

**760 CONVERSIONS, ARBITRAGE AND OTHER TRANSACTIONS** – receipts and payments from spot transactions in foreign exchange assets (foreign currencies and foreign securities).

**762 LIQUIDITY MANAGEMENT (CASH POOLING, ZERO BALANCING)** – receipts and payments from cash-flow management within holdings, concerns, etc., carried out by cash-pooling centres abroad, in which funds are transferred between the accounts of system participants and the pool manager.

**770 MEMBERSHIP FEES IN INTERNATIONAL ORGANISATIONS** – receipts and payments connected with payment of membership fees in international monetary and financial organisations.

**790 SECURING OF NON-RESIDENTS' OBLIGATIONS** – receipts and payments connected with securing non-residents' obligations. Also included are receipts and payments connected with guarantees for syndicated loans.

#### **GROUP 8 TRANSACTIONS IN FOREIGN FINANCIAL LIABILITIES**

Group 8 concerns international transactions in financial liabilities, i.e. transactions by non-residents in the Czech Republic.

**810 DOMESTIC DIRECT INVESTMENT** – receipts and payments for the purchase and sale of holdings by non-residents in the Czech Republic. This concerns direct investment, i.e. such where the investor owns or acquires a holding of 10% or more of the registered capital of a commercial company or co-operative or 10% or more of the equity capital of a company or 10% or more of the voting rights or any other share in excess of 10% in the business of a company.

Included are increases and decreases in the capital of direct investments abroad and related transfers.

**812 SHORT-TERM FINANCIAL LOANS CONNECTED WITH DIRECT INVESTMENT** – receipts and payments connected with drawings and repayments of loans provided between non-resident investors and their direct investments in the Czech Republic with maturities up to and including one year.

**815 MEDIUM AND LONG-TERM FINANCIAL LOANS CONNECTED WITH DIRECT INVESTMENT** – receipts and payments connected with drawings and repayments of loans provided between non-resident investors and their direct investments in the Czech Republic with maturities exceeding one year.

**818 DOMESTIC PORTFOLIO INVESTMENT** – receipts and payments for purchases and sales of holdings by non-residents in the Czech Republic. This concerns investment where the investor holds less than 10% of the registered capital of a commercial company or co-operative or less than 10% of the equity capital of a company or less than 10% of the voting rights or any other share of less than 10% in the business of a company.

**820 SHORT-TERM DOMESTIC DEBT SECURITIES** – receipts and payments for purchases and sales of domestic debt securities with maturities up to one year.

**822 MEDIUM AND LONG-TERM DOMESTIC DEBT SECURITIES** – receipts and payments for purchases and sales of domestic debt securities with maturities exceeding one year.

**825 FINANCIAL DERIVATIVES** – receipts and payments from the settlement of transactions in financial derivatives (negative fair value).

**835 PURCHASE AND SALE OF REAL ESTATE IN THE CZECH REPUBLIC** – receipts and payments connected with purchases and sales of real estate in the Czech Republic by non-residents to the extent set forth in the Foreign Exchange Act, except for purchases and sales of land as given in payment item 640.

**840 SHORT-TERM SPECIAL-PURPOSE LOANS RECEIVED** – receipts and payments connected with drawings and repayments of loans received from non-residents for a period up to and including one year for a precisely specified purpose.

**842 SHORT-TERM FINANCIAL LOANS RECEIVED (NO PURPOSE SPECIFIED)** – receipts and payments connected with drawings and repayments of loans (including syndicated loans) received from non-residents for a period up to and including one year with no purpose specified (including repo operations).

**845 MEDIUM AND LONG-TERM SPECIAL-PURPOSE LOANS RECEIVED** – receipts and payments connected with drawings and repayments of loans received from non-residents for a period exceeding one year for a precisely specified purpose.

**848 MEDIUM AND LONG-TERM FINANCIAL LOANS RECEIVED (WITH NO SPECIFIED PURPOSE)** – receipts and payments connected with drawings and repayments of loans (including syndicated loans) received from non-residents for a period exceeding one year with no purpose specified (including repo operations). Also included are government loans.

**850 DEPOSITS IN AND WITHDRAWALS FROM SPOT AND SHORT-TERM DEPOSIT ACCOUNTS** – deposits in and withdrawals from non-residents' current and deposit accounts with domestic banks with maturities up to and including one year.

**852 CREDITING OF ACCOUNTS** – changes in balances on loro accounts with domestic banks as a result of transactions carried out by a non-resident.

**855 DEPOSITS IN AND WITHDRAWALS FROM MEDIUM AND LONG-TERM DEPOSIT ACCOUNTS** – deposits in and withdrawals from non-residents' deposit accounts with domestic banks with maturities exceeding one year.

**862 LIQUIDITY MANAGEMENT (CASH POOLING, ZERO BALANCING)** – receipts and payments from cash-flow management within holdings, concerns, etc., carried out by cash-pooling centres in the Czech Republic, in which funds are transferred between the accounts of system participants and the pool manager.

**890 SECURING OF RESIDENTS' OBLIGATIONS** – receipts and payments connected with securing residents' obligations. Also included are receipts and payments connected with guarantees for syndicated loans.

#### **GROUP 9 OTHER TRANSFERS NOT INCLUDED IN THE BALANCE OF PAYMENTS**

Group 9 comprises transactions between domestic entities and transactions between foreign entities effected in foreign currency in the Czech Republic or through foreign accounts of correspondent banks. These transactions are reported by banks and foreign bank branches (hereinafter referred to as a "bank") only; payment items 950 and 952 may also be used by clients. Transactions between residents and non-residents effected in foreign currency are identified by the payment items of Groups 1–8.

**910 TRANSFERS WITHIN A BANK** – transfers between the branches and headquarters of a bank (except for branches of domestic banks abroad and branches of foreign banks in the Czech Republic) or between accounts within one organisational unit of the bank concerned.

**920 TRANSFERS BETWEEN DOMESTIC BANKS** – transfers of funds between banks in the Czech Republic, including purchases and sales on the interbank foreign exchange market. Also included are foreign exchange interventions.

**922 INTERBANK LOANS** – drawings and repayments of loans provided between domestic banks in foreign currency.

**925 DEPOSITS IN AND WITHDRAWALS FROM INTERBANK DEPOSIT ACCOUNTS** – deposits in and withdrawals from current accounts and deposit accounts of banks in foreign currency in the Czech Republic.

**930 TRANSFERS** – transfers of funds in foreign currency between a bank and a resident other than a bank (except for deposits in and withdrawals from foreign currency accounts). Included are (balance) transfers connected with the central foreign exchange fund.

**932 FOREIGN CURRENCY LOANS EXTENDED TO RESIDENTS** – drawings and repayments of loans provided to a resident by a domestic bank in foreign currency with no specification of purpose.

**935 BANK DEPOSITS AND WITHDRAWALS BY NATURAL PERSONS** – cash deposits in and withdrawals from foreign currency accounts by resident natural persons. Also includes time deposit prolongation.

**938 BANK DEPOSITS AND WITHDRAWALS BY LEGAL ENTITIES AND NATURAL PERSONS (ENTREPRENEURS)** – cash deposits in and withdrawals from foreign currency accounts of resident legal entities and natural persons (entrepreneurs). Also includes time deposit prolongation.

Non-cash transfers are coded with the appropriate payment item from Groups 1–8.

**940 INTEREST ON FOREIGN CURRENCY DEPOSITS OF RESIDENT NATURAL PERSONS** – interest on deposits is recorded on the receipts side and taxes on this interest are recorded on the payments side.

**942 INTEREST ON FOREIGN CURRENCY DEPOSITS OF RESIDENT LEGAL ENTITIES** – interest on deposits is recorded on the receipts side and taxes on this interest are recorded on the payments side.

**950 TRANSFERS BETWEEN RESIDENTS** – transfers of funds between residents through nostro accounts abroad and transfers through nostro accounts in foreign currency with a domestic bank; transfers of funds between residents within one bank or between two banks within the territory of the Czech Republic.

**952 TRANSFERS BETWEEN NON-RESIDENTS** – transfers of funds between non-residents through nostro accounts abroad and transfers through nostro accounts in foreign currency with a domestic bank; transfers of funds between non-residents within one bank or between two banks within the territory of the Czech Republic.

**970 VALUATION CHANGES** – the difference between the change in foreign exchange position as of the start and end of the reported month, and the sum of receipts and payments effected in the course of the month (including other influences) converted into Czech koruna.

**999 INTERNATIONAL INTERMEDIATED OPERATIONS** – comprise international receipts and payments effected by another bank.

## **SPECIAL CONSTANT SYMBOLS**

### **1. The constant symbol consists of:**

- a) a one-digit variable part, M,
- b) a three-digit basic part showing the nature of the payment, T.

and has the following structure: MTTT.

### **2. Variable part of the constant symbol, M:**

- 1 - payments initiated by a resident
- 2 - payments initiated by a non-resident

<i>Const. symbol</i>	<i>Meaning</i>	<i>Reference to payment items</i>
M 908	Goods	120, 122
M 008	Other Group 1 transactions	110, 112, 130, 132, 135, 190, 195
M 408	Transport	210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 226, 233, 235, 239
M 508	Travel	260, 262, 265, 270, 272, 275, 280, 282, 285, 295
M 608	Construction and assembly work	315, 318
M 708	Legal, accounting and consultancy services	345, 346, 347
M 188	Rents	348, 352
M 388	Foreign embassies and consulates in the Czech Republic	372

M 308	Advertising	340
M 488	Other services	310, 311, 312, 320, 325, 326, 327, 328, 330, 332, 335, 355, 360, 361, 365, 368, 369, 370, 375, 376, 378, 380, 382, 384, 385, 386, 387, 388, 390, 392, 395, 397
M 588	Income from direct and portfolio investment	510, 520
M 888	Portfolio investment interest	532
M 808	Other income	530, 535, 538, 540, 550
M 068	Transfers	610, 410, 412
M 088	Other transfers	612, 615, 618, 620, 622, 625, 628, 630, 632, 635, 640, 650, 652, 653
M 968	International transactions in financial assets	710, 712, 715, 718, 720, 722, 725, 735, 740, 742, 745, 748, 750, 752, 755, 760, 762, 770, 790
M 288	Direct and portfolio investment	810, 818
M 688	Portfolio investment – debt securities	820, 822
M 598	Other transactions in financial liabilities	812, 815, 825, 840, 842, 845, 848, 850, 852, 855, 862, 890
M 988	Purchase and sale of real estate in the Czech Republic	835