

**Minutes of the CMFB plenary meeting of
30 June and 1 July 2022**

25 October 2022

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(1) Election of the Executive Body for 2023-2024	31 October 2022	Incoming Chair and incoming Vice-Chair, Secretariat
(2) Draft CMFB working programme for 2023-2024	Dedicated CMFB plenary session in autumn 2022	Incoming Chair and incoming Vice-Chair
(3) Regular update on the functioning of the FDI Network	February 2023 plenary	Eurostat
(4) Preparation of the draft CMFB opinion on the LEI	1 st CMFB EB meeting in autumn 2022	Sponsors
(5) Discussion of the draft CMFB opinion on the LEI	Dedicated CMFB plenary session in autumn 2022	Chair, Sponsors
(6) Written comments on the Interim report of the TF ECI – 2 nd phase and the final report of the TF SuFiR	15 July 2022	Secretariat
(7) Discuss follow-up to the TF SuFiR and the various links to related activities	1 st CMFB EB meeting in autumn 2022	Sponsors
(8) Draft final report of the TF ECI – 2 nd phase	February 2023 CMFB plenary	TF Co-Chairs, CMFB Sponsors
(9) Discuss list of chapters for CMFB consultations for Update of MGDD and sent request to CMFB for consultation	October 2022	Chair, Eurostat
(10) Organising the CMFB consultation of MGDD relevant chapters	October 2022	Chair, Eurostat
(11) Final Update of the report of the TF Development Banks and submission to the CMFB EB	September 2022	Eurostat
(12) Publication of the 2022 ESS-ESCB quality assessment report on statistics underlying the MIP Scoreboard	8 July 2022	Secretariat
(13) Regular update on the SNA/BPM reviews	February 2023 CMFB plenary	ECB DG-S, Eurostat
(14) Circulate information on the Joint Irving Fisher Committee/Banco de Portugal conference “Communication on central bank statistics: unlocking the next level”	Done	Secretariat

1 ADOPTION OF THE AGENDA AND MAIN DEVELOPMENTS SINCE THE JANUARY 2022 CMFB (CHAIR)

- (15) The Chair warmly welcomed participants to the 65th CMFB meeting, which was the first partly physical (hybrid) CMFB plenary meeting since early 2020.
- (16) The agenda was adopted without comments.

2 ELECTION OF THE CMFB CHAIR AND VICE-CHAIR FOR THE PERIOD 2023-2024

- (17) The Chair proposed Robert Kirchner (Deutsche Bundesbank) as next CMFB Chair and Alfredo Cristobal (INE Spain) as CMFB Vice-Chair for the period 2023-2024. No objections were expressed and the CMFB welcomed their nominations. Mr Kirchner and Mr Cristobal kindly accepted to serve the Committee in their new roles.
- (18) The new Executive Body shall be elected by the Committee on the proposal of the incoming Chairperson. The election will take place by written procedure before 31 October 2022.
- (19) A draft CMFB working programme for 2023-2024 will be prepared and discussed by the CMFB (dedicated virtual plenary session in autumn 2022).

3 FOSTERING AND ENHANCING THE QUALITY OF STATISTICS FOR EUROPEAN POLICIES

3.1 Addressing FDI Asymmetries (FDI network and pilot exercise on income from indirectly held enterprises) (ECB DG-S/Eurostat/Belgium)

3.1.1 FDI Network

- (20) The Chair referred to the background document distributed before the meeting and invited comments.
- (21) A Member and ECB DG-S thanked for all who were actively contributing to the FDI Network, emphasising that this body had a key role in addressing asymmetries, which is also part of the CMFB vision on globalisation and statistics. A brief exchange on technical issues took place, as well as some bilateral issues mentioned.
- (22) The number of FDI Network exchanges decreased over the last two years likely due to the COVID-19 impact on global trade. Eurostat also explained the low use could be partly attributed to a software problem that the institutions encountered when connecting remotely and apologised. Eurostat plans to use a new system similar to the one for trade in goods.
- (23) ECB DG-S and Eurostat recalled that the FDI network is an important tool to avoid persisting asymmetries and encouraged further participation.
- (24) The CMFB Chair concluded by thanking the members, Eurostat and ECB DG-S for the important work done in this area and by reminding Members to the CMFB commitment to use the network to the maximum extent possible and to support the activities of the FDI Network.

3.1.2 FDI income: pilot data sharing exercise on FDI income & Guidance note D16

- (25) The National Bank of Belgium (NBB) presented the pilot data sharing exercise on FDI income, followed by an ECB DG-S presentation on guidance note D16 with a special focus on income from indirectly held enterprises.
- (26) The overall conclusion of the pilot showed that it is costly in terms of resources and does not assure the quality of the measurement of the statistical concept when complex multinational structures are involved.
- (27) Current discussions of the international standards advocate for keeping the status quo in terms of methodology without considering the practical difficulties of the measurement that is revealed by large world asymmetries in FDI income.

- (28) Members discussed about reflecting the pilot exercise's outcome in the international manuals (D16), in particular the feasibility and cost of estimating the income from indirectly held enterprises that will have data quality issues.
- (29) ECB DG-S thanked for the valuable effort of the colleagues from NBB that coordinated the pilot and the other central banks who participated in the exchange exercise and encouraged all CMFB members to reply to the questionnaire on the BPM holistic review so that the compilers costs and concerns are properly taken into consideration.
- (30) The Chair thanked for the interesting presentation and the discussion. The work done and conclusions drawn will certainly feed into the work within the ESS and ESCB (and the CMFB).

3.2 Addressing asymmetries in international trade in services (Eurostat)

- (31) Eurostat presented the item.
- (32) Members highlighted the large number of remaining asymmetries in international trade in services. In some cases, it may become urgent to deal with asymmetries. It was also suggested to anchor the support of this work in the ESCB medium term strategy. The CMFB welcomed initiatives to reduce asymmetries and increase data quality.
- (33) ECB DG-S welcomed the introduction of an asymmetry resolution mechanism for trade in services, which had a good chance to improve data quality. The proposal needed to strike a good balance between effort and outcomes, and this may require some experimentation in the beginning.
- (34) The Chair concluded that that the CMFB took note of the state-of-play and would welcome future updates of the work done.

3.3 Way forward with the LEI, discussion on further possible role for the CMFB (Alfredo Cristobal, Eliana Psimolophites)

- (35) The CMFB sponsors presented the proposal and timeline for a possible CMFB opinion.
- (36) The discussion supported the initiative, the proposed way forward and key elements outlined in the presentation, in particular reflecting on the statistical usefulness of a broader LEI coverage when starting legal initiatives for fulfilling the ESRB recommendation on the LEI. The strong public good properties should be emphasised. LEI as a non-mandatory field in various ESS and ESCB data collections might increase the consistency of statistics and help the roll-out of this relatively new identifier. It was also recalled that the pricing model of the LEI was in further need of improvement, and could potentially include government contributions to the costs.
- (37) The GLEIF representative voiced strong support for a possible CMFB opinion and thanked for the effort made. The LEI is currently used largely by the financial sector, but its use is steadily broadening to the non-financial sector as well. The continued engagement of the CMFB could further help this process.
- (38) ECB DG-S expressed support for the prospective opinion and emphasised that additional investments into the governance of the LEI would further add value – albeit not necessarily being in the scope of the CMFB. According to the ROC's views, the use of LEI in digital financial reports as a supplement to the current naming of legal entities would enhance the clarity of disclosures and improve analytics. This would benefit investors, market participants and the general public by increased transparency, in-line with the principle of proportionality (typically impacting large companies), and providing relevant new information for financial stability analysis. The CMFB opinion might reflect on this.
- (39) The Chair concluded that the CMFB supported the proposals and timeline towards a possible CMFB opinion on LEI, which will be followed up by an EB discussion and drafting. The Committee may be invited to discuss this draft in a dedicated plenary session in the 4th quarter of 2022.

3.4 TF ECI II – Interim report of the second phase (Gerard Eding, Robert Kirchner)

- (40) The TF co-chairs, Jorge Diz Dias (ECB DG-S) and Adolfo Galvez (INE Spain) presented the item.
- (41) The CMFB sponsors thanked and complimented the co-chairs and their team for their enormous effort and excellent organisation of the work. The interim report already contains a rich set of ideas to improve the situation over the next years and provide a diverse menu to choose from with or without changes to prevailing legislation.
- (42) The discussion highly praised the report and supported a number of combinations of measures that were feasible with or without changes to the framework Regulations. The need for widening the collaboration between the ESS and ESCB was stressed. Transforming the enabling cause to a mandatory one, while largely seen as highly desirable in particular to ensure consistent statistics in a globalised world, requires a further careful legal analysis in view of sensitive data collected in various domains. The inclusion of national statistical purpose, mirror data, alignment of practices as regards publicly available data, as well as time sensitivity was seen as possibly significant steps ahead. It was also suggested to illustrate the benefits beyond ECI by means of example. The common ECB-Eurostat guidance received support as well. Rethinking the indirect identification of CSI may have high importance in some countries and can bring benefits beyond the exchange of confidential information.
- (43) ECB DG-S praised excellent work done, underlined its high importance and stressed the value of early involvement and fruitful cooperation with legal colleagues. This work was done at a very important juncture, at a time when quick wins can be made but more importantly, longer terms ambitions should also be pursued, including the coordination of the revision of the framework regulations – which also relates this discussion to the following item. Eurostat echoed the compliments and welcomed the proposals
- (44) The Chair thanked all TF Members, co-chairs and sponsors for the excellent work done and supported the TF ECI II planned work for the second semester. The interim report shall be sent for a written procedure. The ideas should feed into the revision of Regulations 223/2009 and 2533/98. The TF chair will engage with Eurostat (Pierre Bischoff: see next item) and the EB will reflect on possible further steps in this process.

3.5 Update on the revision of Regulation EC 223/2009 (Eurostat)

- (45) Pierre Bischoff (Eurostat) presented the item.
- (46) Members thanked for the interesting and important update. The review of the Regulation was deemed necessary and received overall support. The outcome could substantially improve working practices within and beyond the ESS, and the opportunity should be used to evaluate improvement options.
- (47) The role of the Data Act may further enhance the data sharing landscape, but the draft seems very restricted as regards access to privately held data. The privilege of researchers may be an area that could include analysis prepared for policy purposes and/or performance of Union tasks. In relation to the definition of statistical purpose, the purpose in the case of central banks is typically ‘for the performance of the tasks of the ESCB’.
- (48) Reference was made to the 2018 DGINS Bucharest Memorandum, which recognised the need to further develop the legal framework at European (including between ESS and ESCB) and national level to reduce obstacles to the access use and integration of heterogeneous data for sustainably producing Trusted Smart Statistics, i.e. statistics that continuously evolve to keep their relevance for decision making.
- (49) Eurostat was invited to involve the relevant ESS and, as applicable, ESCB substructures in the review, due to its overarching nature and high impact on the future work of the two systems producing European statistics. Relying on both European and national legal expertise would further add value to this process.

- (50) ECB DG-S was looking forward to the co-ordinated update of Regulation (EC) 223/09 and Council Regulation 2533/98 to make statistics fit for the future, and thanked Eurostat for the collaboration so far. ECB DG-S and some CMFB members suggested further cooperation between the TF ECI II and the body preparing the update of 223/2009. Statistical “transmission” of data might not anymore reflect actual working practices, therefore a review of definitions may be well placed.
- (51) Eurostat responded that the constraints posed by the Data Act seemed too restrictive indeed, and R 223/2009 should better accommodate the needs of the ESS in terms of organising a sustainable access to privately held data for official statistics purposes, which goes beyond what seems possible on the basis of the Data Act proposal. Eurostat was happy to engage with the TF ECI II to seek further input to the update. Limiting the scope of CSI also posed communication challenges and touched upon other sensitivities in the ESS. Concerning the definition of research, diverging views were expressed during earlier discussions and some push towards a broader understanding was noticeable. The dissemination angle was rather difficult to disentangle from statistical work. Eurostat emphasised that the review was still in an early stage.
- (52) The Chair thanked for the presentation, concluded that the CMFB took note and recalled the link with the presented interim report of the TF ECI (see previous item). The CMFB would welcome to be regularly informed on the progress of updating regulations 223/09 and 2533/98.

4 STATISTICAL POLICY, METHODOLOGY AND (NEW) INTERNATIONAL STANDARDS

4.1 Update on the revision of SNA/BPM (ECB DG-S/Eurostat)

- (53) Eurostat and ECB DG-S presented the update.
- (54) ECB DG-S thanked for the efforts and underlined two key issues: keeping the consistency of SNA and BPM also during the drafting phase and the importance of the holistic review of the BPM (which will take place in October 2022).
- (55) The Chair thanked the presenters and concluded that the CMFB highly appreciated the regular update on the process. Related information is available from the recent documentation of the Joint OECD/UNECE Seminar on Implementation of SEEA of 28-31 March 2022, which would be made available to the Committee ([link](#)). The implementation of the new guidelines into EU macro-economic statistics, which is foreseen in 2029, will be addressed in the CMFB in due time.

4.2 Update on the review of the ESA2010 Transmission Programme (Eurostat)

- (56) Eurostat presented the update.
- (57) The Members of Czechia recalled that the following Council Working Party meeting (under Czech presidency) was scheduled for 15 July. The issue did not seem to be controversial. Eurostat further clarified that the next ESA-TP update is planned to commence after the benchmark revision of 2024.
- (58) The Chair thanked Eurostat for the update and appreciated the progress in this dossier.

4.3 2022 ESS-ESCB quality assessment report on statistics underlying the MIP Scoreboard, for information (ECB DG-S/Eurostat)

- (59) The Chair announced that the report was sent out for written comments and that it would be published according to the original timetable by 8 July 2022. The report had been distributed as a meeting document for information as well.

5.1 Sustainable finance – TF SuFiR –Final report on the second phase (Alfredo Cristobal, Robert Kirchner)

- (60) The TF co-chairs (David Nefzi, Banque de France and Antonio Martinez Serrano, INE Spain) presented the item.
- (61) The CMFB Sponsors highlighted that the TF was tasked with very innovative work in a rather new area. The results provide a good basis for the way forward for both the ESS and the ESCB. Moreover, they are also interesting for a larger public audience. Therefore, a publishable version should be produced. Furthermore, the upcoming G20 Finance Ministers and Central Bank Governors meeting is expected to endorse further work in the direction towards the new DGI, where the results might also highly facilitate progress in more recommendations. As a potential further use of these findings, the revision of the COICOP product classification, the separation of sustainable and other products should be better captured in measuring inflation and other price developments.
- (62) Members congratulated for the work of the TF. It could be discussed whether the report itself or the data catalogue should be published as the prime product and indeed serve as a basis for follow-ups in related initiatives, also in the context of the EPC (physical risks). The use of definitions may be further developed, not all seemed fully established. Continued interaction along the newly established contacts would yield further results. The taxonomy of sustainable activities shall not only be relevant for statistics, but also for investment activities, and the developments should affect both the financial and non-financial domains.
- (63) ECB DG-S congratulated for the work of the TF. Given the work of the NGFS, the Data catalogue should focus on what is available to official statistics. The outreach to non-traditional stakeholders of statistics, such as DG CLIMA, also had a high value added. The CMFB EB should further reflect on the most useful next steps.
- (64) The OECD representative referred to the OECD contribution in the field of developing sustainable finance definitions and taxonomies, as well as recalled the impact of the updated NACE classifications.
- (65) The co-chairs responded that the main priorities were
- contributing to SNA guidance notes;
 - contributing the COICOP revision process;
 - linking various taxonomies along the requirements of producing statistics on sustainability.
- (66) The CMFB Chair echoed the congratulations and compliments given to the TF. A CMFB written procedure shall take place until 15/07. The CMFB EB shall have a more in-depth discussion on the best placed follow-ups and the various links to related activities.

5.2 Update on the European Data Act (Eurostat)

- (67) Pierre Bischoff (Eurostat) presented the item.
- (68) Members appreciated the detailed update. A question was raised concerning “exceptional needs”, whether this may include, financial crises but also a need directly related to statistics, such as testing new sources prior to introducing new reporting obligations.
- (69) ECB DG-S added that the proposed regulation was an important element in operationalising the European strategy for data, however the draft did not fully satisfy the expectations from the point of view of scope, access and clarity as regards the various purposes. It was being explored whether an own initiative ECB opinion would be published.
- (70) Eurostat responded that while public health emergencies resulting from environmental degradation or major natural disasters were indeed core ideas behind exceptional needs, the notion of public emergency may also encompass exceptional situations with a risk of serious and lasting repercussions on living conditions or economic stability. The existence of such public

emergency is determined at the level of MSs and of relevant international organisations. Previews of foreseeable reporting obligations do not correspond to the intended approach. Amendments to the proposal in the direction of easing data access data for official statistics by NSIs, NCBs and ONAs could indeed be considered but this is now for the European Parliament and the Council to decide in the context of the ongoing negotiations on the proposal.

- (71) The Chair added that not all private companies need a law to provide (aggregated) data for official statistics but sometimes stand ready to cooperate on a voluntary basis as well, which should be appreciated.
- (72) The Chair thanked Eurostat for the update.

6 STATISTICAL POLICY, METHODOLOGY AND (NEW) INTERNATIONAL STANDARDS – CONTINUED

6.1 Regular update on EDP/GFS issues (Eurostat)

- (73) Eurostat presented the item.
- (74) ECB DG-S thanked for the update and appreciated the extra efforts concerning COVID-19 related data and the Recovery and Resilience Facility tables, also emphasising the high relevance of this information for users.
- (75) Concerning the question on the accounts of EU institutions, Eurostat explained that while the work was progressing well, it was still premature to commit to a release date.
- (76) The Chair thanked Eurostat for the regular updates to the Committee and recognised and appreciated the significant work done.

6.2 Update on the 2022 version of the Manual on Government Deficit and Debt (Eurostat)

- (77) Eurostat presented the item.
- (78) The topic of concessions was also proposed for the CMFB consultations by three Members, due to its heavily debated nature. The significant amount of work that still needs to be done before the revised Manual is published was mentioned by three Members. Two of them suggested that revision for some issues should be postponed, as further discussions are needed on the issues which they considered as complex or controversial (e.g. government interventions to support financial institutions, development banks). The planning for the future revisions, a 5-year update cycle (co-ordinated with the benchmark revisions of national accounts) was appreciated.
- (79) The OECD enquired about the coordination with the ongoing review of the SNA and BPM manuals.
- (80) ECB DG-S appreciated the very substantial work carried out by Eurostat and Member States in order to prepare the revised MGDD. As the discussions on the topics planned for the MGDD update are in different maturity levels, it was emphasised the importance to take the necessary time to reach sufficient consensus. Three additional topics were proposed for the CMFB consultations: (i) recording of transfers of pension obligations, (ii) ETS permits, (iii) on-lending arrangements.
- (81) Eurostat did not disagree in principle with the possible CMFB consultation on concessions. However, it stressed that no consultation was requested on PPPs some years ago and that the issue of concessions does not seem to be among those which could be under a mandate of the CMFB. Upon the question of the Chair, Eurostat clarified that some chapters foreseen for the CMFB consultations were already endorsed by the EDPS WG and stood ready for being consulted with the Committee. Eurostat also wondered about the usefulness of CMFB consultations for those chapters which have already been adopted unanimously by Member States at the level of the EDPS WG. On the Members proposal postponing revision for some of the issues deemed to be of controversial nature, Eurostat explained that delaying decisions is not possible as, firstly, on some topics the discussions are ongoing for a very long time (they were not taken on board in the 2019 MGDD revision), while other topics are too important to be

delayed (both in terms of amounts at stake and their relevance). One Member supported Eurostat's view, by adding that after such lengthy discussions it is simply not feasible not to reach conclusions now. On the comments regarding the adoption process, Eurostat added that the MGDD revision process is fully aligned with the rules and procedures of the EDPS WG, which recently has been approved after 3 years of discussions. As regards the consistency with the SNA/BPM revision, Eurostat explained that the current and forthcoming updates of the MGDD are essentially interpretations of the ESA 2010 and remained within its frame, so the SNA revision was generally not relevant at this stage. Nevertheless, Eurostat assured that the SNA and BPM revision is being closely monitored and that ongoing discussions were taken into consideration for drafting the chapter on SPVs abroad and revising the chapter on ETS.

- (82) The Chair thanked Eurostat and all other stakeholders for the important work done on this dossier. He recognised the Committee approved Eurostat's proposal for the list of chapters to be consulted with the CMFB. The request by some CMFB members to add 4 additional ones (concessions, recording of transfers of pension obligations, ETS permits, on-lending arrangements) will be further discussed between the CMFB Chair and Eurostat in preparation of the call for a CMFB consultation. The consultation itself will be conducted according to the *Procedures for the consultation of the CMFB about the statistics underlying the Excessive Deficit Procedure*. He finally recalled that the CMFB consultation should stay within the mandate of the CMFB and should be of clear value added, i.e. it should for the sake of efficiency not duplicate agreements which have already been reached at the technical level. He finally reminded the critical milestones and the timeline to finalise the MGDD by the end-2022. The CMFB shall organise a single consultation once the request has been received from Eurostat.

6.3 Final report of the CMFB TF Development Banks (Eurostat)

- (83) Mr Luca Ascoli, as the Chair of the TF, presented the final report.
- (84) The Chair thanked for the presentation and stated that even if the TF could not reach full agreement on key aspects, the issue is now much better understood due to the valuable discussions undertaken by the TF.
- (85) Members appreciated the report and the transparent presentation of the diverging views. The discussion recalled some of the controversial points and touched upon the feasibility to prepare the MGDD chapter on development banks in the framework of the current revision. In particular, the assessment of market or non-market nature of development banks seemed to be a fundamental issue on which no agreement was found. The question of how to use the outcome of the TF as well as continue work in this area was raised.
- (86) A proposal was made to put more emphasis on the rearrangement of transactions, without the necessary reclassification of entities, to maintain consistency across statistical domains. Eurostat, while mentioning that, as a first step, entities should always be classified according to national account rules, mentioned that comparability in this field has improved as compared to the past, as operations undertaken by financial institutions on behalf of government are now routinely rerouted in Member States. Eurostat also reiterated in addition to the findings of the report, the fact that an entity is or is not included in the MFI list, is irrelevant for deciding whether the entity is to be classified in S.12 or in S13.
- (87) ECB DG-S noted the progress even in the presence of disagreement on some fundamentals. While the cover note and presentation explain points of disagreement in detail, the TF report presents these in footnotes and without explanations – it should be upgraded into similar, explicit explanations in the body of the report. Finally, the ECB informed about the comments provided by two STC Working Groups and which had to be consulted under the mandate of the Task Force. The ECB suggested to share the comments with the Committee.
- (88) Eurostat stressed that the proposal is that the work of the CMFB TF is now terminated and that it will resume only in the context of the EDPS WG.

- (89) The proposal to conclude the TF was supported by the CMFB. A new chapter in the ongoing MGDD update is seen as not be feasible at this stage, and the case-by-case approach by Eurostat is supported as the best way forward.
- (90) The Chair concluded that:
- The CMFB recognised the significant amount of work the TF carried out over 2.5 years and relieved the TF of its work with the present report. He warm-heartedly thanked the TF members and the chair for their contributions. He asked the TF to slightly update the report taking into account as much as possible the editorial suggestions made in the CMFB plenary discussion as well as ESCB working group comments and send the final report to the Chair/secretariat.
 - The report would not be covered by the current revision of the MGDD, further methodological discussions will continue at the level of the EDPS WG,
 - The sector classification of development banks by Eurostat shall continue on a case-by-case basis,
 - Eurostat agreed with the conclusions, confirming that it would not prepare a MGDD chapter on development banks within the current update.

7 OTHER DEVELOPMENTS OF INTEREST TO THE CMFB

7.1 Update on the NACE revision (Eurostat)

- (91) Eurostat presented the item.
- (92) Members thanked for the update and welcomed the agreed solution for ~~that~~ activities related to Fintech although further analytical research may be warranted. Back series will also be necessary, due to the major changes in the classification. Eurostat informed that it was working on the associated explanatory notes.. It also informed that the NACE rev. 2 – NACE Rev. 2.1 concordance table, which will establish how industrial groupings will change, will follow during 2023.
- (93) ECB DG-S thanked the close and intense cooperation especially in Fintech and financial innovation, and the strong involvement of experts from the NCBs and the ECB in the preparation of the explanatory notes. While NSIs are informally or formally consulting the corresponding NCBs when preparing their replies to the drafts prepared by Eurostat, a more direct participation of NCBs in the consultations would facilitate gathering all relevant views.
- (94) Eurostat also clarified that main industrial groupings would apply in national accounts from the reference year 2029, as agreed.
- (95) The Chair thanked for the update and the CMFB took note the views expressed.

7.2 HICP and owner-occupied housing (Eurostat)

- (96) The Chair reminded that the item was a for information item on the agenda of the CMFB as the CMFB is currently not involved in the discussions. Eurostat presented the update.
- (97) Members appreciated the detailed state-of-play and supported the next steps. The discussion recalled the sensitive nature of this topic and the importance of preserving the credibility of the HICP keeping consistency with national accounts as much as possible. However, any decision taken will be suboptimal for any single statistical domain or use and should be preceded with careful considerations, including on the HICP but for instance, GNI estimates as well. The rental equivalent and net acquisition approach produced different results. The rental equivalence approach had a flat profile, but source of the higher volatility of the net acquisition approach was also difficult to attribute to land, dwelling, both or other aspects. The response may also be different according to different uses of the HICP.
- (98) Eurostat added that in addition to the work of the dedicated EU TF, a global initiative was also progressing. The recent “sprint meeting” of the United Nations Network of Economic

Statisticians, where a methodological discussion on including OOH in consumption indices started, discussed separating land from structures and may provide some inspiration. The recent EU TF questionnaire covers all approaches (net acquisition, rental equivalent, user cost), without favouring any of them. Rental equivalent is closer to National Accounts, but has some disadvantages with the concept of the HICP.

- (99) ECB DG-S stressed that in relation to credibility issues, not addressing adequately the issue of house prices presented a risk from the perspective of relevance. Although there may be some discrepancy with National Accounts, the monetary transaction concept of the HICP was a deliberate choice when designing the HICP. Further ideas for separating the investment and consumption components might very well follow from international initiatives and would be welcome. ECB DG-S strongly supported the thorough approach of the TF, i.e. to form a view on all concepts. Communication shall play an important role once a conclusion had been reached.
- (100) Eurostat acknowledged the significant impact of a possible upcoming methodological change and referred to the extended timeline of the TF. In relation to credibility, the ESS should keep its ability to provide adequate responses to user requests, including to the ECB. If a hybrid index would come to publication, its experimental and complementary nature should clearly be communicated.
- (101) The Chair thanked for the regular update and the CMFB took note the views expressed.

8 ANY OTHER BUSINESS

8.1 Planning and organisation of the 2023 and further plenary meetings (Chair, Vice-Chair, ECB DG-S, Eurostat)

- (102) Mr Robert Kirchner (see item 2) referred to the proposals distributed in advance of the meeting.
- (103) No objections were raised.
- (104) The Chair concluded that that the CMFB agreed with its future working modalities.

8.2 Miscellaneous

- (105) The Portuguese delegate referred to the upcoming conference in Lisbon on 19-20 September 2022, co-organised by the Irving Fisher Committee and Banco de Portugal, titled “Communication on central bank statistics: unlocking the next level” and encouraged participation.

8.3 Next plenary meeting

- (106) The next CMFB plenary meeting shall take place on 2-3 February 2023 in virtual form.