

LIST OF ACTIONS FROM CMFB MEETING ON 29-30 JANUARY 2002

25 February 2002

1. The CMFB members approved the **agenda** for the meeting. The **minutes** of the CMFB meeting held on 28-29 June 2001, as well as the **reports** of the Executive Body (EB) meetings held in Frankfurt (18 October 2001) and Tuusula (3-4 December 2001), had already been approved by the Committee according to the Rules of Procedure. The CMFB also endorsed the **Chairman's progress report**. The Chairman informed that the domain name www.cmfb.org had not yet been transferred even though the contract had been signed and fees paid. Both the agenda and the list of participants of the meeting are provided in an annex.
2. The CMFB officially adopted the **CMFB logo** (a copy is provided in an annex). A written procedure on this issue took place at the end of December 2001.
3. The CMFB welcomed the report of the **Joint Eurostat/ECB task force on seasonal adjustment of quarterly national accounts**. The Committee approved the action points 1, 2, and 3 included in the Eurostat/ECB cover page, which will help promote convergence of national practices. The CMFB members expressed a preference for the indirect approach. However, as national practices are not yet sufficiently harmonised among countries, the CMFB took note that Eurostat was going to start with a direct approach, for EU aggregates only, until enough convergence is reached, using information coming from NSIs and NCBs on trading and working day adjustments. Further tests will be conducted and quality reports comparing both methods will be produced. The implementation plans mentioned in point 2 will be discussed by the CMFB in July 2002, in order to provide input to the 5th Progress Report of the Economic and Financial Committee (EFC) due in Autumn 2002. The CMFB secretariat will circulate a template for the implementation plans by mid-March.
4. The CMFB endorsed the progress report of the **CMFB seasonal adjustment co-ordination group**. A document on user requirements will be completed and published by Eurostat in February 2002. The group will afterwards concentrate on the completion of the feasibility study, and report on progress in July 2002.
5. The CMFB discussed some suggestions to improve **organisational aspects of seasonal adjustment**. The CMFB supports the establishment of a Steering Committee, including the most active players in this field. This Committee will report to Eurostat and the ECB (DG-S). It should be open to all institutions that wish to participate, on a voluntary basis. Eurostat and the ECB (DG-S) will issue an invitation to apply for membership. The CMFB also suggested to set up a small group (secretariat), with the responsibility to provide assistance to the Steering Committee, as well as to provide services to users via seminars or workshops.
6. The CMFB welcomed the progress of the **Euro-indicators** web site, available since 16 July 2001. The Committee suggested giving priority to the release of data to the general public by providing, to the extent possible and considering national arrangements, more free data. It also suggested improving and integrating the

release calendar, to provide more links with national sites, and to increase the coverage of the financial aggregates. Eurostat will report on progress in July 2002.

7. The CMFB approved the work on **structural indicators**, and noted that it was an important initiative. Quality considerations should become increasingly important. The Committee recommended further integration of these activities in the work programme of the ESS. It also suggested to make explicit the sources of data, and to ensure coherence and consistency with other statistical data as a matter of priority. The CMFB expressed hesitation with respect to composite indicators and asked to be informed in time (cf. point 11 below) if concrete steps to introduce these indicators were planned. Eurostat will report to the CMFB in July 2002 on progress in this domain.
8. The CMFB welcomed the work conducted by the **Co-ordination group on priority areas for an efficient flow of statistical data between the ESS and the ESCB**, and approved the action points in the document, in particular the exchange of data-sets using GESMES/CB and the need for a code of practice. The CMFB recommended that NSIs and NCBs exchange experiences on the implementation of GESMES/CB, and suggested to revise some of the models presented on page 15 of the document. A progress report will be discussed in July 2002, as input for the 5th EFC Progress Report.
9. The CMFB noted the progress report on **financial services statistics**. The Committee asked that the FSS Working Party tries to come up with concrete suggestions for improving the timeliness of the data. The CMFB also agreed that the CMFB Chairman will write a letter to the European Parliament (with a copy to the Commission and the Council) with the view of the Committee that three variables currently included as obligatory in Annex 6 of the draft Regulation amending Council Regulation 58/97 concerning structural business statistics (SBS) should become optional. The letter was sent to all the members of the CMFB for written comments on 4 February 2002 (deadline 8 February), and is provided in an annex.
10. The CMFB welcomed Mr Alvarez's report on **international accounting standards**. Eurostat informed the Committee on its activities in this field. The CMFB acknowledged the importance of this subject, and welcomed Eurostat's initiative to invite a member of the Central Balance Sheet Data Offices Committee to the meetings of its task force on accounting standards. Mr Alvarez, together with Eurostat, will draft a letter that the CMFB Chairman will send to the relevant bodies dealing with standardisation of accounting standards, offering the advice of statisticians in this matter. If necessary, the EB will take this up in its next meeting.
11. The CMFB discussed a document **on procedural matters on the decision-making process** prepared by Mr Biagioli, Mr Glaab, and Mr Schuller. The Committee agreed that pro-active procedures were needed, especially in the case of draft European regulations on non-statistical matters that might nevertheless have a significant impact on statistics in Member States. In such cases, the flow of information within the statistical community should be further intensified and reaction time should be shortened. For this purpose, Eurostat offered to distribute

the relevant policy information to the CMFB immediately upon receipt. Besides, the Committee recommended that CMFB members also inform the rest of the Committee as soon as they are aware of any European policy development that is of relevance to the CMFB.

12. The CMFB discussed a **draft Regulation on balance of payments statistics** prepared by Eurostat, and agreed that this Regulation should be a framework regulation, and would be output-oriented. In addition, a supplementary compilation guide may be drafted. All this implies that harmonised monitoring of output quality is also needed (cf. point 17 below). The quality requirements will increase with the level of aggregation of the figures. A situation is conceivable in which Eurostat directly compiles the most detailed figures, in terms of geographical breakdown, at the European level, based on detailed source data from Member States that do not necessarily compile reliable results at national level. In all instances, exchange of confidential information, with all necessary safeguards, is indispensable. In order to give further concrete guidance to the BOP Working Group, a special meeting of Directors of BOP statistics will be held in Frankfurt on 20 February 2000, the day before the next STC meeting. Specifically on FATS, the CMFB agreed that Eurostat will come to the July 2002 CMFB meeting with a strategic document that will incorporate the outcome of the discussions of the related working groups (SBS, BOP) during the first half of 2002, as well as user requirements (motivation of needs and identification of users).
13. The CMFB noted the progress report of the **Balance of Payments Working Group**, and agreed on the structure of the **national action plans** presented in the document. A final version of these national plans (also including information on the financial account) will be discussed by the CMFB in July 2002. Regarding the work programme of the BOP Working Group, the Committee asked to pay some more attention to direct reporting of services. The CMFB also endorsed the Travel report, and agreed that this group should continue until end 2003.
14. The CMFB endorsed the progress reports of the **Steering Group on Multinationals** and the **Ad-Hoc Committee on Asymmetries**. Both groups are requested to present a further progress report to the CMFB in July 2002. Further work on the conceptual and practical treatment of accruals will take place in the coming months.
15. Mr Franchet informed the CMFB that the Working Group on Statistics of the EFC no longer exists, and an informal **High-Level Group** has been set up in order to support Eurostat and the ECB in preparing the annual report to the EFC and to follow up the recommendations included in the report of the Task Force Benchmarking. The minutes of the first meeting of this Group, which took place on 19 December 2001, will be circulated to all the CMFB members. The Chairman of the CMFB is a member of this High-Level Group, and the input of the CMFB can be channelled through this institutional representation. The CMFB acknowledged the work conducted by the EFC's WGS and wished the new High-Level Group much success. The CMFB asked to discuss a further progress report in the July 2002 meeting. The CMFB Chairman will keep the Committee up to date with the developments of this group.

16. The CMFB noted the documents presented by the ECB and Eurostat on **statistics for the services sector**. The Committee agreed that it is an important and challenging area where further progress should take place in the near future. It also recommended that quick efforts should concentrate on those areas for which no information is available at the European level, rather than requesting more detail on existing variables. It was considered useful that any expansion of information requirements in this field would be subject to a cost-benefit analysis of some kind, and that possible trade-offs between timeliness and other elements of quality were taken into account. The need for a strategic paper, on the objectives in five years time, was expressed. The CMFB members were invited to send written comments on these documents to the CMFB secretariat no later than Friday 15 February 2002. Since the original request of the EFC in this area was directed to the SPC, in co-operation with the CMFB, the SPC Partnership Group, meeting on 12 February 2002, will be informed about the main conclusions of the CMFB meeting. The CMFB will further discuss services statistics in July 2002, as an input to the report to the EFC in Autumn 2002.
17. The EFC also invited the SPC, in co-operation with the CMFB, to make proposals in order to operationally assess the various dimensions of **quality**. There is needed to have a "common language" and to improve the dialogue with policy-makers. Mr Franchet informed the CMFB that the SPC had recently adopted a quality declaration of the ESS, and a copy will be transmitted to all CMFB members. Some CMFB members stressed that quantitative indicators do not always provide the whole picture, and a "qualitative analysis of quality" is also needed. The CMFB agreed to set up a task force on quality in its areas of competence on the basis of the principles described in the document. This task force will start with balance of payments statistics (a report will be discussed in July 2002 as input to the report for the EFC in Autumn 2002) and continue with quarterly national accounts (for discussion in January 2003). The composition of the task force may partially change, in order to deal with specific expertise in both areas, while maintaining certain continuity. The CMFB Chairman will inform the Chairman of the SPC Partnership Group about these proposals. Participation in the task force will be requested through the CMFB secretariat.
18. The CMFB welcomed the document on the follow-up of the **European user's vision on the quarterly accounts framework**, and agreed to constitute a joint Eurostat/ECB task force on a system of European accounts (by institutional sectors). The CMFB agreed that points 1 and 3 of the proposed mandate should be given highest priority. Moreover, the mandate should also ensure a proper co-ordination with the work of the National Accounts Working Party. The CMFB secretariat will ask for participants to this task force in the next weeks, and a progress report will be available in July 2002.
19. The CMFB endorsed Eurostat's progress reports on **short-term public finance statistics** and the **Financial Accounts Working Party**. The CMFB was informed that some consultations in the context of the excessive deficit procedure (such as securitisation and treatment of non-returned banknotes) may take place in the coming months. Mr Glatzel also informed the CMFB that a Manual on taxes and

social payments will soon be sent to all CMFB members, and that the Regulation on swaps has been approved in December 2001.

20. A Communication of the Commission on networks of national agencies, with special reference to statistics, will be distributed to all CMFB members by Eurostat. The CMFB will be kept informed about relevant developments in this field.
21. Some members of the EB met with the representatives from **Candidate Countries** on the afternoon of 30 January. The main items discussed were organisational matters, balance of payments developments and MFI balance sheet and interest rate statistics regulations.
22. The Chairman thanked the CMFB members for their contributions and comments, and as well the CMFB secretariat. The **next CMFB meeting** will (provisionally) be held in the Jean Monnet building (M6) on 4-5 July 2002.

**Committee on Monetary, Financial
and Balance of Payments Statistics**

Luxembourg, 29-30 January 2002
Bâtiment Jean Monnet, Salle M6
Commencing 9:30 h

Draft Agenda - 25 January 2002

The (provisional) timing of this agenda is calculated on the basis of approximately 20 minutes for most items. Introductions by the speaker(s) should be limited to 5 minutes in total in the items for discussion, in order to have enough time for discussion and conclusions.

PART A - ADMINISTRATION

1. Administration

- a. Adoption of the agenda
- b. Minutes of the CMFB plenary meeting held in Luxembourg, 28-29 June 2001
- c. Report of the Executive Body held in Frankfurt, 18 October 2001
- d. Report of the Executive Body held in Tuusula, 3-4 December 2001 (*CMFB secretariat*)

(estimated time 10 minutes - 09.40h)

PART B - CMFB INTERNAL MATTERS

1. Chairman progress statement and CMFB internal matters

- a. Developments since last meeting (*Mr Keuning, CMFB Chairman*)
- b. CMFB logo (*Mr Keuning, CMFB Chairman*)

(estimated time 20 minutes - 10.00h)

PART C - POINTS FOR DISCUSSION/OPINION

1. Seasonal adjustment

- a. Report of the joint Eurostat/ECB task force on seasonal adjustment in quarterly national accounts (*Mr Bier, ECB/Mr Reeh, Eurostat*)
- b. Report of the CMFB seasonal adjustment co-ordination group (*Mr Sonnberger, Eurostat/Mr Stubbe, ECB*)

(estimated time 40 minutes - 10.40h)

2. Statistical indicators

- a. Euro indicators developments (*Mr Reeh, Eurostat*)
- b. Structural indicators (*Mr Diaz, Eurostat*)
- c. Co-ordination Group on data transmission between ESS and ESCB (*Mr Bier, ECB/Mr Knüppel, Eurostat*)

(estimated time, including break, 60 minutes - 11.40h)

3. Financial Services Statistics

- a. Eurostat Financial Services Working Party: work programme (*Mr Diaz, Eurostat*)

(estimated time 20 minutes - 12.00 h)

6. General economic statistics

- d. International Accounting Standards (*Mr Alvarez*)

(estimated time 20 minutes - 12.20 h)

(break for lunch. The meeting resumes at 14.00)

1. Seasonal adjustment

- c. Seasonal adjustment policy and organisational matters (*Mr Nanopoulos, Eurostat*)

(estimated time 20 minutes - 14.20 h)

4. Balance of Payments

- a. Procedural matters on decision-making process (*Mr Biagioli, Mr Glaab, Mr Schuller*)
- b. Strategic vision for medium- to long-term. Draft Regulation on balance of payments statistics (*Mr Meganck, Eurostat*)
- c. Draft EU and national action plans (*Mr Roman, Eurostat*)
- d. Steering Group for Multinational enterprises (*Mr van Nieuwkerk, Chairman SG*)
- e. Balance of Payments Working Group. Work programme, the Travel Report and the prioritisation of the work of task forces and working groups (*Mr Roman, Eurostat*)
- f. Ad-Hoc Committee on Asymmetries (*Mr Kidgell, Chairman AHCA*)

(estimated time, including break 190 minutes - 17.30h)

(end of first day. The meeting resumes on Wednesday 30 at 09.00h)

5. EMU Action Plan on statistical requirements in stage three

- a. Fourth progress report of the EMU Action Plan; follow-up (*Mr Meganck, Eurostat*)
- b. Task Force Benchmarking (*Mr Reeh, Eurostat*)
- c. Statistics for the services sector: from the user side (*Mr Bier, ECB*), and from the producer side (*Mr Díaz, Eurostat*)
- d. Quality: draft Mandate for a task force on quality aspects (*Mr Keuning, CMFB Chairman*)

(estimated time 100 minutes - 10.40h)

[Break 10 min. 10.50 h)

6. General economic statistics

- a. European user's vision on the quarterly accounts framework; follow-up (*Mr Bier, ECB*)
- b. Short-term public finance statistics. Progress report. Manual on taxes and social payments (*Mr Glatzel, Eurostat*)
- c. Financial Accounts Working Group. Progress report and Work Programme (*Mr Glatzel, Eurostat*)

(estimated time 60 minutes - 11.40h)

7. Any other item

(end of the plenary CMFB meeting. Members of the Executive Body will afterwards meet with the representatives from Candidate Countries)

8. Candidate Countries

- a. Organisational matters (*Mr Meganck, Eurostat, Mr Keuning, CMFB Chairman*)
- b. Items on the agenda selected by Candidate Countries themselves

(estimated time: to end no later than 16.00h)

PART D - POINTS FOR INFORMATION

(only to be discussed if one participant requests so two weeks in advance of the meeting, or if there are new developments between the transmission of the documents and the date of the meeting)

1. Eurostat National Accounts Working Group
2. Results of the transmission of ESA95 tables
3. Review of ESA95 transmission programme; progress report
4. Implementation of Eurostat Handbook on price and volume measures in national accounts
5. ECB and ESCB Statistics Committee
6. MFI Balance Sheet and Interest Rate Statistics Regulations
7. ECB Working Group on Balance of Payments and External Reserves
8. ECB Working Group on Monetary Union Financial Accounts
9. Progress report of the joint ECB/Eurostat Task Force on Quarterly Financial Statistics for the Government Sector
10. External Trade statistics
11. Treatment of intangible assets

LIST OF DELEGATES - CMFB 29-30 January 2002
JMO Building, M6 Room

BELGIQUE

Mr. Guido MELIS - Banque Nationale de Belgique
Mr. Jean-Jacques VANHAELEN - Banque Nationale de Belgique
Mr. Roger DE BOECK - Banque Nationale de Belgique

DANMARK

Mr. Bent THAGE - Danmarks Statistik
Mr. Jorgen OVI - Danmarks Nationalbank

DEUTSCHLAND

Mr. Wolfgang STROHM - Statistisches Bundesamt
Mr. Hans-Peter GLAAB - Deutsche Bundesbank
Mr. Günter KLEINJUNG - Deutsche Bundesbank

ELLAS

Mr. Konstantinos MOLFETAS - Statistical Service of Greece
Mr. Evangelos PANTELIDIS - Bank of Greece
Mr. George SIMIGIANNIS - Bank of Greece

ESPAÑA

Mr. Mariano GOMEZ DEL MORAL - Instituto Nacional de estadística
Mr. Rafael ÁLVAREZ - Banco de España
Mrs. Ana SÁNCHEZ - Banco de España

FRANCE

Mrs Maryvonne LEMAIRE - INSEE
Mr. Jacques PECHA - Banque de France
Mr. Jean CORDIER - Banque de France

ICELAND

Mr. Sveinn E. SIGURDSSON - Central Bank of Iceland
Mr. Gunnar H. HALL - State Accounting Office

IRELAND

Mr. Mick LUCEY - Central Statistical Office
Mr. John O'MALLEY - Central Bank of Ireland

ITALIA

Mr. Luigi Federico SIGNORINI - Banca d'Italia
Mr. Antonello BIAGIOLI - Ufficio Italiano dei Cambi
Mrs. Luisa PICOZZI - ISTAT
Mr. Andrea MANCINI - ISTAT

LUXEMBOURG

Mr. Guy SCHULLER - STATEC
Mr. Germain STAMMET - Banque Centrale de Luxembourg

NEDERLAND

Mr Steven KEUNING - Centraal Bureau voor de Statistiek
Mrs Marleen VERBRUGGEN - Centraal Bureau voor de Statistiek
Mr. Peter van de VEN - Centraal Bureau voor de Statistiek
Mr. Coen VOORMEULEN - De Nederlandsche Bank
Mr. Peter HOFMAN - De Nederlandsche Bank
Mr. Marius van NIEUWKERK - De Nederlandsche Bank

NORWAY

Mr. Audun GRØNN - Central Bank of Norway
Mrs Liv HOBELSTAD SIMPSON - Statistics Norway

ÖSTERREICH

Mr. Reinhold SCHWARZL - Statistik Oesterreich
Mr. Aurel SCHUBERT - Oesterreichische Nationalbank

PORTUGAL

Mr. Pedro RAMOS - Instituto Nacional de Estatistica
Mr. Orlando CALIÇO - Banco de Portugal
Mr. João CADETE DE MATOS - Banco de Portugal

SUOMI/FINLAND

Mr. Markku SUUR-KUJALA - Statistics Finland
Mr. Martti LEHTONEN - Bank of Finland

SVERIGE

Mr. Hans LINDBLOM - Statistics Sweden
Mr. Johan ÖSTBERG - Sveriges Riksbank

UNITED KINGDOM

Mr. Stephen SABINE (Bank of England)
Mr. Stuart BROWN (Office for National Statistics)

E C B

Mr. Peter BULL
Mr. Michel STUBBE
Mr. Werner BIER
Mr. Jean-Marc ISRAEL
Mrs Carin PRONK

OCDE

Mr. François LEQUILLER

BULGARIA

Mr. Zdravko BALYOZOV - Bulgarian National Bank
Mr. Todor TODOROV - National Statistical Institute of Bulgaria

CYPRUS

Ms. Eliana PSIMOLOPHITOU - Central Bank of Cyprus
Mr. Georgios SARRIS - Statistical Service of Cyprus

CZECH REPUBLIC

Mr. Jan HELLER - Czech Statistical Office
Mr. Petr VOJTISEK - Czech National Bank

ESTONIA

Mrs Reet KIRT - Bank of Estonia
Ms Erika SISAK - Statistical Office

HUNGARY

Mr. Antal GYULAVARI - National Bank of Hungary
Mr. Pál POZSONYI - Hungarian Central Statistical Office

LATVIA

Mrs Maija KURCALTE - Central Statistical Bureau of Latvia
Mr. Agris CAUNE - Bank of Latvia

LITHUANIA

Mrs Irena TVARIJONAVICIUTE - Statistics Lithuania
Mr. Raimundas BARZDZIUS - Bank of Lithuania

POLAND

Mrs Bożenna JAKÓBIAK - Central Statistical Office of Poland
Mr. Pawel MICHALIK - National Bank of Poland

ROMANIA

Mrs Clementina IVAN UNGUREANU - Romanian Institute of Statistics/Economics
Mr. Marian MUSTAREATA - National Bank of Romania

SLOVAKIA

Mr. Pavol BALAZ - Statistical Office
Mr. Gregor BAJTAY - National Bank of Slovakia

SLOVENIA

Mr. Stanislav MARN - CSO of Slovenia
Mr. Janez FABIJAN - Bank of Slovenia

TURKEY

Mrs. Semra GÜLERGÜN - Central Bank of the Republic of Turkey

EUROSTAT

Mr Yves FRANCHET
Mr Photis NANOPOULOS
Mr Bart MEGANCK
Mr Pedro DIAZ MUNOZ
Mr Klaus REEH
Mr Harald SONNBERGER
Mr Brian NEWSON
Mr John ASTIN
Mr Marco DE MARCH
Mr Dieter GLATZEL
Mr Jean-Claude ROMAN

CMFB - opinion on SBS - Regulation COM 2001

8 February 2002

The European Committee on Monetary, Financial and Balance-of-Payments Statistics (CMFB) has discussed the current situation of the draft Regulation amending Council Regulation 58/97 concerning structural business statistics, in its meeting of 29-30 January 2002. The question has been raised whether the status of three variables in Annex 6¹ of this draft Regulation should change from optional to obligatory. Unanimously, the CMFB is of the opinion that the status of these variables should remain optional. The reasons for this opinion are the following:

1. Presently the information concerned is not available in many Member Countries and collection of this information would entail a substantial increase of the statistical reporting burden on credit institutions. Furthermore, credit institutions in the euro area are already faced with a considerable increase in their reporting burden, due to e.g. a revision of the monetary statistics to be reported to the ECB and the introduction of the ECB's new interest rate statistics.
2. An additional workload for reporting agents can only be justified if this is matched by corresponding benefits to users. To date, such benefits have not been demonstrated. Moreover, other data sources are available that may provide a better insight into the degree of integration and internationalisation of banking activity. In the framework of its monetary statistics, the ECB receives a considerable amount of statistical information on loans outstanding from credit institutions in EU countries to other EU countries. In the framework of its international banking statistics, the Bank for International Settlements disposes of a comprehensive world-wide geographical breakdown of loans extended by banks in the reporting countries. Moreover, both these statistics provide more detail, because they also comprise breakdowns by sector (mainly "banks"/"non-banks") of the recipients of the loans. An additional advantage is that in some cases historical time series are available. An analysis of bank loans on the basis of these statistics can provide a more meaningful insight into international banking activities than the three geographical variables included in the draft Council Regulation.

¹ This note refers to the following three geographical variables:

45 310 Geographical breakdown of interest receivable and similar income via the Freedom to Provide Services business (in other EEA countries).

45 410 Geographical breakdown of interest receivable and similar income via branch business (in non-EEA countries).

45 420 Geographical breakdown of interest receivable and similar income via the Freedom to Provide Services business (in non-EEA countries).