

Procedure for the expression of non-Excessive Deficit Procedure Opinions of the CMFB

(Adopted by the CMFB via written procedure on 30 August 2016)

Pursuant to Article 4 of Council Decision 2006/856/EC, the CMFB “may express opinions on its own initiative on any questions relating to [...] statistics that are of common concern to the Commission and national statistical authorities, on the one hand, and the ECB and national central banks, on the other. In the execution of its tasks, the Committee shall give its views to all interested parties”.

The CMFB may also be required to express its opinion in accordance with Articles 2 and 3 of the above Council Decision on “the links between monetary, financial and balance of payments statistics on the one hand, and certain other economic statistics on the other, in particular those on which national accounts are based” and “on the establishment (and follow up on the implementation) of the multiannual Community programmes” in those statistical domains.

The CMFB may also have to express its opinion in the framework of Article 9(1) of Regulation (EU) No 549/2013 on the European system of national and regional accounts in the European Union. The CMFB shall express its opinion pursuant to Article 12.a of Regulation (EU) No 2016/1013 amending Regulation (EC) No 184/2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment.

Finally, pursuant to Article 10.2 of Regulation No 479/2009 EC on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Union, the CMFB shall be consulted for excessive deficit procedure (EDP) cases which are either complex or of general interest.

In line with Article 7 of the Council Decision, which foresees that the CMFB shall draw up its own rules of procedure, the CMFB has adopted general rules of procedure on 5 June 2004. Furthermore, on 27 September 2013, the CMFB adopted the rules of procedure for consultations concerning EDP cases, which therefore are not addressed in this note as they have been fixed already by the CMFB.

The purpose of the document is to define the process of instruction and decision regarding the CMFB opinions in all cases where the request for an opinion is not made on the basis of Regulation 479/2009 EC recast but is funded on another Regulation and/or on Article 4 of the Council Decision 2006/856/EC.

The opinions of the CMFB have been successfully adopted over years in a spirit of consensus.

This objective of this document is not to change the spirit and atmosphere of the elaboration of CMFB Opinions, which are at the very heart of its successful work over a number of years and which rely on three main intertwined components:

- **Agility**, which allows the CMFB, as an advisory and not a decision-making body, to react rapidly if possible and thoroughly in all cases to any new interrogations, requests or changes in the statistical environment,

- **Strong implication of members of the two Systems** in the preparation of the opinions, via in particular the Executive Body (EB) sponsors – two for each issue (further “the sponsors”),¹ on an equal footing - and thanks to Task Forces when needed; this now well established process results in deliverables that are based on and benefit from expertise and experience,
- **Research for consensus**, with the view to striking the best possible balance between the different views, while benefiting from the input of the Member States and the international organisations which are present as observers.

As in other European Committees, consensus is the privileged way to be pursued.

This core wish for consensus is reflected in the CMFB Rules of Procedure of 15 June 2004, which restrict voting within the CMFB to the adoption of the Rules of Procedure and to the election of the CMFB Chair and CMFB Vice-Chair.

While the key principles of the CMFB work as outlined above, should be strongly preserved, some adaptations appear however necessary. Practice shows that in few cases, consensus may be out of reach, at least at a certain point in time. In such a case, which should remain exceptional, voting is the only way forward. The voting procedure suggested is the same as used in the context of EDP consultations.

Finally, it should be underlined that the CMFB has to deliver Opinions that are not only consensual to the maximum extent possible but also sound and legally based. These have been in the past and should remain in the future the core objectives of those who, as explained before, prepare the draft opinions and of all CMFB members.

1. Preparation and investigating step

- 1.1 A CMFB member may propose that the CMFB delivers an opinion as an outcome of work undertaken in the scope of the CMFB work programme². The draft opinion is prepared under the monitoring of the sponsors that are in charge of the corresponding item. It is reviewed by the CMFB Chair and presented for comments to the CMFB Executive Body (EB). Once reviewed by the EB, the opinion is sent for comments to the CMFB members. If necessary and compatible with the time-table, a discussion takes place at a plenary meeting before the pertaining written procedure takes place.
- 1.2 With a view to respond to any request from one or several CMFB member on a specific or transversal statistical issue, the CMFB Chair may decide after a rapid consultation of the EB between the 2 following options:
 - a) If the issue is urgent and/or not complex, to follow a fast track procedure and ask two sponsors from the EB to prepare material with an issue note and background document(s) that

¹ The two sponsors come from the two Statistical Systems. All members of the EB are sponsors, the tasks being allocated by the CMFB chair, taking of course into account their respective fields of particular interest.

² The outcome of a work undertaken in the scope of the CMFB work programme may be the result of a task force.

will be discussed within the EB and afterwards to prepare a draft Opinion that will be submitted to CMFB members for consultation or

- b) If the issue is complex and not urgent, to organise an ad-hoc Task Force which shall prepare by a defined deadline material with an issue note and background document(s) under the supervision of two sponsors from the EB. In these cases the draft Opinion is prepared after consideration and discussion of the material provided by the TF, as described below.

In both cases at least two NSIs and two NCBs are involved in the work, while respecting an equal footing between both ESS and ESCB constituencies. As the CMFB has to give advice to the Commission and to the ECB, the ad-hoc task force shall be co-chaired, as a principle, by one NSI and one NCB members who are not of the same Member State than the requesters (the same applies to the sponsors); Eurostat and the ECB (DG-S) shall be invited in all cases to participate in the ad-hoc task forces.

In all cases, the expertise work previously carried out in ESS and in ESCB substructures that are of interest to the studied issue is very much welcome as input to the CMFB expertise work.

The ad-hoc task force shall start its work at short notice and shall provide an issue note with background document(s) including:

- an overview of the basic information available;
- an exhaustive presentation of the legal texts that are applicable to the case raised by the question/issue;
- a description of the main pros and cons of various options;
- if needed, a draft questionnaire.

In the absence of questionnaire the CMFB Chair, assisted by the EB, will review the issue note and background document(s) and the sponsors prepare on this basis a draft opinion, as described in point 1.1 that will be forwarded to the CMFB members with the material by the CMFB secretariat³.

In case of a questionnaire drawn up by the ad-hoc task force, the CMFB Chair, assisted by the EB, will validate the questionnaire. The CFMB Chair decides on the deadlines for responses to the questionnaire, taking in particular into account the degree of complexity of the matter. The CMFB secretariat⁴ sends the questionnaire to the CMFB members with the material prepared by the ad-hoc task force.

The responses to the questionnaire are analysed by the ad-hoc task force and used as a base for the writing of the draft Opinion, as described in point 1.1, in order to convey a consensus of positions. The majority view shall be reflected in the draft opinion but will also give account of the minority view(s). The consultation of the CMFB will be based on the draft opinion.

2. Approval step

The approval process shall give sufficient time to CMFB members to develop their views and in any

³ In case of non-availability, the CMFB Chair may directly address to the CMFB members.

⁴ Cf. footnote 3.

case allow them at least two weeks for this (plus one week at the end of the year and Easter; plus three weeks in July and August).

Based on the views expressed by the CMFB members, the CMFB Chair assisted by the CMFB Vice-Chair and the sponsors examine how a consensus can be reached. In this respect, the draft Opinion may be amended and include to the largest extent possible modifications that do not contradict the CMFB general view.

In exceptional cases where in spite of all efforts to reconcile views, no consensus can be found, the CMFB Chair, after consulting the EB, may decide to start the voting procedure. The question to the vote shall be drafted as a 'tick box' question that can be answered in four ways: 'yes', 'no', a 'yes' with proposals for wording modification and a 'no opinion'. The written replies will be sent to the CMFB Chair with copies to the CMFB secretariat.

The CMFB Chair prepares afterwards a summary record of the replies and drafts the CMFB opinion reflecting the majority view of the CMFB Membership which results from the individual answers received from NSIs and NCBs Eurostat and the ECB (DG-S) to the 'box question', disregarding 'no opinion' options and non-response, if any. When a quorum of 50% of the CMFB Members plus one vote is not met (without counting the 'no opinion' votes), a new and final consultation is launched. The initially non-responding Members are invited to vote either positively or negatively during this second consultation, which will be allowed a shorter time than the first consultation. Otherwise, the following procedure ensues immediately:

- (i) The draft opinion, together with the summary record of the answers to the 'tick box' question and all the 'anonymised' individual replies (including the 'no opinion' ones) with all their 'additional arguments', are sent to the EB to assist the CMFB Chair in finalising the opinion. If necessary, the CMFB Chair may contact individual CMFB Members to seek clarification of their opinions and arguments.
- (ii) If a wide divergence of views persists with regard to the opinion, the CMFB Chair would call an EB meeting to finalise the opinion.
- (iii) The CMFB Chair consults the EB on a draft version of the CMFB opinion before finalising the CMFB opinion.

The CMFB opinion should provide a full account of the arguments endorsed by the majority of the CMFB Members. It should indicate whether the opinion has resulted from 'a majority' (over 50 % of the effective answers to the 'tick box' questions), 'a large majority' (over 75% of the effective answers to the 'tick box' questions) or a 'very large majority' (over 90% of the effective answers to the 'tick box' questions). In case it does not prove possible to come up with a clear majority view, the CMFB opinion should reflect this outcome setting out all the respective views.

The CMFB secretariat sends the opinion to CMFB Members with, for the information of the CMFB Members only, all the 'anonymised' individual full version replies (answers to 'tick box' questions including 'no opinion', 'additional arguments' and results of possible bilateral consultations with the CMFB Chair). CMFB Members may make public their own individual opinion only. Neither CMFB Members nor the CMFB Chair and the CMFB Secretariat are allowed to disclose the individual opinion of any other CMFB Member.

A decision tree reflecting the rules of procedure is presented in the Annex.

3. Communication step

The CMFB has a consultative responsibility. Its Opinions are published on the CMFB web site and when taken under article 4 of Decision 2006/856/EC shall be sent by the CMFB Chair to all interested parties.

The CMFB Chair shall promptly send the final CMFB Opinion to Eurostat and the ECB (DG-S). Both may decide to publish their implementation and/or follow-up to the CMFB opinion. In such a case, the statistical implementations should be systematically included in corresponding statistical manuals, if any, which are regularly updated.

The CMFB Opinion together with any such communication is also transmitted to the EFC pursuant to Article 4 of the Council Decision 2006/856/EC.

The CMFB Secretariat will ensure that the CMFB Opinion is put on the CMFB web site (www.cmf.org and www.cmf.europa.eu)

The CMFB opinion will be put on the web site within one month of its adoption.



Jacques Fournier
Chairman of the CMFB

Paris, 12 September 2016

Annex
