

Conclusions and list of actions of the CMFB meeting

Frankfurt: 2-3 February 2017

3 April 2017

1. OPENING AND ADOPTION OF THE AGENDA

- (1) The agenda was approved without comments. The Chair warmly thanked the Outgoing Chair, Mr Jacques Fournier and EB Members, Ms Irmtraud Beuerlein, Mr Joao Cadete de Matos and Mr Joe Grice for their dedication over the past years. She welcomed the new CMFB EB Members, Ms Ursula Havel, Mr Robert Kirchner and Mr Ville Vertanen.

2. ORGANISATIONAL MATTERS AND REPORTS

2.1. Priorities for the 2017 operational work programme in the light of the December 2016 meeting of the European Statistical Forum and of the CMFB Plenary meeting discussion (Chair)

- (2) The Chair indicated that the Sponsors of the different work streams of the work programme would prepare detailed actions before the next meeting of the CMFB EB.
- (3) As far as the new work stream on the cross-border activities of MNEs is concerned, the outcome of the ESSC seminar on globalisation would be awaited in order to avoid duplication of work.
- (4) The Chair also informed the CMFB on the establishment of the Joint ESS-ESCB Task Force on Foreign Direct Investment and invited Eurostat and ECB DG-S to present the mandate.
- (5) ECB DG-S and Eurostat introduced the mandate by outlining the motivation, main tasks and organisation of the TF. It should comprehensively address different work flows on FDI and prevent the proliferation of different but overlapping groups. The TF will present its findings and results to the relevant ESS and ESCB structures and will regularly inform the CMFB.
- (6) Members welcomed the formation of the new substructure. The importance of coordinating with regular ESS and ESCB bodies, as well as international initiatives was highlighted.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(7) Detailed action plans for different work streams of the work programme	15 May 2017	Sponsors

3. MEMBER'S REQUESTS FOR A CMFB OPINION IN STATISTICAL CLASSIFICATIONS (CHAIR AND VICE-CHAIR)

3.1. Request from the Τράπεζα της Ελλάδος (Bank of Greece) on the statistical classification of TEKE (Hellenic Deposit and Investment Guarantee Fund)

- (8) The Chair recalled that the consultation was concluded with a CMFB opinion. The Rules of Procedures (RoP) for non-EDP consultations had been applied twice since adoption and proved to perform well in practice. The Chair requested that CMFB Members strictly follow these RoP and would send their responses only to the Chair and CMFB Secretariat (and not copy the entire committee).

3.2. Request from the Hungarian Statistical Authorities (Központi Statisztikai Hivatal and Magyar Nemzeti Bank) on the statistical classification of Eximbank

- (9) Sponsors thanked the Task Force for the report which provided an in-depth analysis of the case. Following the report, Eurostat brought new information to the attention of the CMFB EB, which was provided for the TF for further analysis. Work was likely to continue until mid-March 2017 (a teleconference was scheduled for 6 February 2017). The transversal issues raised by the case, relating to captive financial institutions and the MGDD/ESA 2010, would be addressed later on.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(10) Updated report taking into account the new information provided by Eurostat	15 March 2017	Sponsors, Co-Chairs of CMFB Exim TF
(11) CMFB consultation	As soon as possible following the TF conclusions	Chair, Sponsors
(12) Devise a follow-up on the additional recommendations of the CMFB Exim TF	15 May 2017	Chair, Sponsors

4. EXCESSIVE DEFICIT PROCEDURE (EUROSTAT)

- (13) Members thanked for the rich paper with a more forward-looking perspective and welcomed the prioritisation of methodological issues and the proposed typology of guidance documents. An intervention recalled that certain updates of the MGDD should be subject to a CMFB consultation, which used to be the practice prior to 2014. A representative recalled that the CMFB Exim TF identified a couple of issues where the alignment between the MGDD and ESA 2010 could be improved and suggested that a detailed analysis would be carried out in advance of CMFB consultations. Additional information on the way forward (e.g. involvement of European bodies) with the methodological issues on the classification of public financial units was requested.
- (14) Eurostat underlined that the document was very much work in progress and that to the extent possible the Members' remarks would be taken on board.
- (15) The Chair concluded that there was convincing support for the new format of the document and welcomed Eurostat's consideration for Members' remarks mainly on the involvement of the CMFB in the MGDD update process, prioritisation of methodological issues (in line with the outcome of the questionnaire by the EDP Statistics Working Group) and typology of guidance documents including an agreement on time for implementation.

5. WP ITEM I – ENSURING THE QUALITY OF STATISTICS UNDERPINNING THE MACROECONOMIC IMBALANCE PROCEDURE SCOREBOARD (SPONSORED BY VILLE VERTANEN AND EMIL DIMITROV)

5.1. ESS-ESCB Quality Assessment Report on the statistics underlying the Macroeconomic Imbalance Procedure (level 1): procedure for the 2017 report (Eurostat/ECB DG-S)

- (16) The CMFB took note of the presented report outline and road map. The 3rd annual edition of the report would follow its course as the earlier ones.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(17) Draft report from Eurostat and ECB DG-S to the CMFB EB	15 May 2017	Eurostat, ECB DG-S
(18) Final report from Eurostat and ECB DG-S to the CMFB	21 June 2017	Eurostat, ECB DG-S

5.2. Final report from the CMFB Task Force on the alignment of the domain specific quality reports for BOP/IIP (Sponsors)

- (19) The CMFB welcomed the report and supported the structure. The Chair concluded that the report represented a good first step in the further alignment of the BoP/IIP quality reports between both systems. The alignment of the quality reports on financial accounts would need to be addressed afterwards. Technical issues concerning indicators will be subject to a written procedure in February 2017.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(20) Written consultation of the CMFB	asap	CMFB secretariat

5.3. ESA 2010 Quality assessment - level 2 (Eurostat)

- (21) The CMFB took note of Eurostat's presentation.

5.4. Level 3 reports: updates and publication (Sponsors)

- (22) The Sponsors recalled that certain level 3 reports for BOP/IIP and for Financial Accounts were produced but due to various reasons, not published by all countries yet. Publication was encouraged, but should take place on a voluntary basis.
- (23) The Chair concluded accordingly.

5.5. Memorandum of Understanding between Eurostat and ECB DG-S on the quality assurance of statistics underlying the MIP (ECB DG-S/Eurostat)

- (24) The CMFB welcomed the presentation by Eurostat and ECB DG-S. The Chair invited them to regularly report on the implementation to the CMFB.

6. WP ITEM III – GLOBALISATION: COORDINATION OF A CONSISTENT RESPONSE TO INTERNATIONAL INITIATIVES SUCH AS SDDS PLUS (SPONSORED BY URSULA HAVEL AND ROBERT KIRCHNER)

6.1. The Financial Sector Stability Fund (FSSF) and the Data for Decisions (D4D) Fund (IMF)

(25) The CMFB took note of the IMF's presentation.

6.2. Update on the G-20 DGI (Sponsors/ECB DG-S/Eurostat)

(26) The Sponsors reported on the developments at IMF G20 DGI-2 Data Sharing Workshop that took place in Frankfurt. – 31 January - 1 February 2017 and the actions planned. They welcomed the SDDS Plus adherence of Denmark and Austria in January 2017.

(27) The Chair thanked for the update and asks for sending a link to the respective documents after publication.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(28) Inform the CMFB about the availability of the G20 documents	asap after publication	Sponsors, CMFB secretariat

6.3. Integrated Global Accounts (Eurostat)

(29) Eurostat presented the state of play of the IGA project and that the next meeting of the IGA_TF will be devoted to MNE activities. A very rich discussion ensued on the exchange of information and the accounting for the cross border activities of MNEs on the need to coordinate with the existing initiatives and work going on in different for a at international level, especially in the OECD.

(30) The Chair concluded that the CMFB agreed on the need for a regular ESS-ESCB exchange of information to better measure the activities of MNEs and hence an issue note would be developed by Eurostat and ECB DG-S. A number of coordinated actions at national and international level, in the short and long run would be necessary (e.g. information sharing and pilot projects).

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(31) Eurostat and ECB DG-S issues note on the legal and practical feasibility of a regular ESS-ESCB exchange of information to better measure the activities of MNEs	15 May 2017	Eurostat, ECB DG-S

7. WP ITEM II – GLOBALISATION: MONITORING AND PROMOTION OF INITIATIVES: UTILISATION OF THE LEGAL ENTITY IDENTIFIER IN STATISTICAL PRODUCTION (SPONSORED BY ALFREDO CRISTOBAL AND EMIL DIMITROV)

7.1. High level group on Business Registers: Reflection on the follow-up of recommendation included in the CMFB opinion (Sponsors)

(32) A number of recommendations were published on 2 December 2016 as the CMFB opinion on Business identifiers and business registers - Recommendations for statistical production.

The Chair concluded that an action plan for the follow-up of the implementation of the recommendations would be prepared by the sponsors.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(33) Action plan per recommendation for the follow-up of implementation	15 May 2017	Sponsors
(34) Presentation of action plans to CMFB	29 June 2017	Sponsors

7.2. Stakeholder Group and ROC: reflection on the business model (Chair)

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(35) Meeting of the Stakeholder Group	24 February 2017	Chair

8. WP ITEM IV – IMPLEMENTATION OF THE NEW INTERNATIONAL STATISTICAL STANDARDS (ESA 2010 AND BPM6) AND REQUIRED CHANGES TO REGULATIONS AND GUIDELINES, INCLUDING THE FURTHER DEVELOPMENT OF THE EURO AREA INTEGRATED ACCOUNTS (SPONSORED BY ANDREA BRANDOLINI AND GERARD EDING)

8.1. Final report from the CMFB Task Force on the Harmonised Revision Policy (Sponsors)

(36) The Sponsors thanked the Task Force for the final report and the excellent work. Members agreed that the proposed policy for routine revisions may not look overly ambitious and for some delegates it meant a setback compared to the previous policy. However, given the (legal) constraints, different national practices and circumstances, it certainly can be seen as the best possible solution for this moment and hence an agreeable and implementable compromise.

(37) The Chair concluded that the proposed policy is seen by the plenary as a common denominator between the different practices in the Member States and that it should be communicated as such also in relation with the proposed benchmark revision policy under point 8.2. The proposed stock taking exercise was approved. Pending the results of this stock taking the decision on the revised policy will be on the agenda of the June plenary.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(38) Stock taking exercise	15 May 2017	Task Force, CMFB Secretariat
(39) Presentation of the results of the stock taking exercise	CMFB EB meeting 22 May 2017	Sponsors

(40) Presentation to CMFB and final decision by plenary	29 June	Sponsors
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8.2. Debrief from the DMES Task Force on benchmark revisions (Sponsors, Eurostat)

- (41) Eurostat presented the proceedings in the DMES Task Force on benchmark revisions. Its final report contains 12 recommendations. One recommendation is that Member States are urged to publish their next harmonised benchmark revisions in 2019 and 2024. For 2019 adherence was expected to be incomplete, but in 2024 it was the ambition to reach compliance by the vast majority of Member States.
- (42) The Chair concluded that the CMFB took note of the TF report and that reflection was needed at the level of the CMFB EB on the communication of both reports of both task forces.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(43) First draft for a communication note on the harmonisation of both routine and benchmark (major) revisions	15 May 2017	Sponsors, Task Force co-chairs

9. WP ITEM V – BALANCE OF PAYMENTS STATISTICS

9.1. FRIBS and b.o.p./i.i.p. statistics: state of play (sponsored by Kirsten Wismer and Jacques Fournier)

- (44) Eurostat informed that the FRIBS proposal was well under way in the legislative machinery.
- (45) The ESCB Sponsor thanked for the update and requested the updated drafts to be provided to the CMFB.

9.2. Task force on the consistency between national accounts and balance of payments statistics (sponsored by Ville Vertanen and Jacques Fournier)

- (46) Sponsors thanked the Task Force for the final report on the first phase and the recommendations.
- (47) For the second phase, the focus will shift to the financial accounts. The Task Force was invited to provide its technical assessment of the work plan proposed by the STC, including on timing feasibilities from an operational point of view.
- (48) The Chair concluded that a roadmap for the second phase should be proposed by the Task Force on the basis of the work plan before the next meeting of the CMFB EB.

<i>Actions</i>	<i>Deadline</i>	<i>Responsible</i>
(49) Proposal for 2 nd phase roadmap and updated composition of the TF to the extent necessary	15 May 2017	Sponsors
(50) Technical assessment of the proposals of the STC by the TF	15 May 2017	Task Force, Sponsors
(51) Joint analysis of the current account asymmetries	29 June 2017 CMFB plenary	Eurostat, ECB DG-S
(52) Joint analysis of the financial account asymmetries	January 2018 CMFB plenary	ECB DG-S, Eurostat

10. ESTIMATION OF € BANKNOTES IN CIRCULATION OUTSIDE THE EURO AREA

- (53) ECB DG-S presented the new STC methodology for measuring currency circulating outside the euro area.
- (54) The CMFB agreed to replace the current annual coordination exercise for financial accounts with an annual reporting to the CMFB on the outcome of the new monitoring exercise.

11. WP ITEM VI – BIG DATA (SPONSORED BY GERARD EDING AND JOE MCNEILL)

11.1. Presentation by Banco de Portugal**11.2. Presentation by the Office for National Statistics**

- (55) The Chair welcomed both presentations and concluded that the CMFB would continue to serve as a platform for the exchange of information on Big Data initiatives. As indicated under agenda item 2, the Sponsors were invited to present further actions on this work stream.

12. ANY OTHER BUSINESS

- (56) The next CMFB plenary meeting will take place in Luxembourg on 29 and 30 June 2017.