

MAIN CONCLUSIONS AND LIST OF ACTIONS OF THE**CMFB MEETING HELD ON 26-27 JANUARY 2006****(FINAL – 13 MARCH 2006)****1. Opening of the meeting**

- 1.1 The Chairman opened the meeting and welcomed the participants, in particular Mr Nørlund the new Director of National and European Accounts at Eurostat, who was attending a CMFB meeting for the first time.
- 1.2 Interpretation was available in English, French, German, Italian, Portuguese and Spanish.

2. Adoption of the agenda

- 2.1 Two presentations on (a) the quality reports foreseen in the Balance of Payments Regulation and (b) on the activities of the European Committee of Central Balance Sheets Offices (ECCBSO) were added under item A.9 Any Other Business of the agenda. The agenda was adopted without further changes (cf. Annexe 1).
- 2.2 The Committee had already approved the main conclusions and list of actions of the CMFB meeting held on 7-8 July 2005. The minutes of the CMFB Executive Body meetings held at the Bundesbank (13-14 October 2005) and the European Central Bank (5 December 2005) had been transmitted to the Committee. A log of the main CMFB activities since the July 2005 CMFB meeting (document B.1.a) had also been made available to the Committee.

3. Excessive deficit procedure

3.1 Recent developments including the main conclusions from the Ecofin Council of November 2005 (Eurostat)

- 3.1.1 Mr Nørlund presented the latest developments on EDP issues and the main conclusions from the November 2005 Ecofin Council in this area.
- 3.1.2 Council Regulation 2103/2005 amending Regulation 3605/93 on the quality of statistical data in the context of EDP entered into force on 22 December 2005 and will be applied for the first 2006 EDP notification. Member States will now have to transmit their EDP notifications before 1 April and 1 October (instead of before 1 March and 1 September respectively).
- 3.1.3 Clarifications were provided on the various provisions of Regulation 2103/2005. In particular, Eurostat will ask Member States to inform the Commission which authorities are responsible for the EDP reporting of both actual and planned date, by end January 2006. The timing of the publication, by Member States, of their reported EDP data needs careful consideration in order to avoid possible inconsistencies with the data published by Eurostat in the context of the notification. Full consistency should be ensured between the reported actual EDP data and the other ESA 95 tables transmitted (including table 2) as well as the underlying government accounts. Moreover, Eurostat will in future prepare pre-notification questionnaires, drawing on the positive experience acquired with the September 2005 notification, in close consultation with the CMFB. As regards the required regular quality reports to the European Parliament and the Council, Eurostat is currently examining issues related to their frequency and format. In addition, Eurostat will, in January 2006, ask countries to transmit the names of their proposed participants in a list of national experts that will assist Eurostat in the methodological visits. With respect to possible Eurostat reservations on or amendments to Member States' reported actual data, Eurostat is currently considering how to report and how to communicate with the Member States on these issues.
- 3.1.4 In addition, the conclusions from the November 2005 Ecofin Council covered ex-ante advice on complex operations relevant for the EDP and also covered the CMFB. Concerning ex-ante advice, Eurostat will prepare a document for the next meeting of the EFC Sub-committee on Statistics in May 2006. Eurostat considers it essential that Member States' requests for ex-ante advice should be timely, include all relevant documentation and analysis and be channelled through the national authorities responsible for the EDP reporting. In addition, the procedures for ex-ante advice should be fully transparent while guaranteeing the required confidentiality of some envisaged operations in the Member States. Eurostat is currently reviewing its communication and publication policy, taking account of the new Regulation 2103/2005 and the Council's requests for more transparency. Eurostat is, in particular, considering the creation of a section dedicated to government finance statistics on Eurostat's website. As regards the CMFB, the Council noted that the current system based on CMFB consultations has worked well for many years and agreed to keep the CMFB and not to change the current set-up of the CMFB as an advisory body. The Council invited the CMFB to review its procedures and to examine possible areas and ways of improvement. The CMFB Executive Body has started examining this issue.
- 3.1.5 The CMFB took note of these developments. The CMFB stressed the need for further examination of the issue of the publication of their reported EDP data by the Member States and by Eurostat and considered the development of guidelines for ex-ante advice (including the confidentiality aspects) as particularly important. Eurostat indicated that a compendium of past Eurostat's EDP decisions would be made available soon.

3. Excessive deficit procedure

3.2 Progress in updating the ESA95 Manual on Government Deficit and Debt (Eurostat)

3.2.1 Following an EDP consultation, the CMFB gave, on 29 July 2005, its opinion on the recording in national accounts of the International Finance Facility for Immunisation (IFFIM), which concerns a securitisation vehicle for the provision of development aid in the context of a programme of large-scale immunisation against diseases in developing countries. Eurostat took a decision and published a press release on 2 August 2005. A CMFB consultation on military expenditure was launched in January 2006. The CMFB opinion was issued on 30 January and Eurostat's decision is expected in February 2006.

3.2.2 The Task Force on securitisation met several times in the second half of 2005. The documents are being finalised with the relevant working groups, and will be transmitted as soon as possible to the CMFB Chairman with a view to a CMFB consultation. As priority was given to securitisation, the Task Force on government guarantees is expected to resume its work only after the consultation on securitisation is finalised. The ongoing discussions on the recording of guarantees in the national accounts in the framework of the Review of SNA 93 will have to be considered in the work of this Task Force.

3.2.3 The CMFB took note of these developments. The CMFB suggested that clarification was required as to the periods to be affected by the implementation of new decisions and also suggested that Eurostat should give priority to updating the electronic version of the ESA 95 Manual on Government Deficit and Debt. A progress report will be presented at the June 2006 CMFB meeting.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Give priority to updating the electronic version of the ESA Manual on Government Deficit and Debt and put it on Eurostat website</i>	<i>Eurostat</i>
<i>June 2006</i>	<i>Present a progress report at the June 2006 CMFB meeting</i>	<i>Eurostat</i>

3. Excessive deficit procedure**3.3 EDP inventories: availability and assessment (Eurostat)**

3.3.1 The new Regulation 2103/2005 provides for the transmission, by Member States, of a detailed inventory of their methods, procedures and sources for compiling actual EDP data and the underlying government accounts to Eurostat. Member States must keep their inventories up-to-date and make them public. Eurostat stressed that the availability of these inventories would greatly improve the quality assessment of general government data and the efficiency of EDP missions. Eurostat has received the First Step of the inventories (a general description of the data sources used and the adjustments made in national accounts) from all Member States and the Second Step (the sources and methods for the sub-sectors and the delimitation of general government) from most Member States. These documents are available on CIRCA.

3.3.2 Eurostat announced its plans to publish the inventories on the Eurostat website by 1 July 2006. For the purpose, Eurostat will submit a standardised single inventory structure to the Financial Accounts Working Group (FAWG) by mid-February 2006. Once agreed, this structure will be used by Eurostat to produce draft consolidated EDP inventories for each country, based on the material already transmitted by the countries. The draft inventories will then be sent to the Member States for verification and possible improvements before their publication by Eurostat. Eurostat further suggested that the inventories should be revised at the end of each year, and should be updated whenever there are significant changes in the sources and methods used.

3.3.3 The CMFB urged the various Member States concerned to do their utmost to transmit their Second Step as soon as possible. The CMFB generally supported Eurostat proposals related to the publication of the inventories. Some CMFB Members considered that the proposals were too challenging and suggested postponing the publication until October 2006 and requesting the revisions of the inventories only every three to four years. They further suggested that the major changes to sources and methods that have an impact on the data should be reported with each EDP notification. The CMFB recommended that Eurostat should further consider the suggestions related to the timing of the inventories' updates.

Deadline:	Recommendation or Action:	Responsible:
<i>Mid-February 2006</i>	<i>Submit to the FAWG a standardised single inventory structure for comments</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Transmit their Second Step of the EDP Inventory of sources and methods to Eurostat</i>	<i>Member States</i>
<i>As soon as possible</i>	<i>Consider suggestions from CMFB Members related to the timing of the inventories' updates.</i>	<i>Eurostat</i>

4. Public finance statistics**4.1 State of play on the database project (Eurostat)**

4.1.1 Eurostat reported verbally on its database project on public finance statistics. The project aims at setting up a unified database that collates all public finance statistics required under the various EU legal acts. This will reinforce EDP and other surveillance work by enabling cross-checks and consistency controls between the various sets of data to be made.

4. Public finance statistics		
4.2 COFOG data - Progress report (Eurostat)		
4.2.1	Eurostat stressed again that particular attention should be given to the work on COFOG data as these data were requested by the Economic Policy Committee and were also needed under the reformed Stability and Growth Pact. Eurostat then reported progress on the availability of COFOG data at first level and on Member States' plans for the transmission of their COFOG data at second level. Finally Eurostat presented its plans for future work further to the meeting of the Task Force on COFOG of 20-21 June 2005: the work will be focused on a limited number of specific COFOG groups in the areas of education, research and development and social protection; best practices regarding missing data sources and the use of provisional estimates will be identified; and a draft structure for a Manual on Sources and Methods for COFOG statistics compilation will be proposed by Eurostat. The Task Force on COFOG will meet again in the first half of 2006.	
4.2.2	It was suggested that the work should concentrate primarily on quality issues while paying also attention to timeliness aspects. In addition, the NAWG should be involved in the ongoing work.	
4.2.3	The CMFB took note of the progress made and encouraged further developments. The CMFB also considered that special attention should be paid to quality aspects and that priority should be given to the more important variables.	
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Involve the NAWG in the ongoing work on COFOG</i>	<i>Eurostat</i>

4. Public finance statistics		
4.3 Statistical contribution to the review of the sustainability of public finances (Eurostat / ECB's DG-S)		
4.3.1	The issue of the statistical contribution to the review of the sustainability of public finances, including a proposed Eurostat/ECB's DG Statistics Task Force, was raised.	
4.3.2	As more time was needed for consultations inside the Commission, the CMFB took note of the issue. The CMFB will be kept informed about further proposals on this subject.	
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Keep the CMFB informed about further proposals on statistical contribution to the review of the sustainability of public finances</i>	<i>Eurostat</i>

5. Quarterly Sector Accounts

5.1 Joint ECB's DG-S/Eurostat Task Force on quarterly European accounts by institutional sectors (Eurostat/ECB's DG-S)

- 5.1.1 Eurostat and the ECB's DG-S reported progress about the work of the Task Force on Quarterly Sector Accounts (TF-QSA) including the QSA Regulation and several priority issues.
- 5.1.2 The Regulation 1161/2005 on QSA was adopted by the Council and the European Parliament on 6 July 2005 and was published in the Official Journal n° L 191 of 22 July 2005.
- 5.1.3 The Task Force met on 20-21 October 2005 and looked at issues related to the compilation and publication of euro area and EU25 annual sector accounts and to methodologies for quarterly sector accounts with a view to preparing the implementation of the QSA Regulation and the compilation of QSA for the EU/ euro area.
- 5.1.4 Eurostat and the ECB's DG-S will publish annual sector accounts of the euro area and EU25 in April 2006, for the first time. The two institutions suggested that the estimates of RoW accounts of euro area/EU25 would, in the medium term, be based on European estimates of the BoP accounts. As the required additional breakdowns in these BoP accounts are unlikely to be available for all countries in the short term, the euro area/EU25 RoW accounts of April 2006 will be based broadly on Member States' national RoW accounts. The Task Force supported these proposals and considered that a further reduction, by Member States, of differences between their BoP and RoW accounts would strengthen these approaches. In addition, the TF suggested that the issue of more harmonised revision policies for BoP and RoW should be addressed. The TF also looked at the ECB work on estimating euro area financial accounts and on the relationships between financial and non-financial accounts. The TF saw similarities in the steps taken for compiling financial and non-financial accounts and considered it very important that Member States should work on reconciling financial and non-financial sector accounts at national level. Finally, a majority of Task Force members supported showing the asymmetries in the annual euro area and EU25 sector accounts, in particular for the April 2006 publication, in a discrepancy column until a greater integration of European accounts is achieved.
- 5.1.5 Eurostat and the ECB's DG-S had presented to the TF its proposals for filling gaps in the data transmitted by Member States due to derogations, partial reporting obligations or late and other missing data. The TF suggested looking again at these proposals in the light of the first quarterly accounts transmissions on 3 January 2006.
- 5.1.6 Eurostat and the ECB's DG-S had also presented the methodology that will be used for estimating the accounts of the EU institutions to be included in the quarterly sector accounts of the euro area and EU25.

5.1.7	Future work will relate to the issues of BoP/RoW discrepancies, strategies for the revision of BoP and RoW and on finalising the compilation procedures for the April 2006 publication.	
5.1.8	The CMFB expressed its appreciation of the work achieved by the TF and supported the proposal that the TF should continue its work with a new mandate. Eurostat and the ECB's DG-S will prepare a draft new mandate and submit it, by written procedure, to the CMFB for comments. The CMFB took note of the current work on finalising the procedures and methods and supported the proposals for future work. In addition, the CMFB stressed the need for more harmonised revision practices for BoP and RoW accounts, in the light of the agreement reached in this Committee in January 2003 for the revision practices of euro area/EU BoP data.	
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Pursue actively work on reducing the BoP/RoW discrepancies at national level</i>	<i>Member States</i>
<i>As soon as possible</i>	<i>Address the issue of harmonised revision policies for BoP and RoW</i>	<i>Eurostat/ECB's DG-S</i>
<i>As soon as possible</i>	<i>Pursue actively work on reducing the discrepancies between financial and non-financial sector accounts at national level</i>	<i>Member States</i>
<i>As soon as possible</i>	<i>Look again at the proposed approaches for filling gaps in the data transmitted by Member States in the light of the first quarterly accounts transmissions on 3 January 2006</i>	<i>Eurostat/ECB's DG-S</i>
<i>As soon as possible</i>	<i>Prepare a draft new mandate for the Task Force QSA and submit it, by written procedure, to the CMFB for comments</i>	<i>Eurostat/ECB's DG-S</i>

5. Quarterly Sector Accounts		
5.2 Transmission of annual and quarterly sector accounts by Member States (Eurostat)		
5.2.1	Eurostat presented an overview of the state of the transmission, by Member States, of their sector accounts data, both annual (deadline: end December 2005) and quarterly (deadline: 3 January 2006). Eurostat indicated that the transmission objectives were generally achieved and stressed that it was important that all outstanding annual data (in line with the new FISIM Regulation) are transmitted to Eurostat, before end February 2006, in view of the April 2006 publication.	
5.2.2	The CMFB took note of the state of data transmission and urged all Member States that had not yet transmitted their annual sector accounts data with allocated FISIM to do so by the end of February 2006 at the latest.	
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible before end February 2006</i>	<i>Transmit the annual sector accounts data with allocated FISIM to Eurostat</i>	<i>Member States</i>

5. Quarterly Sector Accounts

5.3 *Work plan for compiling annual and quarterly European sector accounts including practical preparatory steps (Eurostat/ECB's DG-S)*

5.3.1 The ECB's DG-S and Eurostat stressed several aspects of the steps leading to the first publication of annual sector accounts of the euro area and EU25 in April 2006, notably that data collection depends crucially on Member States meeting their legal obligations under the ESA 95 transmission programme. The proposed methodologies for filling gaps in Member States were supported by the TF QSA. As already indicated in point 5.1.4 above, the initial estimates of the RoW accounts of euro area and EU25 will be based on Member States' RoW estimates, but the medium term objective is to use euro area and EU25 BoP accounts. There is a need to pursue actively work on intra euro area and intra EU25 asymmetries. Eurostat and the ECB's DG-S will need to make decisions on whether or not to apply a nominal GDP constraint and on the degree of integration between financial and non-financial accounts for euro area and EU25, but these decisions may be temporary. Decisions will have also to be made on detailed presentational and publication aspects.

5.3.2 The CMFB welcomed the progress achieved in the planning procedures and supported the proposed ways forward.

6. National and Financial Accounts

6.1 Co-ordination of the implementation of the NACE revision particularly in national accounts (Eurostat)

- 6.1.1 Eurostat reported progress on discussions related to the implementation of the revised NACE (NACE Rev.2). A draft proposal for a Regulation of the European Parliament and the Council establishing NACE Rev.2 will be approved by the Commission in February. The draft proposal covers the structure of NACE Rev.2, the implementation dates for the various statistical domains and the required changes to existing statistical Regulations referring to NACE Rev.1. The Regulation is expected to be adopted by the end of 2006. Eurostat also presented the draft implementation plan and timetable for NACE Rev. 2.
- 6.1.2 Concerning the implementation of NACE Rev.2 in national accounts, and further to discussions by the CMFB and the Directors of National Accounts, the Member States had been surveyed a second time in October and the results presented to the NAWG in November 2005. Following these discussions, and by way of a compromise solution, Eurostat proposed 2011 as the common year of NACE Rev.2 implementation in quarterly and annual national accounts, i.e. the year in which data according to the new NACE would be published and transmitted to Eurostat for the first time. The SPC reached a broad consensus on this proposal. As next steps, Eurostat will continue discussions in the NAWG about the possibility of setting end September 2011 as the common changeover date for annual accounts. The changeover date for quarterly accounts should be as close as possible to the date agreed for annual accounts. The NAWG will also examine ways of compiling long time series according to the new NACE in order to meet user requirements.
- 6.1.3 The CMFB generally supported the proposed implementation plan and timetable for NACE Rev.2 in statistical sources and in national accounts and suggested that a common month for the changeover in 2011 should be agreed as soon as possible. The CMFB suggested looking at the intermediate phases of the implementation timetable in order to minimise the consequences of double-coding on costs and on the quality and consistency of the various data sets. A further progress report will be presented at the June 2006 CMFB meeting.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Continue discussions in the NAWG about the possibility of setting end September 2011 as the common changeover date for annual accounts</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Propose a changeover date for quarterly accounts in the light of the date agreed for annual accounts</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Examine ways of compiling long time series according to the new NACE in order to meet user requirements</i>	<i>Eurostat/NAWG</i>
<i>June 2006</i>	<i>Present a further progress report at the June 2006 CMFB meeting</i>	<i>Eurostat</i>

6. National and Financial Accounts		
6.2 Clarification in the terminology of financial assets and liabilities in the new SNA 93 (ECB's DG-S)		
6.2.1 The ECB's DG-S presented an analysis of the classification and terminology of financial assets and liabilities in the SNA 93 and ESA 95 and proposals for a new classification and terminology in the revised SNA.		
6.2.2 Some CMFB Members expressed reservations about the feasibility of the proposed further breakdown of investment fund shares/units and of deposits and loans. It was also suggested that further consideration should be given to the proposed split and risk classification of financial derivatives taking into account user requirements. Eurostat indicated that the FAWG of November 2005 had recommended that the AEG should not decide on this item in February 2006 and requested that the issue should be put again to the FAWG. Eurostat further indicated that consistency with the ongoing revision of the international classification ISIC (International Standard Industrial Classification of Economic Activities – ISIC rev.4) should be sought.		
6.2.3 The CMFB took note of the analysis made in document CMFB 06/01/A.6.2 and recommended that the above comments should be taken on board in view of future deliberations.		
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Take into account the comments from CMFB Members in future deliberations</i>	<i>ECB's DG-S/Eurostat</i>
<i>As soon as possible</i>	<i>Provide a revised version of the document for discussion in the FAWG</i>	<i>ECB's DG-S/Eurostat</i>

6. National and Financial Accounts		
6.3 Clarification in the terminology of financial corporations in the new SNA 93 (ECB's DG-S)		
6.3.1 The ECB's DG-S presented an analysis of the classification and terminology used for financial corporations in SNA 93 and ESA 95 and proposals for a new classification and terminology in the revised SNA.		
6.3.2 The CMFB Members offered several comments. In particular, it was suggested to distinguish three sub-sectors for monetary financial intermediaries: central bank, commercial banks and other and to classify clearing houses in other financial intermediaries. Eurostat indicated that the FAWG had recommended, in November 2005, that the AEG should not decide on this item in February 2006 and requested that the issue should be submitted again to the FAWG.		
6.3.3 The CMFB took note of the work achieved on this issue and of the specific comments from CMFB Members. The CMFB saw the need for further discussions before a decision is made by the AEG.		
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Take into account the comments from CMFB Members in future discussions</i>	<i>ECB's DG-S/Eurostat</i>
<i>As soon as possible</i>	<i>Provide a revised version of the document for discussion in the FAWG</i>	<i>ECB's DG-S/Eurostat</i>

7. Revision of SNA 93 and BPM 5

7.1 Progress report (ECB's DG-S/Eurostat)

- 7.1.1 Eurostat and the ECB's DG-S presented progress reports on the revision of SNA93, BPM5 and the IMF Manual on Government Finance Statistics (GFSM 2001) and informed the meeting about recent and future meetings of the various groups concerned. Generally work was progressing well. Information was provided on the drafting and review phase of the revised SNA: recommendations must be ready in late 2006 for presentation to the Statistical Commission in March 2007; the draft revised SNA must be ready in late 2007 for presentation to the Statistical Commission in March 2008.
- 7.1.2 Concerning unfunded employer and social security pension schemes, Eurostat mentioned again the two options currently being considered at international level. The first option, put forward by the IMF and supported by a majority of the members of the IMF Task Force on pensions, recommends recording unfunded employer pensions schemes in the core accounts and treating social security schemes differently by recording them in a supplementary set of accounts. The CMFB, on the other hand, recommends keeping the unfunded pension schemes as well as social security schemes outside the core accounts, in a separate set of supplementary but mandatory accounts. The distinction between employer pension schemes and social security pension schemes is considered as a key issue with respect to the IMF proposal, and clear criteria must be set up for that purpose. It was also considered important to avoid, as much as possible, inconsistencies between the SNA and the ESA. The OECD suggested distinguishing between different types of liabilities and applying a specific treatment to each of them.
- 7.1.3 After discussion, the CMFB recommended that the CMFB position (as described in detail in document CMFB 07/01/A.7.2 of July 2005) should be explained again at the AEG meeting of January/February 2006. Possible ways forward should be sought that will safeguard, as much as possible, the comparability of the data between the various countries. The CMFB further suggested that work aimed at making estimates of the pension amounts should be started as soon as possible in order to facilitate a harmonised implementation of the agreed solutions.
- 7.1.4 As regards BPM5, several CMFB Members considered the treatment of merchanting (classification in a special category or not, recording gross or not, etc.) and of holding companies (classification according to the predominant activity of the subsidiaries or as other financial intermediaries, etc.) as particularly difficult issues that called for further analysis. Whether the current treatments should be changed, given these difficulties, needs to be considered. The CMFB took note of the progress made and suggested that Eurostat and the ECB's DG-S should take into account the above comments in future work and discussions.

Deadline:	Recommendation or Action:	Responsible:
January/February 2006	<i>Explain again the common European position as recommended by the CMFB at the AEG meeting in Frankfurt. The solutions agreed should safeguard, as much as possible, comparability between the various countries</i>	Eurostat/ECB's DG-S
As soon as possible	<i>Take account of comments from CMFB Members in future discussions related to the revision of BPM 5</i>	Eurostat/ECB's DG-S

7. Revision of SNA 93 and BPM 5

7.2 Defining institutional units and special purpose entities (ECB's DG-S)

7.2.1 The ECB's DG-S presented a revised version of their paper on Special Purpose Entities (SPEs) following, in particular, discussions at the July 2005 CMFB meeting. The revised document proposed more specific criteria for distinguishing between institutional units and ancillaries and for the residency, sector and sub-sector classification of SPEs. The main elements from a recent UNSD paper on the treatment of units (item 25 of the list of SNA updating issues) were also presented.

7.2.2 Some CMFB Members suggested that the proposed criteria for the sector classification of SPEs and other legal entities treated as institutional units needed some further clarification. In particular, some Members regarded the proposal to treat as financial intermediaries entities working vis-à-vis the market on one side and vis-à-vis their group on the other side as particularly difficult, calling for further analysis and clarification. Moreover, the issue of SPEs abroad owned by government was regarded as very important, given possible consequences on government deficit and debt. Finally, the difficulties relating to the identification of some specific units and flows were underlined.

7.2.3 The CMFB took note of the proposals made by the ECB's DG-S and suggested that the above comments should be taken into account in future discussions.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Take into account the comments from CMFB Members in future discussions</i>	<i>ECB's DG-S/Eurostat</i>

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8. EU/EMU Short-Term Statistics

8.1 Implementation Plan for Principal European Economic Indicators and further actions following, in particular, the 2005 EFC Status Report (Eurostat/ECB's DG-S)

- 8.1.1 Eurostat informed the CMFB about progress on the improvement work on Principal European Economic Indicators (PEEIs) further to the November 2005 Ecofin Conclusions on the 2005 EFC Status Report.
- 8.1.2 The Council welcomed the 2005 EFC Status Report and the major progress achieved on several fields of the PEEIs. Nevertheless, the Council considered that important challenges remained and major efforts were needed to catch up with the timeliness of US indicators. To address these challenges, the Council supported an implementation plan for PEEIs included in the 2005 Status Report and covering several aspects. Notably the timeliness and overage of the various PEEIs should be further improved through stronger commitments from the various Member States and the use of flash estimates where appropriate. The "First for Europe" principle for PEEIs should be reinforced in several regards: a closer co-ordination of release, revision and dissemination practices; more co-ordination and transparency of seasonal and working day adjustments; and an extended use of European sampling. Data exchange and dissemination should be further progressed with a complete implementation of GESMES/TS and the development of a common dissemination platform. Moreover, a regular analysis of revisions should be started in close co-operation between Eurostat and NSIs. Finally, the best PEEI practices in the EU will be examined with a view to applying them more widely. The FROCH Group considered these various issues at their meeting on 29 November 2005 and made a number of proposals.
- 8.1.3 The CMFB generally supported the proposed approaches and suggested that close co-operation between NSIs and Eurostat would be useful on the First for Europe principle for PEEIs. The CMFB also suggested that Eurostat should report progress at future CMFB meetings. Moreover, it was suggested to specifically report about progress on implementing the CMFB recommendations on seasonal adjustments in national accounts.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Consider further communication on the First for Europe Principle for PEEIs</i>	<i>Eurostat/ECB's DG-S</i>
<i>As soon as possible</i>	<i>Report progress at future CMFB meetings</i>	<i>Eurostat/ECB's DG-S</i>
<i>June 2006 CMFB meeting</i>	<i>Report progress on implementation of CMFB recommendations on seasonal adjustment in national accounts</i>	<i>Eurostat/ECB's DG-S</i>

9. Any other business

- 9.1 Eurostat made a presentation on its proposed approach to the quality reports foreseen in the balance of payments Regulation, explaining the envisaged content, format, dissemination and timetable of these reports. This approach had been discussed and received general support at the BOP Committee meeting on 25 January 2006. Further to suggestions from some CMFB Members, Eurostat will consider putting the BoP quality reports on the Eurostat website.
- 9.2 NCB Portugal (Mr Anatónio Garcia) made a presentation on the current activities of the European Committee of Central Balance Sheets Offices (ECCBSO) and made a plea for more countries to take part in these activities.
- 9.3 Since the agenda was completed, the Chairman thanked the participants and the interpreters and closed the meeting. The next CMFB meeting is scheduled 29-30 June 2006. The next BOP Committee meeting will take place on 28 June 2006, from 09:30 to 12:30, in Luxembourg.

CMFB 26-27 January 2006 – LIST OF PARTICIPANTS**Luxembourg - Jean Monnet Building (Room M6)**

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IRELAND	Mr Bill KEATING Mr Christopher SIBLEY Mr Mick LUCEY Mr John O'MALLEY	Central Statistics Office Central Statistics Office Central Statistics Office Central Bank of Ireland
ICELAND	Mr Jakob GUNNARSSON	Central Bank of Iceland
ITALY	Ms Alfonsina CARICCHIA Mr Antonello BIAGIOLI Mr Luigi Federico SIGNORINI	ISTAT Ufficio Italiano dei Cambi Banca d'Italia
CYPRUS	Mr Ioannis G. IOANNOU Mr George ZEITOUNTSIAN	Central Bank of Cyprus Statistical Service of Cyprus
LATVIA	Mr Agris CAUNE Ms Dace TOMASE	Bank of Latvia Central Statistical Bureau of Latvia
LITHUANIA	Mr Jonas MARKELEVIČIUS Mr Rimantas VAICENAVIČIUS	Statistics Lithuania Bank of Lithuania

LUXEMBOURG	Mr Marc ORIGER Mr Guy SCHULLER Mr Germain STAMMET	STATEC STATEC Banque centrale du Luxembourg
HUNGARY	Mr Csák LIGETI Ms Edit GÓDORNE KALO	Hungarian Central Statistical Office National Bank of Hungary
MALTA	Mr Jesmond PULÈ Mr Michael PACE ROSS	Central Bank of Malta National Statistics Office of Malta
NETHERLANDS	Mr Henk LUB Mr Peter VAN DE VEN	De Nederlandsche Bank Statistics Netherlands
NORWAY	Ms Marit HOEL Ms Ann Lisbet BRATHAUG	Central Bank of Norway Statistics Norway
AUSTRIA	Dr. Aurel SCHUBERT Ms Eva-Maria NESVADBA Mr Reinhold SCHWARZL	Oesterreichische Nationalbank Oesterreichische Nationalbank Statistik Österreich
POLAND	Ms Bożenna JAKÓBIAK Ms Elżbieta BARTKOWSKA	Główny Urząd Statystyczny National Bank of Poland
PORTUGAL	Mr Daniel SANTOS Mr António GARCIA Mr Carlos COIMBRA	Instituto Nacional de Estatística Banco de Portugal Banco de Portugal
SLOVENIA	Mr Andrej FLAJS Mr Janez FABIJAN	Statistical Office of the Republic of Slovenia Bank of Slovenia
SLOVAK REPUBLIC	Mr Pavol BALÁŽ Mr Gregor BAJTAY	Statistical Office of the Slovak Republic National Bank of Slovakia
FINLAND	Mr Jorma HILPINEN Mr Ari TYRKKÖ	Bank of Finland Statistics Finland
SWEDEN	Mr Staffan WAHLSTRÖM Mr Gunnar BLOMBERG	Statistics Sweden Sveriges Riksbank
UNITED KINGDOM	Mr Graham JENKINSON Mr Richard WALTON	Office for National Statistics Bank of England
BULGARIA	Mr Todor TODOROV Mr Emil DIMITROV	National Statistical Institute Bulgarian National Bank
CROATIA	Mr Igor JEMRIC Mr Ivan ŠUTALO	National Bank of Croatia Central Bureau of Statistics of Croatia
ROMANIA	Ms Silvia CARAGEA Mr Marian MUSTAREATA	Romanian National Institute of Statistics National Bank of Romania
TURKEY	Mr Mehmet AKTAS	State Institute of Statistics

EUROSTAT

Mr Klaus REEH, Mr Laurs NØRLUND, Mr Joachim RECKTENWALD, Mr Eduardo BARREDO CAPELOT, Ms Maria-Helena FIGUEIRA, Mr Francisco SOBRINO, Mr Vasileios KOUNADIS, Mr Denis LETHIENNE, Mr John VERRINDER, Mr Gallo GUEYE (Secretary)

DG ECFIN

Mr Franck SCHONBORN

**EUROPEAN
CENTRAL BANK**

Mr Steven KEUNING, Mr Jean-Marc ISRAËL, Mr Gabriel QUIROS, Ms Caroline WILLEKE, Mr Reimund MINK

OECD

Mr François LEQUILLER

EFTA

Mr Gabriel GAMEZ



Committee on Monetary, Financial and Balance of
Payments Statistics

Plenary session

26-27 January 2006

Luxembourg

Jean Monnet Building, Room M6

**Agenda
20.1.2006**

Documents will be made available on CIRCA at the following address:

<http://forum.europa.eu.int/Members/irc/dsis/cmfb/home>

The meeting starts at 9.30 on 26 January 2006

PART A - ITEMS FOR DISCUSSION

The allocation of times for each item is provisional

1. OPENING
2. ADOPTION OF THE AGENDA (Mr Keating) (5' – 09.35)
3. EXCESSIVE DEFICIT PROCEDURE
 1. Recent developments including the main conclusions from the Ecofin Council of November 2005 (Eurostat) (30' – 10.05)
 2. Progress in updating the ESA95 Manual on Government Deficit and Debt (Eurostat) (20' – 10.25)
 3. EDP inventories: availability and assessment (Eurostat) (15' – 10.40)

4. PUBLIC FINANCE STATISTICS

1. State of play on the database project – Verbal report (Eurostat) (15' – 10.55)
2. COFOG data - Progress report (Eurostat) (20' – 11.15)
3. Statistical contribution to the review of the sustainability of public finances (Eurostat/ECB's DG-S) (30' – 11.45)

5. QUARTERLY SECTOR ACCOUNTS

1. Joint ECB's DG-S/Eurostat Task Force on quarterly European accounts by institutional sectors – A progress report and several issues including reports on consistency between BoP and RoW accounts at national level and a new mandate for the Task Force (ECB's DG-S/Eurostat) (45' – 12.30)

Break for lunch – the meeting resumes at 14.15

2. Transmission of annual and quarterly sector accounts by Member States (Eurostat) (30' – 14.45)
3. Work plan for compiling annual and quarterly European sector accounts including practical preparatory steps (Eurostat/ECB's DG-S) (45' – 15.30)

6. NATIONAL AND FINANCIAL ACCOUNTS

1. Co-ordination of the implementation of the NACE revision particularly in national accounts (Eurostat) (30' – 16.00)
2. Clarification in the terminology of financial assets and liabilities in the new SNA 93 (ECB's DG-S) (30' – 16.30)
3. Clarification in the terminology of financial corporations in the new SNA 93 (ECB's DG-S) (30' – 17.00)

End of first day - the meeting resumes at 9.00 on 27 January

7. REVISION OF SNA 93 AND BPM 5

1. Progress report (ECB's DG-S/Eurostat) (SNA 93 = 45'-- BPM 5 = 30'– 10.15)
2. Defining institutional units and special purpose entities (ECB's DG-S) (30' – 10.45)

8. EU/EMU SHORT-TERM STATISTICS

1. Implementation Plan for Principal European Economic Indicators and further actions following, in particular, the 2005 EFC Status Report (Eurostat/ECB's DG-S) (30' – 11.15)

9. ANY OTHER BUSINESS

PART B - POINTS FOR INFORMATION¹

CMFB INTERNAL MATTERS

1. Main developments since the last CMFB meeting in July 2005 and minutes of the Executive Body meetings held in Frankfurt in October 2005 (at the Bundesbank) and in December 2005 (at the ECB) (CMFB Secretariat)

EXCESSIVE DEFICIT PROCEDURE

2. Implementation of Council Regulation (EC) 1222/2004 concerning the compilation and transmission of quarterly Maastricht debt data - Progress report (Eurostat)

BALANCE OF PAYMENTS

3. The Balance of Payments Committee (Eurostat)
4. Balance of Payments Working Group – Progress report (Eurostat)
5. Draft FATS Regulation – Progress report (Eurostat)
6. Centralised securities database project – Progress report (ECB's DG-S)
7. Working Group on External Statistics - Progress report (ECB's DG-S)

QUALITY FRAMEWORKS

8. Follow-up to the joint ECB's DG-S/Eurostat task force on the quality of quarterly national accounts (Eurostat)

NATIONAL AND FINANCIAL ACCOUNTS

9. Revision of the ESA 95 transmission programme – Progress report on the Draft Regulation (Eurostat)
10. Financial Accounts Working Group - Progress report (Eurostat)
11. Working Group on Monetary Union Financial Accounts – Progress Report (ECB's DG-S)

SHORT-TERM PUBLIC FINANCE STATISTICS

12. Short-term public finance statistics - Progress report (Eurostat)
13. Manual on quarterly non-financial accounts for general government (Eurostat)

STATISTICAL INFRASTRUCTURE

14. Data capture and exchange: follow-up of the co-ordination group on priority areas for an efficient flow of statistical data between the ESS and the ESCB (Gesmes/TS). Updated report. (ECB's DG-S/Eurostat)
15. Progress report on the SDMX initiative (Eurostat/ECB's DG-S)

FINANCIAL SERVICES STATISTICS

16. Financial Services Statistics. Progress report (Eurostat)

PRICES

17. Property price index (Eurostat/ECB's DG-S)

¹ The points for information will be discussed during the meeting only if a representative informs the CMFB secretariat two weeks before the meeting