

CMFB opinion

on the statistical classification of the Hellenic deposit and Investment Guarantee Fund (TEKE)

1. Pursuant to Article 9(1) of Regulation 549/2013 EU on the European system of national and regional accounts in the European Union, the National Central Bank of Greece requested the opinion of the CMFB on the statistical classification of the Hellenic deposit and Investment Guarantee Fund (TEKE). The request for an opinion of the CMFB came after the national statistical institute of Greece (Elstat), also acting on the advice of Eurostat, classified TEKE into the general government sector. The National Central Bank of Greece as well as Eurostat provided the CMFB with in-depth documentation, supporting their respective views on the matter.
2. The Chair of the CMFB, assisted by the Executive Body, launched a consultation of the CMFB members on 13 December 2016. The deadline for replies was 13 January 2017. All twenty-eight (28) national statistical institutes of the EU as well as twenty-six (26) national central banks returned the questionnaire. Eurostat, ECB DG-S and the statistical institutes of Norway and Switzerland also returned the questionnaire. A total of fifty-eight (58) institutions provided a response.
3. In the CMFB consultation, the members were provided with two options for the statistical classification of TEKE.
4. Under option 1, TEKE is considered as carrying out its functions for public policy purposes. It is mainly financed by compulsory payments from financial corporations which are to be treated as taxes. TEKE should therefore be classified in the general government sector (S13).
5. Under option 2, it is argued that TEKE consists of a resolution fund, a deposit guarantee fund and an investment guarantee fund controlled by the resolution authority, i.e. the central bank. TEKE should therefore be classified in the (public) financial corporations sector (S12).
6. A statistical classification in S13 received a large majority of the expressions of opinion from the CMFB members. Members in favour of option 1 mainly reasoned that TEKE is a non-market producer, the fees collected are not derived from the underlying risks but are compulsory contributions and it acts with little autonomy (auto-pilot), under the direct control of the Ministry of Finance which has direct influence on its functioning and acts as the guarantor.
7. A minority of members supported a classification in S12. They primarily reasoned that the general government is not TEKE's parent institution as only one in seven board members is appointed by government, TEKE has sufficient autonomy of decision, the central bank is its controlling authority and one of the three funds is a market producer.
8. **Based on the outcome of the consultation, the CMFB expresses the opinion, reflecting the views of a large majority of its members, that the Hellenic deposit and Investment Guarantee Fund (TEKE) should be classified in the general government sector (S13) as defined in the ESA 2010 accounting framework.**
9. 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, 23 January 2017