

CMFB opinion

on the amendment of the Manual on Government Debt and Deficit, 2010 Edition:

New chapter

IV.4.a on “Capital increases in multilateral development banks”

Amending chapters

VI.4 “Public infrastructure financed and exploited by corporations”,

VI.5 “Public-private partnerships (PPPs)”,

VII.4 “Government guarantees”

1. At Eurostat’s request the CMFB Chairman, with the assistance of the CMFB Executive Body, asked CMFB Members on 20 February 2012 to state their opinion on the amendment of four chapters of the Manual on Government Debt and Deficit, 2010 Edition. The deadline for replies was 29 February 2012. Twenty-two (22) national statistical institutes and twenty-five (25) national central banks from the EU Member States returned the questionnaire within the specified time. A total of forty-nine (49) institutions, including the ECB and Statistics Norway provided their opinion.

The result of the consultation is the following:

2. The CMFB agrees, based on a very large majority, with the proposal for a new chapter *IV.4.a on “Capital increases in multilateral development banks”*. Several comments have been provided, amongst others:
 - Eurostat should consider the feasibility of maintaining a list of multilateral development banks and their types of lending facilities as a common reference.
4. The CMFB agrees, based on a very large majority, with the proposal for amending chapter *VI.4 “Public infrastructure financed and exploited by corporations”*. Several comments have been provided, in particular:
 - editorial comments regarding paragraph 23;
 - the consistency of paragraphs 20, 25 and 27 should be clarified regarding the treatment of payments made by corporations to government during the contract.
5. The CMFB agrees, based on a very large majority, with the proposal for amending chapter *VI.5 “Public-private partnerships (PPPs)”*. Several comments have been provided, in particular:
 - in order to ensure the guidance (e.g. regarding thresholds) provided in some paragraphs may be applied more generally in relevant cases, the underlying rationale for the guidance and the statistical treatment should be included and/or better clarified;
 - some concerns have been raised regarding the increasing complexity of the “risks and rewards” approach. In this context, references have been made to international private and public sector accounting standards.
6. The CMFB agrees, based on a very large majority, with the proposal for amending chapter *VII.4 “Government guarantees”*.

7. Accordingly, the CMFB recommends that Eurostat take account of the specific remarks raised and editorial comments provided before finalising the four draft chapters, in particular the suggestions for amendments to the draft chapters partly in the form of specific drafting proposals.
8. In addition to this opinion, all the anonymised answers from CMFB Members have been transmitted to Eurostat and will be kept in the records of the CMFB secretariat.

(Signed)

João Cadete de Matos
CMFB Chairman

Lisboa, 12 March 2012