



Riga

11 July 2013

Regulation No 113

REGULATION FOR COMPILING THE "QUARTERLY REPORT ON SERVICES (4-MB)"

Passed pursuant to
Paragraph 2 of Article 39
of the Law "On the Bank of Latvia"

I. GENERAL PROVISIONS

1. The Regulation establishes the procedure to be used by a company registered in the Republic of Latvia (hereinafter, the Company) for compiling and submitting the "Quarterly Report on Services (4-MB)" (Appendix; hereinafter, the Report) and the Report submission timeframe.

2. Terms used in this Regulation:

2.1 non-residents – all institutions registered abroad and private persons whose households are located outside the territory of the Republic of Latvia or who have arrived to stay in the Republic of Latvia for a period of less than one year (except students) as well as foreign diplomatic and consular representative offices, those of international organisations and other representative offices in the Republic of Latvia;

2.2 residents – all institutions, including the foreign ones, registered and operating in the Republic of Latvia, and private persons whose households are located in the Republic of Latvia and who do not leave the territory of Latvia for a period over one year (except students), as well as diplomatic, consular and other representative offices of the Republic of Latvia abroad.

3. The "Quarterly Report on Services" has been developed for the purpose of collecting information necessary to ensure the compiling and publishing of the national balance of payments in accordance with the international standards and legislation of the European Union, including that of the European Central Bank.

4. The Bank of Latvia may disclose the information provided in the Report to the institutions referred to under Paragraph 2 of Article 40 of the Law "On the Bank of Latvia" subject to the requirements stipulated in the above Law.

II The procedure for compiling and submitting the Report and the submission timeframe

5. The Report shall be compiled and submitted by a company that has rendered or received services referred to under Part III of this Regulation.

6. The Report shall be compiled for the first quarter (1 January – 31 March), the second quarter (1 April – 30 June), the third quarter (1 July – 30 September), and the fourth quarter (1 October – 31 December) and submitted to the Bank of Latvia by the 25th date of the month following the end of the respective reporting quarter in the form of a paper document or as an electronic file in compliance with the Bank of Latvia Regulation stipulating the procedure for the electronic exchange of information with the Bank of Latvia.

7. The Report shall include the information on services rendered to a non-resident or received from a non-resident in the reporting quarter meeting the following requirements:

7.1 information shall be included regardless of when the payment for these services is made or received;

7.2 information shall be included regardless of whether the payment has been received from a non-resident or resident or has been made to a non-resident or resident;

7.3 information shall be included in the amount stated in the profit and loss statement in whole euros.

8. Where an error has occurred in any of the previous reports, the Report for the respective reporting quarter shall be resubmitted including complete information.

III. The procedure for compiling the Report

9. Under "Postal and courier services", the Report shall include the delivery by post or by courier of postal items (consignments), the rental of P.O. boxes, and other services provided by post offices. The Report shall not include international postal shipment services rendered by transport organisations and commodity storage services.

10. Under "Telecommunication services", the Report shall include transmission of information by telecommunication services (using telephone, television and radio cable and transmitting, satellite and other technologies), services related to connecting to data transmission networks, including the Internet, and their usage as well as telecommunication network servicing. The Report shall not include the value of information transmitted and services related to the construction of telecommunication networks.

11. Under "Computer services", the Report shall include the development and selling of user-friendly software (including web sites) and selling of licences for its use, regular licensing fees or one-off payments for the use of downloaded or otherwise electronically delivered serial software, selling and purchase of software systems, applications and originals with ownership transfer, advisory services related to hardware and software issues, maintenance and repair of computers and other office equipment, input and processing of data, system maintenance, and other computer services.

The Report shall not include the value of purchased or sold software and hardware.

12. Under "Information services", the Report shall include the provision of news, photos, audiovisual materials and articles to mass media as well as subscription to newspapers and other periodicals, services related to databases (development of database conceptions, data storage, data and database dissemination), and the use of the web search engines.

13. Under "Research and development services", the Report shall include services related to fundamental and applied research, experimental development of new products and processes in natural, social and human sciences as well as commercial research in the fields of electronics, pharmacy and biotechnology.

14. Under "Sale and purchase of ownership acquired in research and development" the Report shall include sale and purchase of ownership (excluding franchise and trademark) rights, provided that such rights are acquired in research and development.

15. Under "Charges for the use of intellectual property", the Report shall include fees paid for the use of intellectual property (patents, copyright, industrial processes and design, franchise), provided that such rights are acquired in research and development, as well as fees for the right to disseminate and/or copy (by concluding a license agreement) originals or prototypes (manuscripts, software, film and sound recordings, etc.).

16. Under "Financial services", the Report shall include commission fees paid on loans, letters of credit, financial leasing, factoring, financial asset management, advisory services related to financial issues, foreign exchange transactions, brokerage services, issuance, purchase and sale of securities, organisation of financial derivate transactions. The Report shall not include insurance-related commissions and calculated dividends and interest.

17. Under "Trade-related services", the Report shall include commission fees paid to commodity dealers, brokers and trade agents for import and export transactions in goods and services. The Report shall not include commissions related to transportation and insurance.

18. Under "Operational leasing", the Report shall include the rental, without the right to purchase, of ships, aircraft and other transport vehicles (without crew), railway carriages, containers and equipment. The Report shall not include financial leasing, rental of transport vehicles with crew, rental of transport vehicles to foreign travellers/tourists.

19. Under "Legal services", the Report shall include legal advice, representation services, services related to drafting legal documentation, and expenses related to litigation, notary assistance and enforcement of judgements.

20. Under "Accounting, auditing and reporting services, tax consulting", the Report shall include organisation of accounting, compiling of financial reports and their auditing, consultations on accounting and taxes as well as compiling of tax statements.

21. Under "Business and management consulting, public relations services", the Report shall include consulting and support in preparing business strategies, policies, planning, organisation and control, financial, production and personnel management as well as boosting corporate image.

22. Under "Advertising, market research and public opinion polling services", the Report shall include services related to the creation of advertisements, purchase or sale of advertising space or time, organisation of fairs, promotion of output, market research, and public polling.

23. Under "Architectural, engineering and other technical services", the Report shall include planning, development and supervision of projects related to urban development, building of dams, bridges, airports, equipment and other projects, land surveying and cartography services, product certification and technical inspection.

24. Under "Environmental, agricultural and mining industry services", the Report shall include services related to waste recovery and disposal, contaminated soil treatment and other services related to environmental protection, agricultural, hunting and forestry services, fish farming and other fishing-related services as well as planning, development and supervision of mining industry projects.

25. Under "Audiovisual and related services", the Report shall include production of films, radio and television programmes, sound recording, fees for public performance and recording rights, remuneration for artists and other performers as well as purchase and sale of movie, radio and television programmes, sound recordings and manuscripts provided that they are downloaded or otherwise electronically delivered. The Report shall not include purchase and sale of film, radio and television programmes, sound recordings and manuscripts that are placed on physical data carriers.

26. Under "Education, health, entertainment, cultural, recreational and other individual services", the Report shall include organisation of distance learning, instruction by means of the internet and television, remuneration to teachers and lecturers, treatment, diagnostics, laboratory and other health-related services, museum, library and archive services, services related to organising cultural, recreational and sporting events. The Report shall not include education-related and health-related travel expenses.

27. Under "Other services", the Report shall include a set of other nine most important services that are not reported according to the provisions under Clauses 9 to 26 of this Regulation, e.g. household, publishing and printing, photography, packing and translation activities, services related to recruitment of manpower, security, cleaning and tidying of premises, etc. as well as real estate rental fees. The Report shall not include transportation services, expenses related to travel, construction services, and insurance premiums and claims. Decoding of services rendered or received shall be included in the descending order of their volume.

IV. Final provisions

28. The Bank of Latvia Regulation for Compiling the "Quarterly Report on Services" approved by the Bank of Latvia Council Resolution No. 105/3 on 11 September 2003 "On Approving the "Regulation for Compiling the "Quarterly Report on Services"" shall be applicable to the compiling of the Report for the fourth quarter of 2013. The Report herein shall have been submitted to the Bank of Latvia by 24 January 2014.

29. The Bank of Latvia Council Resolution No. 105/3 of 11 September 2003 "On Approving the "Regulation for Compiling the "Quarterly Report on Services"" shall be deemed invalid.

30. The Regulation shall take effect on 1 January 2014.

Governor of the Bank of Latvia

I. Rimšēvičs

Quarterly Report on Services (4-MB)

Quarter _____ of the year 20_____

Company name

Registration No

Legal address

Mailing address

	Row code	Services rendered to non-residents in reporting quarter	Services received from non-residents in reporting quarter
A	B	1	2
Postal and courier services	1010		
Telecommunication services	1020		
Computer services	1030		
Information services	1040		
research and development services	1050		
Purchase and sale of ownership acquired in research and development	1060		
Charges for the use of intellectual property	1070		
Financial services	1080		
Trade-related services	1090		
Operational leasing	1110		
Legal services	1120		
Accounting, auditing and reporting services, tax consulting	1130		
Business and management consulting, public relations services	1140		
Advertising, market research and public opinion polling services	1150		
Architectural, engineering and other technical services	1160		
Environmental, agricultural and mining industry services	1170		
Audiovisual and related services	1180		
Education, health, entertainment, cultural, recreational and other individual services	1190		
Other services, of which:	1210		
	1211		
	1212		

	Row code	Services rendered to non-residents in reporting quarter	Services received from non-residents in reporting quarter
A	B	1	2
	1213		
	1214		
	1215		
	1216		
	1217		
	1218		
	1219		

Prepared by _____ (signature) / _____ /
 (name, last name) (phone number)

_____ / _____ /
 (e-mail address) (submission date)

Governor of the Bank of Latvia

I. Rimšēvičs