

**Updating of the SNA-93,
issue 14: COSTS OF OWNERSHIP TRANSFER (COT)**

Advisory Expert Group's (AEG) recommendations of 02/2004:

- Continue to treat COT of non-financial assets as fixed capital formation.
- COT incurred on the acquisition of an asset should be written off over the period the owner expects to hold the asset (instead of the entire life of the asset).

German opinion:

- a) We agree with the recommendations.
- b) We see the need for further clarification with respect to the coverage of costs of ownership transfer for non-produced assets in gross fixed capital formation at the one side and in assets at the other side.