

MAIN CONCLUSIONS AND LIST OF ACTIONS OF THE

CMFB MEETING HELD ON 27-28 JANUARY 2005

FINAL (4 MARCH 2005)

1. Opening of the meeting	
1.1	The Chairman (Mr Keating) opened the meeting and welcomed the participants, particularly Ms Bohata, the new Deputy Director General of Eurostat who was attending a CMFB meeting for the first time. The Chairman also welcomed new participants: Mr Lauba (NSI ¹ Estonia), Mr Ortega (NCB ² Spain), Mr Cousseran (NCB France), Mr Cavanagh (NSI Ireland), Ms Tomase (NSI Latvia), Mr Coimbra (NCB Portugal), Mr Ivanov (NCB Bulgaria), Mr Jemric (NCB Croatia), Ms Roknic (NSI Croatia), Mr Quirós, Ms Willeke and Ms Morais (European Central Bank).
1.2	Interpretation was available in English, French, German, Italian, Portuguese and Spanish.
2. Adoption of the agenda	
2.1	Item 5.1 – <i>Recent developments related to the Excessive Deficit Procedure</i> was discussed during the second day of the meeting. Following a request from Italy, the issue of conceptual and practical links between the statistical threshold and other thresholds was added under item 8 – <i>Balance of payments</i> . The agenda was adopted without further changes (cf. Annex 1).
2.2	The Committee had already approved the main conclusions and list of actions of the CMFB meeting held on 15-16 June 2004. The minutes of the CMFB Executive Body meetings of Paris (28-29 October 2004) and Frankfurt (29-30 November 2004) had been transmitted to the Committee. A log of the main CMFB activities since the June 2004 CMFB meeting (document B.1.a) had also been made available to the Committee.
3. Outgoing Chairman's review of the work conducted by the CMFB	
3.1	The outgoing Chairman (Mr Cordier) presented a review of the work performed by the CMFB during his term of office in 2003-2004, as foreseen in Article 11 of the CMFB rules of procedure. The CMFB expressed its appreciation for the important progress made during this period notably in relation to Excessive Deficit Procedure (EDP) work, some key statistics (e.g. the Balance of payments Regulation, the quarterly European sector accounts project), CMFB working procedures, quality issues and the exchange of information between CMFB Members and with political authorities and users.
3.2	On behalf of the CMFB, Mr Keating thanked Mr Cordier for the very important achievements during his term. Eurostat and the ECB's DG-S also expressed their gratitude to Mr Cordier. Mr Keating thanked Mrs Picozzi, Mr Ovi and Mr Schuller (outgoing Executive Body Members) for their very important contributions to CMFB activities over recent years.

¹ NSI = National Statistical Institute

² NCB = National Central Bank

4. Incoming Chairman’s work programme for the next two years

- 4.1 Mr Keating presented the work programme for 2005-2006 in conformity to Article 11 of the CMFB rules of procedure.
- 4.2 The CMFB approved the work programme. The CMFB stressed the need for enhanced and timelier co-ordination at EU level (notably on future changes affecting national accounts including the revision of SNA 93 and BPM 5 and of the NACE) and for closer co-operation between Member States under the aegis of Eurostat and the ECB DG Statistics. As regards government accounts, the CMFB recommended that Eurostat should carry out quality tests on the quarterly non-financial data transmitted by Member States before considering their publication. Eurostat will prepare a report on the quality of these data, as soon as possible, for discussion in the CMFB.

Deadline:	Recommendation or Action:	Responsible:
July 2005 CMFB meeting	Prepare a report on the quality of the quarterly non-financial data of general government	Eurostat

5. Excessive deficit procedure

5.1 Recent developments (Eurostat)

- 5.1.1 The Chairman welcomed Mr Hanreich, the new Eurostat Director General, who was attending his first CMFB meeting. Mr Hanreich reiterated Eurostat’s appreciation of, and support to, the CMFB work and its commitment to continue to co-operate closely with the CMFB. Mr Hanreich presented the recent developments on EDP issues, especially the lines of action adopted to improve governance of fiscal statistics as outlined in the Communication of the Commission to the Council and the European Parliament COM (2004) 832 final of 22 December 2004 “Towards a European governance strategy for fiscal statistics”. These lines of action include more verification powers for the Commission through an Amendment to Regulation 3605, strengthening EDP capabilities, and setting up minimum standards that will reinforce the independence, integrity and accountability of statistical authorities at both national and European levels.
- 5.1.2 The CMFB generally supported the reinforcement strategy presented by Eurostat. As regards the envisaged Amendment to Regulation 3605, Member States were ready to participate in monitoring visits, but stressed the need for a very focused approach, given their limited resources. They suggested that verification should be targeted at the validation of concepts and systems and the identification of risk areas, taking account of existing controls at the national level. In this respect, useful lessons could be drawn from the existing GNI verification process. A further harmonisation of reporting deadlines and a more effective and co-ordinated use of the various government data sets should also be considered.
- 5.1.3 The CMFB considered it important that EDP capabilities should be reinforced at Eurostat and in the NSIs and NCBs. CMFB Members will consider providing experts, subject to resources being available.
- 5.1.4 With respect to the institutional arrangements, the CMFB supported the announced code of conduct, with a view to implementing it in the short term. Some delegates also stated that, for the long term, one should look at legal arrangements. More co-ordination between the various bodies involved at national level was considered essential to ensure the availability and quality of the required data. Closer co-operation and exchange of experience between Member States should also be promoted. The CMFB welcomed assurances from Eurostat that the institutional arrangements at EU level would also be examined.
- 5.1.5 The CMFB recommended that Eurostat should especially take into account the above comments concerning notably: the proportionality of the response; the institutional set-up at national and EU levels; the impact on Member States’ resources; the nature and scope of verification missions; and the involvement of Member States in these missions.

5. Excessive deficit procedure

5.2 Progress in updating the ESA 95 Manual on Government Deficit and Debt (Eurostat)

- 5.2.1 The CMFB gave its opinion on the treatment in national accounts of transfers from the EU budget to the Member States (EU grants) in December 2004. Eurostat's decision is in line with this CMFB opinion. A press release will be issued shortly and a chapter on the subject will be added to the ESA 95 Manual after comments from the CMFB. The decision on EU grants must be implemented for the EDP notification of end February 2005 for at least the four years covered in that notification.
- 5.2.2 The Task Force on military expenditure met in November 2004 for the third time. With the assistance of the Task Force, Eurostat finalised a questionnaire on the amounts of military expenditure on both a delivery and a cash basis. The questionnaire was sent to Member States in December 2004 with a deadline on 20 January 2005. A few responses are still awaited. The responses will enable a full picture for all countries to be drawn. The Task Force will shortly review their draft background document (notably restating that the ESA 95 appropriate time of recording of military expenditure is the year of delivery) and questionnaire so that the Chairman and the Executive Body can finalise these documents and launch a CMFB consultation as soon as possible in 2005.
- 5.2.3 Work on government guarantees will be continued during the first half of 2005. The three new chapters on the classification of defined contribution funded pension schemes, lump sum payments for funded and unfunded pension schemes and public-private partnerships have been approved by the CMFB. Eurostat will soon send a letter to FAWG and NAWG members requesting further information on capital injections.
- 5.2.4 Eurostat aimed at issuing an updated version of the ESA 95 Manual on Government Deficit and Debt as soon as possible in 2005, when the new chapters on EU grants and military expenditure are finalised.
- 5.2.5 The CMFB suggested that the electronic version of the Manual should be updated more regularly, and the time lag between the issuance of CMFB opinions and Eurostat decisions shortened. Moreover, the CMFB recommended that an updated electronic version of the Manual, including all Eurostat press releases should be put and made easily accessible on Eurostat's website. This electronic version should have a link on the CMFB website. The CMFB also suggested that Eurostat should publish the new Manual in paper version as soon as practically possible.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Add the chapter on EU grants to the ESA95 Manual on Government Deficit and Debt after comments from the CMFB</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Review the draft background document and questionnaire about military expenditures so that a CMFB consultation can be organized as soon as possible</i>	<i>Task Force</i>
<i>As soon as possible</i>	<i>Send a letter to FAWG and NAWG members for further information on capital injections</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Update an electronic version of the ESA95 Manual on Government Deficit and Debt</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Put an updated complete electronic version of the ESA95 Manual on Government Deficit and Debt including Eurostat Press releases on Eurostat's website and set up a link on the CMFB website</i>	<i>Eurostat CMFB Secretariat</i>

5. Excessive deficit procedure

5.3 EDP inventories: availability and assessment (Eurostat)

5.3.1 Eurostat stressed that the availability of inventories of sources and methods used by Member States to compile government accounts and EDP data would greatly improve the quality assessment of general government data and the efficiency of EDP missions. Based on a Eurostat questionnaire Member States transmitted descriptions of their EDP sources and methods in 2004 (the First Step of the EDP Inventory of Sources and Methods). All the national descriptions under this First Step are available on circa. The questionnaire for the Second Step (i.e. the sources and methods for the sub-sectors and the delimitation of general government) was sent to Member States on 20 December 2004. The deadline for returning the Member States completed questionnaires is July 2005. In reply to a question from some participants, Eurostat indicated that the current Eurostat proposal for an Amendment to Regulation 3605 foresees that Member States inventories will be made public.

Deadline:	Recommendation or Action:	Responsible:
July 2005	Transmit the second step of the EDP Inventory of Sources and Methods to Eurostat	Member States

6. Public Finance Statistics

6.1 Statistical implications of the reform of the Growth and Stability Pact (DG ECFIN)

6.1.1 Mr Buti, Director of Directorate ECFIN-B: Economies of the Member States, reported on the statistical implications of the envisaged reform of the Stability and Growth Pact. He stressed that the primary aim would be to have a full picture of public finance data in order to make EDP work and budgetary surveillance more effective. This would imply making available a more comprehensive set of public finance statistics than is currently the case. Notably government expenditure at two-digit COFOG level, quarterly non-financial accounts data, and comprehensive data on pension liabilities, government guarantees and on public corporations would be very important. At present, no changes on the definitions of the Maastricht deficit and debt criteria are being considered.

6.1.2 The CMFB suggested that the date of the first EDP notification should be aligned with the regular reporting of government accounts at end March (instead of end February) in order to improve the quality and consistency of reported data. They stressed that statisticians should be consulted beforehand on possible changes in definitions and about specifications of new data requirements. Mr Buti indicated that the concerns expressed by statisticians would be taken into consideration.

6. Public Finance Statistics

6.2 State of play on the database project (Eurostat)

6.2.1 Eurostat reported on its database project on public finance statistics. The project aims at setting up a database that collates all public finance statistics required under the various EU legal acts. This will reinforce EDP and surveillance work by enabling cross-checks and consistency controls between the various sets of data to be made. Full co-operation from Member States will be required on this project, particularly in terms of data transmission.

6.2.2 The CMFB supported the principle of this database, considering that it will help the Commission and the ECB in assessing Member States' data. The CMFB recommended that close co-operation should be developed between Eurostat and the ECB's DG-S in order to set up, maintain and share this database efficiently, drawing on the data already reported by national statistical authorities. Eurostat will prepare a paper on this issue for the May 2005 FAWG meeting and the July 2005 CMFB meeting.

Deadline:	Recommendation or Action:	Responsible:
As soon as possible	Set up co-operation arrangements in order to efficiently establish the database project on public finance statistics	Eurostat/ECB's DG-S
May 2005	Prepare a paper on the database project for the FAWG meeting of May 2005	Eurostat
July 2005	Prepare a report on the database project for the CMFB meeting of July 2005	Eurostat

6. Public Finance Statistics

6.3 COFOG data - Progress report of the Working Group on the quality of public finance statistics (Eurostat)

6.3.1 The Economic Policy Committee and its Working Group on the Quality of Public Finance requested that expenditure data of general government at two-digit COFOG level should be made available in order to facilitate the assessment of the quality of this expenditure. Following this request, the FAWG and NAWG of November 2004 endorsed a Eurostat proposal to include an extended ESA 95 table 11 in the draft Regulation on the revised ESA 95 transmission programme. The FAWG and the NAWG also agreed to fill this extended table 11 in a voluntary transmission test exercise to be carried out in April 2005. Eurostat had sent, to Member States, a questionnaire on the extension of the dataset on general government expenditure to be returned in January 2005. In addition, Eurostat had proposed setting up a Task Force on COFOG issues, which was supported by the FAWG.

6.3.2 The CMFB generally recognised the need for detailed data on general government expenditure. They stressed however that the data required for assessment purposes should be further specified in consultation with the users in order to concentrate efforts on these areas. The ECB DG S suggested focusing the work on a further breakdown of expenditure on social protection, based on the data that Member States already send to Eurostat according to the European System of Integrated Social Protection Statistics (Esspros). The CMFB supported Eurostat’s proposed Task Force. The CMFB considered that particular attention should be given to quality aspects, which should be discussed in the CMFB.

6.3.3 Eurostat’s Working Group on Short-Term Public Finance Statistics (WG STPFS) will discuss COFOG issues in February 2005. Eurostat will inform the CMFB about developments following that meeting.

Deadline:	Recommendation or Action:	Responsible:
February 2005	Discuss COFOG issues and inform the CMFB about developments	Eurostat/WG STPFS

7. Quarterly Sector Accounts

7.1 Joint ECB's DG-S/Eurostat Task Force on quarterly European accounts by institutional sectors – A progress report and several issues including reports on consistency between national BoP and Row accounts, sources and methods for QSA and projects in 2005 regarding data preparation and transmission (ECB's DG-S/Eurostat)

- 7.1.1 Eurostat and the ECB's DG-S reported progress about the work of the Task Force on QSA (TF-QSA) including the draft Regulation and several priority issues.
- 7.1.2 Concerning the draft Regulation on QSA, the Council Working Party on Statistics had agreed on a compromise text in April 2004 under the Irish Presidency. The procedures were then delayed notably due to translation in all Community languages. It is now expected that the proposed Council's common position will be approved soon. This will hopefully make it possible to have a second reading of the European Parliament and the final adoption of the Regulation in the first half of 2005. The CMFB underlined the importance of a speedy resolution.
- 7.1.3 The Task Force met on 18 and 19 October 2004 and made progress on several aspects aimed at preparing the implementation of the QSA Regulation and the compilation of QSA for the EU/ euro area. These include, in particular, the consistency between national BoP and RoW accounts; consolidation issues in general government; the treatment of asymmetries and other issues related to the compilation of annual sector accounts for the euro area and for EU-15 (including the EU institutions); compilation methodology for quarterly sector accounts.
- 7.1.4 In June 2004, the CMFB noted that discrepancies between Member States' annual BoP and RoW accounts are large in some cases and lead to discrepancies in euro area and EU non-financial accounts. The CMFB then recommended that Member States should set up action plans in order to reduce these discrepancies. Until the discrepancies are sufficiently reduced, Eurostat and the ECB's DG-S will need to make adjustments in EU and euro area accounts. The CMFB therefore supported a proposal that Eurostat and the ECB's DG-S should survey Member States on these differences and the reasons for them in order to enable valid adjustments to be made at European level. In this connection, a questionnaire was sent to Member States in November 2004. Nearly all countries replied. The first results of the survey showed that the main differences relate to trade in goods and services, interest income and distributed income of corporations and re-invested earnings. The detailed results of the survey and their possible use will be discussed at the next meeting of the TF-QSA in March 2005. The TF-QSA will then report its conclusions to the BoP Working Group meeting of March 2005 and to the Working Group on External Statistics and the National Accounts Working Group meetings in May 2005, with a view to seeking their comments and enriching the report to be presented at the next CMFB meeting.
- 7.1.5 The QSA project requires that systems that produce data for all sectors including general government should be set up. Therefore the issue of consolidation within the general government sector has been addressed. The TF-QSA supported Eurostat's proposal that the same approach as in table 2 and 25 (annual and quarterly general government main aggregates respectively) of the ESA 95 transmission programme should be applied. This means that transactions D41 (Interest), D7 (other current transfers) and D9 (capital transfers) between sub-sectors of general government should be consolidated.
- 7.1.6 Concerning the treatment of asymmetries, the CMFB of June 2004 indicated that the TF-QSA should continue to examine various balancing scenarios on the basis of annual sector accounts. In particular, the CMFB suggested analysing asymmetries at transaction level and identifying the relative strengths and weaknesses of data in the various domestic and RoW sectors. This will enable more informed adjustments to be made to European sector accounts. Accordingly, the TF has started studying a new model that starts from EU/euro area BOP data (as published by Eurostat/ECB) and allocates asymmetries to all sectors in proportion to their relative weights in the sum of total resources and uses of the transaction concerned. Moreover, a survey of Member States' sources and methods related to annual sector accounts was conducted at end 2004. Nearly all Member States replied to the survey. The TF will discuss, in March 2005, the detailed results of the survey and how they might be used to make more robust adjustments to European sector accounts. The TF is also actively promoting the exchange of experience on sector accounts between the various Member States.
- 7.1.7 On quarterly sector accounts, Eurostat has designed a pilot questionnaire to collect the QSA data compiled by some Member States that were granted EU subsidies. This will generate further work on quarterly methodologies from summer 2005.

- 7.1.8 The TF will continue work on annual sector accounts and on different balancing approaches. It will add 2003 to the time series for euro area and EU annual sector accounts. As mentioned above, the TF will examine how information from the current surveys of BoP/RoW differences and national sources and methods can be used to refine adjustments made in the compilation of European sector accounts. On quarterly sector accounts, the TF will look for more quarterly data to test the quarterly methodology as well as transmission procedures, and look at methods for estimating the euro area and EU RoW. The first set of quarterly accounts of EU institutions will be prepared by June 2005. During 2005, it will need to bring together all aspects of its work so that systems are in place to handle quarterly data when it begins to arrive in January 2006. Eurostat and DG-S have started work on a medium-term work plan to ensure that all aspects of the project are foreseen, resourced and implemented.
- 7.1.9 The CMFB commented favourably on the work of the TF and welcomed the progress made. The CMFB generally supported the proposals for future work presented by the TF, stressing the need for a road map of tasks for 2005 and beyond. Some CMFB members voiced concerns about the potential impact of removing asymmetries on domestic economic aggregates (notably household consumption and savings). They underlined that the balancing approaches to be used must be transparent. It was also suggested that the extent to which the recommendations of the former Ad-doc committee on asymmetries (cf. document CMFB 03/06/B.3.c) could be used should be examined. The TF will present a further progress report at the July 2005 CMFB meeting.

Deadline:	Recommendation or Action:	Responsible:
March 2005	<i>Discuss the detailed results of the surveys on differences between Member States' annual BoP and RoW accounts and on Member States' sources and methods for compiling annual sector accounts</i>	Task Force QSA
March 2005	<i>Report conclusions of the TF-QSA to the BOP Working Group meeting of March 2005 and in the WG-ES meeting of May 2005.</i>	TF-QSA
As soon as possible	<i>Examine methodologies and transmission procedures for quarterly sector accounts</i>	TF-QSA
June 2005	<i>Prepare the first set of quarterly accounts of EU institutions</i>	TF-QSA
July 2005	<i>Prepare a road map of tasks for 2005-2007 to ensure that all aspects of the project are foreseen, resourced and implemented at all necessary levels</i>	Eurostat/ECB's DG-S
July 2005	<i>Present a further progress report on these various issues at the CMFB meeting of July 2005</i>	Eurostat/ECB's DG-S TF-QSA

7. Quarterly Sector Accounts

7.2 Non-financial data of financial corporations (ECB's DG-S)

- 7.2.1 The ECB's DG-S indicated that the forthcoming QSA Regulation will require data for the financial corporation sector to be available. It presented the implied data requirements for the financial corporations sector and its sub-sectors. The ECB's DG-S also announced the intention of the ESCB Statistics Committee (STC) to consult the NSI membership of the CMFB about data requirements for the compilation of euro area quarterly non-financial accounts of the MFI (S122) and OFI (S123) sub-sectors.
- 7.2.2 Several CMFB Members stated that NSIs and NCBs should co-operate closely in order to limit the burden on financial corporations and avoid duplication of efforts. The ECB's DG-S will prepare a paper on the matter for the next meeting of the STC. The CMFB will follow closely developments on this issue.

Deadline:	Recommendation or Action:	Responsible:
March 2005	<i>Prepare a paper on issues related to the non-financial data of financial corporations for the next meeting of the STC</i>	ECB's DG-S

8. Balance of payments		
8.1 The Balance of Payments Committee (Eurostat)		
8.1.1	The Balance of Payments (BoP) Regulation was adopted in June 2004. It was signed jointly by the European Parliament and the Council, in the twenty languages, on 12 January 2005 and is expected to be published in the Official Journal in February 2005.	
8.1.2	Eurostat presented its views on the main tasks and the ways of functioning of the BoP Committee set up in the BoP Regulation as well as its relations with the other bodies involved in and/or supervising BoP statistics. This approach was already presented at the Executive Body meeting of 29-30 November 2004 in Frankfurt. It was especially noted that the BoP Committee would vote on Commission proposals implementing the BoP Regulation and deal with strategic issues, whereas issues of a more technical nature would be discussed in the BoP Working Group and/or other groups (task forces, technical groups, networks...). The CMFB, the SPC and the STC would be informed or consulted regularly about the activities of the BoP Committee. In particular the BoP Committee would consult the CMFB beforehand on all its decisions. In order to facilitate this, Eurostat will aim to organise the meetings of the BoP Committee back to back with those of the CMFB.	
8.1.3	A number of CMFB Members took the view that the BoP Committee should focus on work aimed at implementing the BoP Regulation, whereas strategic issues should be addressed in the CMFB. In order to reinforce co-ordination between the two committees, the BoP Committee meetings should be held, as far as practically possible, in the afternoons of the second day of the CMFB plenary sessions.	
8.1.4	The CMFB agreed that Eurostat would revise document CMFB 05/01/A-8-1 to fine-tune the functioning of the Committee and include further clarifications on how strategic issues should be handled. Eurostat will then consult the CMFB on the revised document by means of a written procedure. The revised document, taking account of the outcome of this consultation, will be submitted to the Executive Body at their meeting on 21-22 April 2005.	
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Revise document CMFB 05/01/A-8-1 to include further clarifications on how strategic issues should be handled. Consult the CMFB on the revised document by means of a written procedure</i>	<i>Eurostat</i>
<i>April 2005</i>	<i>Submit the revised document, taking account of the outcome of the above-mentioned consultation to the Executive Body at their meeting on 21-22 April 2005</i>	<i>Eurostat</i>

8. Balance of Payments		
8.2 Mandate of the Network Group on balance of payments direct reporting (Eurostat)		
8.2.1	The Technical Group Direct Reporting (TGDR) had fulfilled its one year mandate and was disbanded. Following discussions at the January 2004 CMFB meeting, the TGDR presented a proposal for setting up a Network Group with a draft mandate. The draft mandate had been discussed and supported by the Executive Body at their meetings of October and November 2004. The objective of the Network Group will be to facilitate the exchange of good practices between Member States during the implementation of new collection systems based on direct reporting from companies.	
8.2.2	The CMFB endorsed the proposed mandate of the Network Group and agreed that the various documents of the TGDR would be put on circa and disseminated to the electronic discussion fora, if deemed helpful. The Chairman invited CMFB Members to send any further comments in writing to the CMFB Secretariat.	
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Send possible written comments about the Network Group to the CMFB secretariat</i>	<i>CMFB Members</i>

8. Balance of Payments

8.3 *Recent developments concerning conceptual and practical links between the statistical threshold and other thresholds*

8.3.1 Mr Biagioli (Italy) mentioned a proposal for a Council Regulation, agreed by ECOFIN in November 2004, concerning a common cash control system at EU external borders, which aims at combating terrorism and money-laundering. It was decided to set at EUR 10.000 the threshold for that purpose, compared with the current threshold of EUR 12.500 for reporting cross-border payments. Mr Biagioli indicated that, in some countries like Italy, information on imports and exports, which is also relevant for tourism statistics, is derived from cash controls. Mr Biagioli emphasised the potential difficulties associated with having several inconsistent thresholds, advocating that the same threshold should be used for all purposes. The CMFB took note of the information given by Mr Biagioli.

8.3.2 The ECB's DG S informed the CMFB about ECB plans to launch a survey on data related to the role of the euro as an invoice currency. Mr Keuning indicated that the ECB would use all data sources at their disposal, conducting surveys only where needed. He mentioned that NCBs may contact respective NSIs or other national statistical authorities (e.g. Customs).

9. National and Financial Accounts

9.1 *Revision of the ESA 95 transmission programme – Draft Regulation (Eurostat)*

9.1.1 Eurostat presented its proposal for a draft Regulation of the European Parliament and the Council on *the revised ESA 95 transmission programme*. The draft proposal was discussed at the November 2004 meeting of the NAWG. Eurostat indicated that while covering the vast majority of the tables in the transmission programme, the draft legal act is not a consolidated one, given that some tables will continue to be governed by separate Regulations. Consolidation issues will be considered at a later stage, most likely in the light of the outcome of the current revision process of SNA 93. As regards implementation, Eurostat called upon Member States to make every effort to ensure a harmonised implementation of the transmission programme, with limited requests for derogations, so that the required EU/euro area aggregates can be calculated. In order to facilitate the implementation by Member States, Eurostat proposed a two-step approach. In the first step, only data from 1990 onwards have to be provided. In the second step, the remaining back series will be transmitted.

9.1.2 The CMFB generally supported the approach taken by Eurostat. The CMFB expressed concerns about the workload for NSIs and the difficulties related to the production of back series. A number of delegates indicated that they would request derogations for specific tables and aggregates. In this respect, the CMFB recommended that Eurostat should provide clarifications on the procedures to be used for derogation requests. The CMFB emphasised that it would be desirable that derogations should be harmonised so that EU/euro area aggregates can be compiled. Eurostat intended to submit the draft proposal to the SPC meeting of May 2005 and invited CMFB Members to send any further comments in writing to Eurostat.

Deadline:	Recommendation or Action:	Responsible:
As soon as possible	Send possible written comments about the revised ESA 95 transmission programme to Eurostat	CMFB Members

9. National and Financial Accounts

9.2 *Changes to national accounts due to take place in 2005 (Eurostat)*

9.2.1 Eurostat presented a paper on the current situation in Member States and its plans regarding the forthcoming major changes to national accounts (i.e. the allocation of FISIM, chain-linking and major benchmark revisions). Differing implementation dates for these changes between Member States in 2005 raise difficulties concerning the comparability of data and the calculation of European aggregates.

9.2.2 Regulation 1889/2000 requires the *sector allocation of FISIM* to be applied from beginning of 2005, covering back series at least from 1995 onwards. However, a Eurostat survey showed that, under their current plans, not all Member States will send the required data before end 2005. Delays appear even more significant concerning back series. Eurostat had sent a letter to Member States urging them to take the necessary steps to comply with the Regulation.

The allocation of FISIM for European aggregates will only be possible once all Member States have introduced it in their accounts. Eurostat thus intends to introduce the allocation of FISIM in both annual and quarterly EU/euro area aggregates starting with the first regular release for the third quarter 2005 on 30 November 2005. Before that date, the intention is to base European aggregates including the EDP notifications on Member States' data with unallocated FISIM. Implementing this approach requires that those Member States that have implemented the Regulation before the changeover date send, in parallel with every regular transmission of the main aggregates, a separate transmission with unallocated FISIM.

9.2.3 Commission Decision 98/715 provides for the introduction of *chain-linking* in annual national accounts by 2005. For quarterly national accounts there is no legal requirement. For reasons of consistency, however, there is a strong case for extending chain-linking also to quarterly accounts. By the end of November 2005, nineteen countries representing 95% of EU-25 GDP will have implemented chain-linking in annual national accounts. By the same time, sixteen countries (representing 64% of the EU-25 GDP) will have done so for quarterly accounts. Chain-linked euro area and EU-25 series will be estimated from Member States' data expressed in the prices of the previous year. Regarding the timing of the changeover, Eurostat intends to do it at the same date as for FISIM, i.e. when the first regular estimate for the third quarter 2005 is released (30 November 2005). At that point in time, chain-linked data transmitted to Eurostat will cover a sufficient percentage of the European totals to be estimated.

9.2.4 2005 is also the year in which many countries publish the results of *major benchmark revisions* of their national accounts. In many cases the revised data include also, for the first time, the new treatment of FISIM and chain-linked volume measures. A number of countries have already defined their revision plans, making it difficult to co-ordinate these plans. It is thus unavoidable that the series of major revisions at Member States level will generate a higher than usual amount of revisions to European aggregates.

9.2.5 Eurostat intends to inform European users about the nature and timetable of the forthcoming changes to national accounts data through advance announcement in the regular press releases and a comprehensive information document on Eurostat's website.

9.2.6 The CMFB supported Eurostat's call for improved compliance by Member States with the relevant legislation and Eurostat's proposals regarding European aggregates. The CMFB recommended that communications addressed to users should be co-ordinated at European level. The CMFB also stressed that, in future, co-ordination should be improved by planning now, well ahead of major changes. In particular, the CMFB requested Eurostat to co-ordinate the timetable for the implementation of the next NACE revision in the national accounts and to prepare a paper on this subject for one of the next two CMFB meetings.

Deadline:	Recommendation or Action:	Responsible:
March 2005	<i>Initiate bilateral contacts with Member States with a view to developing a co-ordinated communication on the forthcoming changes to national accounts</i>	Eurostat
As soon as possible	<i>Prepare a paper on the co-ordinated implementation of the next NACE revision in the national accounts for one of the next two CMFB meetings.</i>	Eurostat

10. Revision of SNA 93 and BPM 5		
10.1 Progress report (ECB's DG-S/Eurostat)		
10.1.1 Eurostat presented progress reports on the revision of SNA 93, BPM 5 and the IMF Manual on Government Finance Statistics (GFSM 2001) and the timetables for future work in the various groups concerned. A number of CMFB Members expressed concerns about the tight timetable for this revision process, given the potential impact of the revision on key European statistics, the high number of major accounting issues still to be solved and the need to further co-ordinate the timetables of work on SNA 93 and on the other manuals.		
10.1.2 The CMFB stressed again the importance of the revision and the need to ensure consistency between SNA, BPM and GFS. The CMFB supported the co-ordination work carried out by the Eurostat/ECB's DG-S Steering Committee (the Steering Committee). The CMFB asked Eurostat and the ECB's DG-S to examine how best to channel CMFB concerns about the tight international timetables without creating a negative impression of the EU.		
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Examine how best to channel CMFB concerns about the tight international timetables without creating a negative impression</i>	<i>Eurostat/ECB's DG-S</i>

10. Revision of SNA 93 and BPM 5		
10.2 Implicit pension liabilities related to unfunded employer and social security schemes (Eurostat/ECB's DG-S)		
10.2.1 The ECB's DG-S reported progress on the review of SNA 93 and the treatment of implicit liabilities related to unfunded employers' pension schemes. Whether unfunded employers' pension schemes of general government should be recorded inside or outside the core national accounts was a key issue of the SNA review process. This issue is particularly important, given the potential consequences of the solutions that will be adopted on EDP statistics and the Stability and Growth Pact. It is therefore essential to work out a substantive position on this theme.		
10.2.2 Further to the November 2004 FAWG meeting, Eurostat had submitted in December 2004 a note to the AEG with six options, which covers also the options proposed by the EDG Moderator (options 1 and 3). The six options were presented to the CMFB. Moreover, it was proposed to set up a Eurostat Task Force on pensions to look into this issue and to provide a report to the Steering Committee and the CMFB.		
10.2.3 The CMFB recognised that there was a user demand for data on implicit unfunded pension liabilities in order to analyse the impact of ageing on the sustainability of government pension schemes. Therefore, making the transmission of these data mandatory (e.g. under the EDP notification procedure) should be considered. The CMFB did not support option 1 (to leave SNA 93 unchanged). The CMFB agreed that the proposed Eurostat Task Force on pensions should be set up as soon as possible. The Task Force should examine options 2 to 6 with a view to reducing the number of options, and make proposals, taking into account the comments made by CMFB Members. The CMFB considered that an appropriate communication strategy towards the EFC should be worked out. The CMFB supported the procedure laid down in document CMFB 05/05/A.10.2, which aims to reach a European position in time for the next AEG meeting, most probably in September 2005.		
Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Set up a Eurostat task force on pensions</i>	<i>Eurostat</i>
<i>As soon as possible</i>	<i>Examine options 2 to 6 with a view to reducing the number of options, and make proposals, taking into account the comments made by CMFB Members.</i>	<i>Task Force on pensions</i>
<i>May/June 2005</i>	<i>Provide a report to the Steering Committee and the CMFB</i>	<i>Task Force on pensions</i>
<i>As soon as possible</i>	<i>Work out an appropriate communication strategy towards the EFC</i>	<i>Eurostat/ECB's DG-S</i>

11. EU/EMU Short-Term Statistics**11.1 Revision, estimation and dissemination policies for Principal European Economic Indicators (Eurostat)**

11.1.1 Eurostat informed the CMFB about the main issues discussed at the FROCH Group meeting on 26 January 2005, notably release, estimation and dissemination policies for Principal European Economic Indicators (PEEIs).

11.1.2 With respect to a release policy, the efforts co-ordinated by the Group have led to a harmonised release calendar for GDP flash estimates in 2005, at European level and in the larger euro area countries. Progress on the release co-ordination of the MUICP and national flash estimates is still insufficient. As regards, the harmonisation of data collection periods, the HICP Working Group reached an agreement in November 2004. A draft Regulation will be submitted to the SPC in May 2005.

11.1.3 Concerning dissemination, Eurostat will continue testing a Common Dissemination Platform (renamed SODI – SDMX Open Data Interchange) with Germany, France, Netherlands, Sweden and United Kingdom and with ECB and OECD as observers. It is planned to discuss the first results at the Statistics, Telematic Networks and EDI (STNE) Working Group meeting in May 2005.

11.1.4 As for estimation, the Group supported extending the use of estimation for PEEIs in order to improve their timeliness. In particular, the compilation of flash estimates for quarterly employment and labour cost index was suggested. In this context, the Group supported the French proposal to create a Centre and Network of Excellence (CENEX) on flash estimation of European aggregates led by INSEE.

11.1.5 The Group also discussed issues related to a quality monitoring system for PEEIs.

11.1.6 The CMFB took note of the report from the Group. The CMFB suggested that the situation of the various countries as mentioned in the synoptic table of PEEI commitments should be clarified.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Clarify situation of countries in the synoptic table of PEEI commitments</i>	<i>FROCH Group Secretariat</i>

11. EU/EMU Short-Term Statistics**11.2 Property prices : European requirements (ECB's DG-S/Eurostat)**

11.2.1 The ECB's DG-S made a presentation on the current situation of the euro area residential property price index compiled by the Eurosystem. Despite some improvements, this indicator does not meet the required objectives in terms of coverage, frequency, timeliness and comparability. At the November 2004 STC meeting, it was suggested that the euro area residential property price index should be integrated with and targeted as an interim result of Eurostat's Owner-Occupied Housing (OOH) project. Taking into account the ESCB user requirements, the main objective would be to make available a quarterly euro area residential property price index at around 90 days after the quarter. To reach these targets, it is very important that the OOH project should be continued as early as possible in 2005 without further delays.

11.2.2 The CMFB supported these main objectives and the conclusions in document CMFB 05/01/A.11.2. Eurostat confirmed that the euro area residential property price index would be considered as the first target of the OOH project. In addition, there were very good prospects for continuing the OOH project in early 2005.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Integrate the euro area residential property price index in the Owner-Occupied Housing project</i>	<i>Eurostat</i>

12. Statistical Infrastructure

12.1 *Data capture and exchange: follow-up of the co-ordination group on priority areas for an efficient flow of statistical data between the ESS and the ESCB (Gesmes/TS). Updated report. (ECB's DG-S/Eurostat)*

12.1.1 DG-S presented the joint ECB's DG-S/Eurostat sixth progress report on "priority areas for an efficient flow of statistical data between the European Statistical System (ESS) and the European System of Central Banks (ESCB)". The aim of this project is that each of the data sets needed for short-term analysis is transmitted throughout both the ESS and the ESCB in GESMES/TS and in a timely fashion. Information received from the working groups' Chairpersons was generally positive and showed that many working groups had already discussed the subject.

12.1.2 However, further work was needed to start or complete implementation of GESMES/TS as soon as possible, notably in some high priority domains (short term business statistics, annual national financial accounts, quarterly non-financial accounts for the government sector and labour cost indices). The ECB's DG-S and Eurostat should set up agreements on key families related to HICP, labour cost indices and quarterly national accounts. The sixth progress report suggested that the new Member States also needed to participate in this data transmission. The report proposed that the CMFB Chairman should send letters to the relevant working groups Chairpersons recalling the CMFB objective to see this process continued and requesting progress reports on the required actions and, more generally, their GESMES/TS implementation timetables around end May 2005. Moreover, the support from the SPC and the STC should be requested on a quick implementation of GESMES/TS.

12.1.3 The CMFB fully endorsed the sixth progress report and the proposed list of actions. The CMFB urged those national institutions that are late, to make every effort to implement GESMES/TS. To that effect, they should inform the CMFB about their implementation plans. The CMFB agreed that new Member States also needed to participate in the GESMES/TS data transmission. The next progress report should be expanded where appropriate to facilitate their participation. An updated report, including comments from the working groups involved and progress tables per domain and country, should be submitted to the July 2005 CMFB meeting. The CMFB Chairman thanked the Chairpersons of the working groups for their efforts.

Deadline:	Recommendation or Action:	Responsible:
April 2005	Send CMFB Chairman's letters to Chairpersons of working groups for reply around end May 2005 and co-ordinate with SPC	Chairman and CMFB Secretariat
July 2005	Present an updated progress report at the July 2005 CMFB meeting	ECB's DG-S and Eurostat

12. Statistical Infrastructure

12.2 Progress report on the SDMX initiative (Eurostat)

- 12.2.1 Eurostat recalled that the SDMX initiative was aimed at using most up-to-date ICT tools in order to develop more efficient processes for the exchange and sharing of data and metadata on economic and social statistics, thus avoiding duplication of work. This implies developing and maintaining standards that are common to the organisations concerned (Eurostat, the Bank for International Settlements (BIS), the ECB, the International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD) and the United Nations Statistical Division (UNSD) and the World Bank).
- 12.2.2 Eurostat presented the main ongoing actions to the CMFB. The new SDMX website (<http://www.sdmx.org>) had been launched. After considering the comments received under the public consultation, the SDMX V1.0 standards are currently being adjusted by the Sponsors for submission to the International Organization for Standardization (ISO). In November 2004, Eurostat relaunched the Common Dissemination Platform project as an SDMX based project, under the new name SODI (SDMX Open Data Interchange). This project includes testing the use of SDMX standards to help achieve the simultaneous publication of the Principal European Economic Indicators (PEEIs) at national and EU level. Five Member States (DE, FR, NL, SE and UK) are participating in SODI, with ECB and the OECD as observers. In response to questions from some delegates, Eurostat indicated that SDMX standards were compatible with a number of other formats and, in fact, used GESMES/TS as a core component.
- 12.2.3 The CMFB took note of the progress made and supported the envisaged new developments. A new report will be presented at the July 2005 CMFB meeting.

Deadline:	Recommendation or Action:	Responsible:
July 2005	Present a progress report at the July 2005 CMFB meeting	Eurostat

13. International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

13.1 IAS/IFRS and statistics for the euro area/European Union: latest developments (Eurostat/ECB's DG-S)

- 13.1.1 Eurostat and the ECB's DG-S reported *on the latest developments on IAS/IFRS and statistics for the euro area/European Union*. The complete set of IAS/IFRS as issued by the IASB has now been endorsed by the EU, and the European listed companies can apply the standards for their consolidated accounts from 1 January 2005. Concerning IAS 39 "Financial Instruments: Recognition and Measurement", the EU has provided for two carve-outs: one prevents the fair-value accounting of financial liabilities and the other takes out the possibilities for hedge accounting. Current Member States' plans for applying IAS/IFRS to accounts other than those covered by the IAS Regulation 1606 of July 2002 show that the pace and scope of the extensions to these accounts will differ, which may lead to a loss of comparability and breaks in series for some statistics.
- 13.1.2 Concerning the envisaged *Commission Communication on "Financial reporting and streamlining of reporting requirements for EU enterprises"*, Eurostat indicated that it was decided to bring the strategy suggested in the draft paper in line with the actions proposed in the draft Commission Communication "Minimising administrative costs imposed by legislation in the context of the EU action on better regulation" from DG SG. Eurostat will possibly issue a separate paper (whose final form is still to be defined) focusing on statistics by end 2005, once the test phase proposed by DG SG is completed. As far as the 'raising awareness' objective of the initiative is concerned, this has been achieved by bringing the matter to the attention of Commissioner Almunia and the DGs concerned.
- 13.1.3 In May and June 2004, a survey of European NSIs and NCBs about their use of XBRL (eXtensible Business Reporting Language, an electronic standard tool for financial reporting for businesses that enables exchange of information contained in the financial reports) was carried out. Taking into account the results of this survey, *the Task Force on Accounting and Statistics* decided, at their last meeting on 23-24 September 2004, to continue work with these institutions in order to identify best practices and look for possible synergies. The results of a study commissioned by Eurostat to Price Waterhouse Coopers on the feasibility of extracting economic statistical data from XBRL reports produced by accounting software packages were published in September 2004. The results showed that this was technically feasible and would reduce the burden related to the collection of economic statistical data from reporting agents. Eurostat will launch a pilot project with some NSIs and some companies around end 2005. The Task Force will continue work on an inventory of possible breaks in statistical series related to IAS/IFRS, with a view to presenting a report at their next meeting in April 2005. The Task Force will also continue to prepare CMFB opinions on new IAS and IFRS. A progress report will be presented at the July 2005 CMFB meeting.

Deadline:	Recommendation or Action:	Responsible:
July 2005	Present a progress report at the July 2005 CMFB meeting	Eurostat/ECB's DG-S

13. International Accounting Standards (IAS)

13.2 Statisticians' position paper on IFRS for Small and Medium Sized Entities (SMEs) (ECB's DG-S/Eurostat)

13.2.1 The IASB has started work on IFRS for SMEs, issuing a discussion paper on issues related to accounting standards for SMEs in June 2004. The Task Force suggested that the CMFB should provide orientations in this domain as early as possible, given the tight deadlines usually allotted by the IASB for commenting on Exposure Drafts. The Task Force also suggested inviting the Chairman of the IFRS for SMEs Group of the IASB at the next Task Force meeting in April 2005.

13.2.2 The CMFB took note of accounting developments in the EU and welcomed the progress made by the Task Force. The Chairman asked CMFB Members to send possible written comments on these issues to the CMFB Secretariat. Subject to any comments received in writing, the orientations set out in the Task Force's note on IFRS for SMEs will be deemed to have been endorsed by the CMFB. The Chairman also invited the new Member States to propose candidates for membership of the Task Force.

Deadline:	Recommendation or Action:	Responsible:
<i>As soon as possible</i>	<i>Send possible written comments on these issues to the CMFB Secretariat.</i>	<i>CMFB Members</i>
<i>As soon as possible</i>	<i>Propose candidates for membership of the Task Force.</i>	<i>New Member States</i>

13. International Accounting Standards (IAS)

13.3 Presentation by the European Committee of Central Balance Sheet Data Offices (the ECCBSO)

- 13.3.1 Mr Ortega (NCB Spain, Chairman of the IIIWG of the ECCBSO) made a presentation on the activities and experience of the ECCBSO concerning the development of XBRL taxonomies. The ECCBSO strategic plans included using the IASCF XBRL taxonomy; creating both an extended and a reduced format taxonomy with a common core (countries would be free to ask for more information) and establishing methodological notes. Some CMFB Members suggested including data related to financial stability in the formats.
- 13.3.2 The CMFB welcomed the activities being carried out by the ECCBSO and thanked Mr Ortega for his very informative presentation.

14.1 Results of the Statistical Confidentiality Committee meeting of 10 December 2004 (Eurostat)

Complement: Progress report on confidentiality issues: Steps towards a coherent legal framework (ECB's DG S)

- 14.1.1 Eurostat informed the CMFB about the results of the meeting of the Committee on Statistical Confidentiality held on 10 December 2004. The Committee discussed the proposal for a new policy for providing access to Community micro data for researchers. A report will be presented at the next SPC meeting in February 2005.
- 14.1.2 The ECB's DG-S presented proposals, following an earlier discussion in the STC, for a legal framework for further progress in the exchange of confidential data between national statistical bodies (NCBs and NSIs) and between them and European statistical institutions (Eurostat and the ECB's DG-S) for statistical purposes. Two options were presented. Option 1 suggested updating simultaneously the relevant provisions of Council Regulations 322/97 and 2533/98. Under option 2 ("the sectoral approach"), appropriate provisions would be included in the relevant Regulations concerning specific statistics. The ECB's DG-S suggested including such provisions in the forthcoming business register Regulation, in particular for multinational enterprise groups.
- 14.1.3 Eurostat indicated that it was premature to update Regulation 322/97. A wider approach should be taken as regards changing this Regulation. Notably the conclusions from current work on a Code of Conduct for the ESS should be taken into account. Concerning the business register Regulation, Eurostat did not consider this an area for such an exchange. Eurostat stressed that the text prepared by the Commission had already received the favourable opinion of the SPC in November 2004. The reservations expressed by the SPC concerning potential risks for relations with businesses and response rates were also mentioned. Eurostat was however ready to examine the possibility, through specific sectoral legislation, of exchanging data in response to specific requests for statistical data quality purposes.
- 14.1.4 The CMFB considered it very important to achieve further progress towards a greater exchange of confidential data in order to improve the quality of national and European aggregates. The CMFB asked Eurostat to look into the possibility of setting up a coherent legal framework in the medium term, while pursuing progress in the "sectoral approach" in the short term.

Deadline:	Recommendation or Action:	Responsible:
	<i>Look into the possibility of setting up a coherent legal framework, in the medium term, for the exchange of confidential data while pursuing progress in the "sectoral approach" in the short term</i>	<i>Eurostat</i>

15. Any other business

- 15.1 Since the agenda was completed, the Chairman thanked the participants and the interpreters and closed the meeting. The next CMFB meeting is scheduled for 7-8 July 2005.

CMFB 27-28 January 2005 - LIST OF PARTICIPANTS

Luxembourg - Bâtiment Jean Monnet (Salle M6)

BELGIUM	Mr Roger DE BOECK Mr Rudi ACX Mr Jean-Jacques VANHAELEN	Banque Nationale de Belgique Banque Nationale de Belgique Banque Nationale de Belgique
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DG ECFIN	Mr Marco BUTI, Mr Frank SCHÖNBORN	
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OECD	Mr François LEQUILLER	
Private EXPERT	Mr François RENARD	

Annex 1



Committee on Monetary, Financial and Balance of
Payments Statistics

Plenary session
27-28 January 2005

Luxembourg
Jean Monnet Building, Room M6

Agenda – Rev.1 24.01.2005

Documents will be made available on CIRCA at the following address:

<http://forum.europa.eu.int/Members/irc/dsis/cmfb/home>

The meeting starts at 9.30 on 27 January 2005

PART A - ITEMS FOR DISCUSSION

The allocation of times for each item is provisional

- 1. OPENING**
- 2. ADOPTION OF THE AGENDA** (Mr Keating) (5' - 09.35)
- 3. OUTGOING CHAIRMAN'S REVIEW OF THE WORK CONDUCTED BY THE CMFB** (Mr Cordier) (15' - 09.50)
- 4. INCOMING CHAIRMAN'S WORK PROGRAMME FOR THE NEXT TWO YEARS** (Mr Keating) (20' - 10.10)
- 5. EXCESSIVE DEFICIT PROCEDURE**
 1. Recent developments (Eurostat) (20' - 10.30)
 2. Progress in updating the ESA95 Manual on Government Deficit and Debt (Eurostat) (15' - 10.45)
 3. EDP inventories: availability and assessment (Eurostat) (15' - 11.00)
- 6. PUBLIC FINANCE STATISTICS**
 1. Statistical implications of the reform of the Growth and Stability Pact Verbal report (DG ECFIN) (15' - 11.15)
 2. State of play on the database project – Verbal report (Eurostat) (15' - 11.30)
 3. COFOG data - Progress report of the Working Group on the quality of public finance statistics (Eurostat) (15' - 11.45)
- 7. QUARTERLY SECTOR ACCOUNTS**
 1. Joint ECB's DG-S/Eurostat Task Force on quarterly European accounts by institutional sectors – A progress report and several issues including reports on consistency between national BoP and

- Row accounts, sources and methods for QSA and projects in 2005 regarding data preparation and transmission (ECB's DG-S/Eurostat) (30' - 12.15)
2. Non-financial data of financial corporations (ECB's DG-S) (15' - 12.30)

Break for lunch – the meeting resumes at 14.15

8. BALANCE OF PAYMENTS

1. The Balance of Payments Committee (Eurostat) (30' - 14.45)
2. Mandate of the Network Group on balance of payments direct reporting (Eurostat) (10' - 14.55)

9. NATIONAL AND FINANCIAL ACCOUNTS

1. Revision of the ESA 95 transmission programme – Draft Regulation (Eurostat) (20' - 15.15)
2. Changes to national accounts due to take place in 2005 (Eurostat) (10' - 15.25)

10. REVISION OF SNA 93 AND BPM 5

1. Progress report (ECB's DG-S/Eurostat) (SNA 93 = 25' - 15.50 – BOP = 10' - 16.00))
2. -Implicit pension liabilities related to unfunded employer and social security schemes (Eurostat/ ECB's DG-S) (30' - 16.30)
- Employer retirement pension schemes (ECB's DG-S)

11. EU/EMU SHORT-TERM STATISTICS

1. Revision, estimation and dissemination policies for Principal European Economic Indicators (Eurostat) (15' - 16.45)
2. Property prices : European requirements (ECB's DG-S/Eurostat) (15' - 17.00)

End of first day - the meeting resumes at 9.00 on 28 January

12. STATISTICAL INFRASTRUCTURE

1. Data capture and exchange: follow-up of the co-ordination group on priority areas for an efficient flow of statistical data between the ESS and the ESCB (Gesmes/TS). Updated report. (ECB's DG-S/Eurostat) (30' - 09.30)
2. Progress report on the SDMX initiative (Eurostat) (20' - 09.50)

13. INTERNATIONAL ACCOUNTING STANDARDS (IAS)

1. IAS and statistics for the euro area/European Union: latest developments (Eurostat/ECB's DG-S) (20' - 10.10)
2. Statisticians' position paper on IFRS for SMEs (ECB's DG-S/Eurostat) (20' - 10.30)
3. Presentation by the European Committee of Central Balance Sheet Data Offices (the ECCBSO) (30' - 11.00)

14. CONFIDENTIALITY

1. Verbal report on the results of the Statistical Confidentiality Committee meeting of 10 December 2004 (Eurostat) (30' - 11.30)
Complement: Progress report on confidentiality issues: Steps towards a coherent legal framework (ECB's DG S)

15. ANY OTHER BUSINESS

PART B - POINTS FOR INFORMATION³

CMFB INTERNAL MATTERS

1. Main developments since last CMFB meeting in June 2004 and minutes of the Executive Body meetings held in Paris (October 2004) and in Frankfurt (November 2004) (CMFB secretariat)

EXCESSIVE DEFICIT PROCEDURE

2. Draft Regulation concerning the compilation and transmission of quarterly Maastricht debt data - Progress report (DG Ecfm/Eurostat)

QUARTERLY SECTOR ACCOUNTS

3. Follow-up to joint specific ECB's DG-S/Eurostat Task Force on the quarterly rest-of-the-world account (ECB's DG-S/Eurostat)

BALANCE OF PAYMENTS

4. Draft FATS Regulation – Progress report (Eurostat)
5. Centralised securities database project – Progress report (ECB's DG-S)
6. Steering Group Multinationals - Final report (Steering Group Multinationals)
7. Working Group on External Statistics. Progress report (ECB's DG-S)

QUALITY FRAMEWORKS

8. Follow-up to the joint ECB/Eurostat task force on quality (for balance of payments): first annual data quality report on the euro area b.o.p./i.i.p. statistics (ECB's DG-S)

NATIONAL AND FINANCIAL ACCOUNTS

9. Financial Accounts Working Group - Progress report (Eurostat)
10. Working Group on Monetary Union Financial Accounts – Progress Report (ECB's DG-S)
11. Results of OEE study (ECB's DG-S)

SHORT-TERM PUBLIC FINANCE STATISTICS

12. Short-term public finance statistics - Progress report (Eurostat)

FINANCIAL SERVICES STATISTICS

13. Financial Services Statistics. Progress report (Eurostat)

STATISTICAL CONFIDENTIALITY

14. Task Force on statistical confidentiality – Progress report (Eurostat)

³ The points for information will be discussed during the meeting only if a representative informs the CMFB secretariat two weeks before the meeting