

**CMFB Opinion**  
**on the statistical sector classification of the Hungarian Export-Import Bank**  
**(Eximbank)**

1. At the request of the Hungarian statistical authorities, Központi Statisztikai Hivatal (the Hungarian NSI) and Magyar Nemzeti Bank (the Hungarian NCB), and in line with Article 9(1) of Regulation 549/2013 EU on the European system of national and regional accounts in the European Union (hereinafter ESA regulation), I as the CMFB Chair, with the assistance of the CMFB Executive Body, requested the CMFB Members on 8 June 2017 to express their opinion on the statistical sector classification of the Hungarian Export-Import Bank (Eximbank) The deadline for reply was 3 July 2017.
2. In the CMFB consultation, the respondents were provided with two options for the statistical classification of Eximbank.
3. According to option 1, Eximbank should be classified in the general government sector (S13). Under this view, Eximbank is a government controlled entity that does not comply with the criteria of financial intermediary as defined in ESA2010. The Bank, 100% owned by the state, has limited autonomy of decision in its main corporate policies, acting on behalf of the state for public policy purposes, mainly financing export-import activities. Eximbank is also constrained regarding its assets and liabilities. Consequently, Eximbank has the features of a captive financial institution controlled by government; it is a non-market producer and should therefore be classified in S13.
4. According to option 2, Eximbank should be classified in the financial corporations sector (S12). Under this view, while operating in a specialised area for public policy purposes, Eximbank has full autonomy of decision to exercise its main function. It complies with the criteria of financial intermediation specified in ESA2010. The explicit guarantee of the Hungarian State on its borrowing does not prevent Eximbank to act on its own risks. Under ESA 2010, the market/non-market test for a financial intermediary is not relevant. Being controlled by a public shareholder is not per se relevant for classification in S13 under ESA2010 as S12 does include publicly owned financial intermediaries. Eximbank is a public financial institution that should be classified in S12. A limited part of its activity should however be rerouted to S13.
5. A total of 55 institutions in the European Union provided their opinions. 27 national statistical institutes, 26 national central banks, Eurostat and the ECB Directorate General Statistics returned the questionnaire within the specified time.
6. A majority (25 respondents) supported option 1 while a minority (24 respondents) supported option 2. 6 respondents expressed no opinion.
7. Based on the outcome of this consultation, the CMFB advises to classify Eximbank in the General Government Sector (S13) as a unit having the features of a captive financial institution controlled by government.

8. In addition to the publication of this opinion, all the anonymised answers to the questionnaire will be transmitted to the CMFB Members and will be kept in the records of the CMFB secretariat.

*(Signed)*

Kirsten Wismer  
CMFB Chair

Copenhagen, 13 July 2017