



Statistics
Netherlands

Memo

subject CMFB level 3 quality report for financial accounts
October 2024

Reporting institution: Statistics Netherlands

A Institutional Environment

A.1.1 Legal basis

The functioning of Statistics Netherlands is governed by the statistics law 'Wet op het Centraal Bureau van de Statistiek', last updated in 2022. Statistics Netherlands is an independent governing body responsible for compiling national and European Union statistics.

Statistics Netherlands is governed by a Director General. The Director General manages the activities of Statistics Netherlands. In this role the Director General determines the statistical methods used and methods of dissemination (statistics law article 18). The Director General is appointed for a period of 7 years. His or her term may be renewed once.

Contacts between Statistics Netherlands and the main users of official statistics are established via the *Raad van Advies (Advisory Board)*. The Advisory Board has responsibilities laid down in article 20 of the statistics law. Among its tasks the Advisory Board is responsible for enhancing the accuracy and completeness of official statistics. The members of the Advisory Board are appointed for a period no longer than 4 years. This term may be renewed once.

With regard to European legislation reference is made to article 2 of Regulation (EC) No 223/2009.

The financial accounts are compiled in close cooperation with the Dutch Central Bank. The compilation of annual financial accounts is based on a direct legal obligation for Statistics Netherlands. The compilation of quarterly financial accounts is done by Statistics Netherlands fulfilling the legal obligations of the Dutch Central Bank.

The independence of DNB (Dutch Central Bank), in its capacity as a member of the ESCB, is provided for in article 130 of the EU Treaty and article 7 of the Statute of the ESCB and of the ECB.

A.1.2 Statistics work programme

At the national level the work programme covering the area of financial accounts is set out and determined, in consultation with, the *User Council for Macro-economic Statistics (User Council)*. The User Council is a high-level group composed of directors/senior management from the areas of statistics in Statistics Netherlands and the Dutch Central Bank as well as representatives from data suppliers and users. Details of this work programme, explicitly outlining its content, are not currently available on the website of Statistics Netherlands. Financial accounts work programmes are principally guided, at the European level, by the work programmes of:

(i) Eurostat. For the statistical programme 2021-2027 see: [European statistical system ESS statistical programmes](#).

(ii) ECB – From a quarterly perspective the work programme for quarterly financial accounts is determined by the Working Group on Financial Accounts and Government Finance Statistics (WG FGS) operating under a mandate from the ECB Statistics Committee (STC). This programme is reviewed and updated annually.

For the ESCB Statistics work programme see: [ECB Statistics governance and quality framework](#).

A.2.1 Allocation of responsibilities

Both the annual and quarterly financial accounts are compiled by Statistics Netherlands in close cooperation with the Dutch Central Bank. As such the financial accounts can be seen as a combined product of both institutions.

A.2.2 Legal basis

According to the Statistics law (article 4) Statistics Netherlands is mandated to ensure the compilation of all statistics mandated by the European Union. The annual financial accounts have to be compiled and transmitted to Eurostat by the Member States according to the Regulation 549/2013 of the European Parliament and of the Council.

The Dutch Central Bank is allocated the task by the Council Regulation 2533/98 to collect statistical information necessary to fulfil the tasks of the ESCB, such as the requirement to have comprehensive and reliable quarterly financial accounts, as stated in the Guideline ECB/2013/24.

Statistics Netherlands is fulfilling the ESCB-obligation to compile quarterly financial accounts. Relationships with the Dutch Central Bank, including with regard to quarterly financial accounts, are governed by a cooperation agreement 'Samenwerkingsovereenkomst CBS-DNB inzake sectorrekeningen' from 2017. Each year a document 'nadere samenwerkingsafspraken CBS-DNB' is updated in which a detailed description is given of all aspects of the data deliveries and responsibilities from one institution to the other including the appropriate deadlines and data requirements.

A.3.1 Advance Release Calendar

A [Publication calendar \(cbs.nl\)](https://www.cbs.nl) is available on the website of Statistics Netherlands covering the publications of a full year. Quarterly financial accounts are published on the same day as the transmission of preliminary data to the ECB (T+85). Annual data are published alongside the publication of quarterly data on Q1 in June.

A.3.2 Revision policy

Financial accounts data are revised (routine revisions) using the following schedule:

- March: alongside the publication of the data for Q4 of the previous year, the data for Q1-Q3 of the previous year are revised;
- June: alongside the publication of the data for Q1 of the current year, the data for the annual financial accounts of the previous two years including the quarterly data of these two years are revised in full. For the rest of the time series annual and quarterly data are revised if significant new information or insights have become available.
- September: alongside the publication of the data for Q2, data for Q1 is revised
- December: alongside the publication of the data for Q3, data for Q2 is revised

Major revisions are either done as part of a European wide benchmark revision or when new data sources require a major change.

In the Netherlands June is the most important month of publication in which most data are revised due to national considerations. This is not in line with the advised CMFB policy which proposes September as the main period for revisions. Statistics Netherlands complies with the advised CMFB policy to publish major benchmarkrevisions in years ending with a 4 or a 9.

B. Statistical processes

B.1.1 General remarks

The financial accounts are compiled in accordance with the methodology of the European System of Accounts (ESA 2010). National documentation on the [sector accounts](#) including financial accounts is available on the website of Statistics Netherlands.

B.1.2 Residency and territory

In the compilation of the financial accounts residency and territory are compliant with the definitions in ESA 2010.

B.1.3 Institutional unit definition

In the compilation of the financial accounts the definition of institutional unit is compliant with the definitions in ESA 2010 for all practical purposes. This means unit definitions can diverge from the definition of institutional unit when this supports the collection and quality of data. To correct for this, during compilation head offices are for example deconsolidated. Refer to B.1.8 for more details on coverage gaps resulting from the divergence from the definition of institutional units. Refer to B.1.9 for more details on consolidation/deconsolidation.

B.1.4 Sectorisation and sector delimitation

In the compilation of the financial accounts the sector definition and delimitation are generally compliant with the definitions in ESA 2010.

B.1.5 Instrument identification

In the compilation of the financial accounts the definitions of the financial instruments are generally compliant with the definitions in ESA 2010. Equity, that has identifiable owners and therefore needs to be recorded as AF.5 instead of net worth, and that is not quoted, is classified as unquoted unless specifically assigned as 'other equity'.

B.1.6 Valuation, including derivation of transactions and other flows

Market prices are the basis for the valuation of transactions and positions of short term and long term securities, quoted shares and investment funds shares. Nominal valuation as defined by ESA 2010 is used for positions in currency and deposits, loans and other accounts receivable/payable.

Unquoted shares as well as other equity at the liability side are valued based on their own funds at book value. Exceptions are the government sector and a number of quoted captives for which some equity holdings are transformed to market prices using prices of quoted shares. For the assets side, the book value, as in the books of the reporting agent, is predominantly used.

MFI-data does not have explicit recording of financial transactions for all instruments. The data source for MFI's in these cases does include various items for revaluations and other changes in volume that combined with balance sheet data allow the derivation of transactions.

The data sources for investment funds, insurers, pension funds and the balance of payments/IIP record transactions, and revaluations.

For most government data a split is available for transactions and other flows. Based on meta data revaluations can be split from other changes in volume.

The data from business accounts which is used for some non-financial corporations as well as some OFIs, have limited information on type of flows. As a starting point the difference between an opening balance sheet and closing balance sheet is treated as a financial transaction unless specific information is available.

Quarterly information on non-financial corporations is collected through a NFC-survey that allows for reporting of stocks, financial transactions and other flows.

B.1.7 Time of recording (accrual accounting)

Interests accrued are recorded with the financial asset or liability on which they accrue.

B.1.8 Coverage gaps

Relationships between households are only recorded to a limited extent due to the lack of data sources. Relationships between households and (non-)financial corporations with regard to loans are also only covered partially for the same reason. Here, there is an ongoing effort to ensure the inclusion in the financial accounts of all incorporated entities, even if without significant value added.

B.1.9 Non-consolidation/consolidation at sectoral level - As required under the ESA 2010

Transmission programme (tables 6 and 7)

Both transactions and positions are compiled on a consolidated and non-consolidated basis in both annual and quarterly accounts for all instruments.

With regard to non-financial corporations the primary statistical source used has a focus on compiling consolidated data. The annual non-consolidated data for non-financial corporations is therefore of lesser quality compared to consolidated data. Availability of quarterly data on transactions and positions between non-financial corporations is very limited also favouring consolidated data.

Due to data gaps consolidated data for the OFI-sector and household sector is of higher quality than the non-consolidated data.

Annual consolidated and non-consolidated data are available in accordance with the requirements of the ESA 2010 Transmission programme from 1995 onwards (tables 610, 620, 710, 720).

In the time series some breaks in series are present related to the deconsolidation of entities in some sectors that may include reclassifications to another sector. These breaks are specified in C.4.2.

B.1.10 Specific issues for instruments covered by MIP indicators

There are no specific issues with regard to the requested data for the MIP indicators. The auxiliary non-consolidated indicators are of lesser quality than the consolidated main indicators, due to the more limited information on intra-sector loans for households, non-financial corporations and OFI's. This is especially the case for quarterly data.

B.1.11 Other major deviations not listed above

None.

B.2.1 Data sources map

From 2020Q1 forward, all quarterly information vis-à-vis the rest of the world is integrated within the data sources for domestic sectors. BoP as a data source on its own has become redundant. The BoP data is derived as the sum of counterpart information (CI) of the domestic sectors vis-à-vis the rest of the world

From 2022Q1 forward, the surveys for the financial sectors have redesigned. The new design allows for more detailed reporting on counterpart sector, especially for other non-financial sectors. Further, definitions and classification of financial instruments have been adjusted to better align with guidelines from ESA2010 and BPM6. For securities, less information is requested in this survey as this information is already surveyed in the Monthly securities reporting (MER) of the Dutch Central Bank.

		assets									liabilities										
		S11	S12K	S124	S120	S128	S129	S13	S14+S15	S2	S11	S12K	S124	S120	S128	S129	S13	S14+S15	S2		
		NFCs	MFI	IFs	OFI	IC	PF	Gov	HHs+NPISH	RoW	NFCs	MFI	IFs	OFI	IC	PF	Gov	HHs+NPISH	RoW		
F11	Monetary gold		CB																	CI	
F12	SDR's		CB																		CI
F21	Currency	NFC, ENA	MFI, CB	IF	FVC, OFI	IC	PF	QFAGG	ENA	CI		CB									CI
F22	Deposits, transferable	MFI, NFC	MFI, CB	IF	MFI, OFI	IC	PF	QFAGG	MFI	CI		MFI, CB					QFAGG				CI, ENA
F29	Deposits, other	MFI, NFC	MFI, CB	IF	MFI, OFI	IC	PF	QFAGG	MFI, LBS	CI		MFI, CB					QFAGG				CI, ENA
F3	Debt securities	MER	MFI, CB, MER	IF	MER, OFI	IC, MER	PF, MER	QFAGG	MER	MER*	MER	MFI, CB	IF	FVC, OFI	IC	PF	QFAGG				MER
F4	Loans	NFC, ENA	MFI, CB	IF	MFI, FVC, OFI	IC	PF	QFAGG	CI, ENA	CI	NFC, MFI, ENA	MFI, CB	IF	FVC, OFI	IC	PF	QFAGG	FD, CI			CI
F511	Listed shares	MER	MFI, CB, MER	IF, MER	MER, OFI	IC, MER	PF, MER	QFAGG	MER	MER*	MER	MER	IF, MER	MER	MER						MER
F512	Unlisted shares	NFC	MFI, CB	IF	IC, OFI	IC	PF	QFAGG	WS*	CI	NFC	Sup	IF	FVC, OFI	IC		QFAGG				CI
F519	Other equity	NFC	MFI, CB	IF	OFI	IC	PF	QFAGG	FD	ENA	NFC, ENA										CI
F52	Investment fund shares/units	IF, MER	IF, MER	IF, MER	IF, MER	IF, MER	IF, MER	QFAGG	IF, MER	IF, MER*		IC, PF, MER	IF, MER								IF, MER
F61	Non-life insurance techn. reserve	IC	MFI, CB	IF	IC	IC	PF	QFAGG	IC	CI					IC	PF					CI
F62	Life insurance and annuities								IC	CI					IC						CI
F63-65	Pension entitlements	PF	PF		PF	PF	PF		PF	CI					PF	PF					
F66	Standardised guarantees								ENA						ENA						
F7	Financial derivatives	NFC, MFI	MFI, CB	IF	OFI, PF	IC	PF	QFAGG	CI	CI	NFC, MFI	MFI, CB	IF	OFI, PF	IC	PF	QFAGG	CI			CI
F81	Trade credits and advances	NFC, ENA	CB, ENA	ENA	ENA	ENA	ENA	QFAGG	ENA	ENA	NFC, ENA	ENA	ENA	ENA	ENA	ENA	QFAGG	ENA			ENA
F89	Other accounts excl. F81	NFC, CI, QFAGG	MFI, CB	IF	FVC, OFI	IC	PF	QFAGG	CI, QFAGG	CI	NFC, CI, QFAGG	MFI, CB	IF	FVC, OFI	IC	PF	QFAGG	CI, QFAGG			CI
Key for data sources and calculation/estimations:				*	"Residual sector for respective instrument - i.e. the sector (assets or liabilities) where source is available, but most likely adapted to achieve horizontal consistency.																
NFC	NFC survey, including BoP																				
MFI	MFI balance sheet statistics																				
IF	Investment fund statistics																				
FVC	Financial vehicle corporations statistics																				
OFI	Other financial institution statistics, quarterly																				
IC	Insurance corporations statistics																				
PF	Pension fund statistics																				
QFAGG	Quarterly financial accounts for general government																				
ENA	Estimate national accounts																				
CB	Central Bank data																				
Sup	Supervisory data																				
FD	Fiscal data on mortgages																				
MER	Monthly securities reporting, listed and investment shares statistics																				
LBS	Locational Banking Statistics																				
WS	Wealth Statistics																				
CI	Counterpart information																				

B.2.2 Description of procedures and methods

All main sectors, except households and RoW, are covered by direct data sources or direct estimates which are subsequently balanced. To estimate the household and RoW sector mainly counterpart information is used. Additional, MER-statistics are used as a building block for both issuers and holders of ISIN based securities and shares.

Although a data source for non-financial corporations is available in practice counterpart information, principally from MFI and BoP, plays a significant role in determining the final results for 2018Q4 backwards. From 2019Q1 forwards, a new NFC source provides information on counterpart sectors, particularly vis-à-vis the rest of the world.

Counterpart information from BoP (SPE-statistics) also plays a role for the OFI-sector for final result for 2019Q4 and backwards. From 2020Q1 onwards a new OFI-survey (OFI+) is introduced. The SPE, IF, IC, PF, and OFI+-statistics are compiled within the same statistics framework at the Dutch Central Bank which also includes the results of the SHS (for results for 2020Q2 backwards). From 2020Q3 onwards it also includes data from MER statistics, which includes both holding and issuers' information on securities, listed equity and investment fund shares. Quarterly information going into the balancing phase is largely similar to annual information although coverage and quality is less for quarterly data. The quarterly survey for non-financial corporation covers approximately the top 300 corporations in terms of balance sheet total (61% of regular consolidated NFC's), whereas the annual survey (combined with the quarterly survey), available one year after the end of the reporting period, covers 99% of the balance sheet of regular consolidated NFC's, partly achieved by use of fiscal data (19% of the balance sheet total). The remaining parts are grossed up. The quarterly and annual surveys cover all instruments. Data of more irregular parts of NFC's such as hospitals and social housing corporations are only available through annual data sources. Also data on head offices to be deconsolidated from corporate groups is based on annual reports.

For banks, institutional investors, financial vehicle corporations and government coverage of annual and quarterly data is very similar with coverage ratios between 90%-100%. For financial vehicle corporations an annual benchmark is done that aims at full coverage. For quarterly data coverage is less. From 2020Q1 onwards quarterly information on other parts of the OFI-sector, notably head offices of insurers, the NPI-sector as well as some smaller parts of the government sector is available.

B.2.3 Estimation of missing data

In cases where primary statistics have incomplete coverage meaning that primary statistics or specifications either do not exist or grossing up is incomplete, in principle estimates for transactions, price changes and other changes in volumes are assumed to equal zero. In such cases confrontation with data from counterparts during the balancing phase often provide estimates in the final outcome. Initial quarterly estimates for intercompany transactions of non-financial corporations are based on the available consolidated gross figures for the financial instruments involved.

B.2.4 Balancing procedures (horizontal and vertical)

From data sources the flows and positions for each sector and each financial instrument are allocated to assets and liabilities and, to the extent possible, to counterpart sectors. As a first part of the balancing phase, in case two estimates are available for the same cell in a matrix (sector and counterpart sector), the stronger data source will overrule the weaker one. In case only one data source has information on a certain cell, that data source is used. After this process for each instrument, for both flows and positions, a matrix results with inconsistencies

both in terms of assets vs liabilities and sector totals versus the sum of the counterparts. Using a predefined set of rules many (but not all) of the discrepancies are allocated to cells in the matrix, in some cases using distribution keys, and when appropriate, to sector totals.

In the second stage of balancing, the largest remaining horizontal and vertical discrepancies are identified, investigated and resolved manually.

The final stage of the balancing process is done by means of an automated calculation module based on Denton. Through a set of balancing rules compliance is ensured with several accounting identities and conventions. A key requirement is that the sum of all holdings by residents and non-residents of financial assets of a given instrument should be equal to the sum of all liabilities of that class (also by residents and non-residents). In this operation, priority is given to retaining, as far as possible, consistency with the data sources that have the highest quality.

The sector that is most likely to be adjusted depends on the instrument and the availability of information. In many cases non-financial corporations and households are significantly influenced by counterpart information but also the rest-of-the-world has a significant share of balancing adjustments.

For most sectors and subsectors, annual vertical discrepancies are reduced below 1% of GDP, in accordance with the recommendations from the [‘Report on developing a common approach to improve vertical consistency’](#). For quarterly data the sum of the last four quarters of discrepancies is monitored and in principle this sum is kept within the same threshold. A few exceptions are: vertical discrepancies for the sector general government as found in the source data are kept unchanged unless clear mistakes could be detected during the compilation of the data; vertical discrepancies for MMFs and CFIs are reduced to zero by default.

Adjustments for vertical discrepancies are mostly made manually. In principle each transaction (financial or non-financial) can be used if there is reason to do so, however in practice unquoted shares, other accounts receivable and to some extent loans and derivatives are most likely used to improve consistency with the non-financial accounts. Deposits may be used to the extent that changing the counterpart sector of the liabilities of deposit taking corporations reduces the vertical discrepancies of both counterpart sectors involved.

B.2.5 Methods to align quarterly and annual data

After an annual estimate has been compiled, the quarters of the revised year have to be revised as well. After using the available quarterly data the largest differences between the annual data and the sum of the four quarters are investigated and assigned to the appropriate quarters. Any remaining difference for transactions and price changes for which no quarterly data is available are in principle equally spread over the quarters. This process is done by a calculation module ensuring consistency with several accounting identities and conventions.

C Statistical output

C.1 Relevance

At (i) the international level, financial accounts of the institutional sectors are part of the 'Special Data Dissemination Standard' and the 'Special Data Dissemination Standard Plus' of the IMF and are required for IMF 'Article IV consultations' of the EU Member States.

In (ii) the EU, financial accounts are part of the 'scoreboard' of the macroeconomic imbalances procedure (MIP), and support the assessment of vulnerabilities and interconnectedness for financial stability purposes by the European Systemic Risk Board (ESRB, see its 'risk dashboard'). For the euro area, financial accounts statistics support the Eurosystem in its tasks to define and implement the single monetary policy.

At (iii) the national level, financial accounts are published and disseminated in an integrated presentation together with the non-financial sector accounts. Its main findings are made accessible to Dutch citizens through news feeds and press releases. The data are also used among others by the Netherlands Bureau for Economic Policy Analysis (CPB) and the Dutch Central Bank for economic and policy analysis.

C.2.1 Accuracy and reliability

Statistics Netherlands has identified a number of key indicators, such as the MIP-indicators for which extra attention is reserved to check on the data that have been used and whether the results are plausible. In the compilation procedure various checks have been added to ensure consistency and reliability.

Both Eurostat and the ECB have checks in place to validate the annual and quarterly data that have been transmitted. The transmissions are accompanied by metadata on major events and major revisions explaining major changes and revisions.

No standardised quantitative analysis is available to check the accuracy and reliability. However, the largest revisions tend to occur for the OFI-sector and the RoW-sector due to the presence of a large number of SPE's related to the operations of multinational corporations.

C.2.2 Internal consistency

The national financial accounts are compiled within a consistent framework. All financial instruments are recorded on a whom-to-whom basis. Thus, by construction there are no discrepancies between assets and liabilities. The consistency between outstanding amounts, transactions, revaluations and other changes in volume are ensured. The ECB draws up an internal annual quality report for the Euro Area financial accounts which contains a section with short country comments.

C.3.1 National requirements

The quarterly financial accounts are published at the latest at T+85 days. The annual financial accounts and the update of the accompanying quarterly data are published alongside the quarterly data for Q1 (June).

C.3.2 International requirements

In the EU, the ESA 2010 transmission program requires reporting of annual data at T+4 months. The quarterly data requirements of the ECB (MUFA) are T+85 days (supplementary data for the compilation of the euro area aggregates only) and T+97 days (national data, for publication by the ECB from T+107).

For the IMF, quarterly financial accounts are required at T+4 months in SDDS plus.

C.4.1 External consistency

The financial and non-financial accounts are compiled simultaneously. During the balancing phase statistical discrepancies are investigated and eliminated for the financial sectors for both annual and quarterly estimates. Refer to B.2.4 for further information on vertical balancing procedures. The adjustments to the data of all sectors have a subjective element. In recent years there tends to emerge a systematic bias for non-financial corporations (B9>B9f) and for households (B9f>B9).

Data for MFI's, IF's, IC's, and PF's are generally implemented unchanged with regard to financial transactions, price changes and 'real' other changes in volume. In cases where breaks in series occur, these are generally not implemented directly but only after further investigation with the aim to eliminate the breaks. Balance sheet positions may therefore diverge from primary statistics. Vintage differences and differences in revisions policy are other reasons for differences with these primary statistics.

Data for the government sector is implemented in its entirety.

With regard to BoP/IIP all information vis-à-vis the rest of the world enters the system through domestic sector input. The balancing process, involving both Statistics Netherlands and the Dutch Central Bank, has as output both the financial accounts as well as the balance of payments which are mutually consistent.

C.4.2 "Time" and back data consistency

Statistics Netherlands aims to maintain a consistent time series but major changes in available data sources may nevertheless be presented as Other changes in volume, effectively generating a break in series.

The main breaks in series are the following:

1998: deconsolidation of non-bank entities from the banking sector into the OFI-sector;

2005: implementation of the new balance of payments and new collection system for data on insurers and pension funds;

2008: deconsolidation of investment fund entities from the insurers and pension funds;

2009: deconsolidation of head offices of non-financial corporations as well as the reclassification of holding companies to the financial sector;

2009: deconsolidation of holding companies held by households from the households sector to the financial sector;

2010: deconsolidation captives from non-financial corporations and reclassification as financial institutions;

2020: no reliable information available to revise new OFI stocks backwards;

2020-2021: reclassification of entities between SPEs and non-financial corporations;

2021: benchmarking to new banking survey creates a shift from AF512 to AF519.

C.4.3 Consistency across frequencies

Annual and quarterly data are compiled using the same production system and database. Maintaining consistency is a key principle during the compilation of annual and quarterly accounts. Any breaks in the annual data are assigned to the most appropriate quarter.

C.5.1 Data

The financial accounts data are available on the website of Statistics Netherlands in Statline. [StatLine - Financial balance sheets and transactions by sectors; National Accounts \(cbs.nl\)](#)

[StatLine - Financial instruments: From-whom-to-whom matrices; National Accounts \(cbs.nl\)](#)

The publication is supplemented by short texts for the broad public usually referring to households, non-financial corporations and the government. Some of these are also available in English.

Financial balance sheet data as part of the SDDS+ program are available on the site of the Dutch Central Bank: [Macrodata for the IMF | De Nederlandsche Bank \(dnb.nl\)](#)

The national financial accounts data are also available through the website of different international institutions:

ECB: [Main figures | ECB Data Portal \(europa.eu\)](#)

Eurostat: <http://ec.europa.eu/eurostat/data/database>, Economy and finance, National accounts, Annual Sector Accounts, Financial flows and stocks

OECD: [Financial Dashboard \(oecd.org\)](#)

C.5.2 Metadata

No additional metadata is available at this time.

C.5.3 Contact

Quarterly financial accounts: M. van Elp (m.vanelp@cbs.nl)

Annual financial accounts. M.J. van Rijn (mj.vanrijn@cbs.nl)