

Communicating Globalisation Effects

Tim Allen
Head of Talking
to Confused
Journalists

What do journalists ask about?

- Irish GDP
- General questions
- Retail trade
- Summary



Irish GDP

- I would like to know why Eurostat shows GDP (at current prices) for Ireland dramatically (35%) higher in 2015 (262 bn EUR) than in 2014 (195 bn EUR). There seems to be no explanation to be found in price changes (GDP deflator) or growth.
- GDP per capita for Ireland in 2015 is listed as €55,100 - an increase of 32% on the previous year. This seems implausible.
- I have doubts about participation manufacturing in gross value added indicated for Irland. In 2015 it was 36,9% and previous year 20,9%. Is it correct?



Irish GDP

- 3 Page LTT/FAQ
- http://ec.europa.eu/eurostat/documents/24987/ 6390465/Irish_GDP_communication.pdf



General questions

• When you want to count the GNI from the GDP you need to classify enterprises based on nationality so that you count only the operating surplus of the domestical enterprises. Do you have examples of how you classify a enterprise that operates in more than one country? Is it all the enterprises that has a head office in the country? Is it every country that is owned by more than 50% of nationals in that country?



General questions

I would like to ask you some questions about the way statistics on international trade work. More specifically could you kindly tell me:

- 1) When one million electronic devices manufactured or assembled in China for an US company are imported in a EU country, how are those recorded? As a Chinese import? As a US import?
- 2) In the first case, is there any way of knowing how much of the high-tech imports from China are in fact non-Chinese or American brands?
- 3) I assume the amount of the import of those devices would be recorded at the cost of manufacturing those devices, right?
- 4) Where and how are the profits made by the sales at retail value of those devices in Europe recorded?
- 5) How and where are the revenues that US companies make by selling ads in the EU? Do you know how much those revenues were in 2017?
- 6) How are revenues produced in Europe by Hollywood movies recorded?
- 7) How/where does Eurostat measure the revenues generated in Europe by US financial institutions or pharmaceutical companies?



- In der Serie Retail Sales Luxembourg gibt es seit 2015 einen Einbruch in mehreren Stufen um 75%. Dies ist nicht plausibel. "Turnover and volume of sales in wholesale and retail trade" annual data 2014 betrug der Wert 176, 2015 nur 125 und nun 58. Die Luxembourger Oekonomie kollabiert doch nicht?
- Since 2015, the Luxembourg Retail Sales series has seen a 75% decline in several stages. This is not plausible. In 2014 the figure was 176, in 2015 only 125 and now 58. Luxembourg's economy is not collapsing?

Explanatory methodological note for the ESTAT news release on retail trade (4 May 2017)

Compared with the news release of 4 April 2017 the index of retail trade for Germany for May 2015 and subsequent months was revised as a result of restructuring operations in the German retail trade sector. In May 2015 a major European retailer opened a new branch in Germany. In the past the retailer had already sold merchandise in Germany but the turnover had been recorded in the country where the headquarter of the retailer is located. Starting with the reference month May 2015 Destatis, the Federal Statistical Office of Germany, included the retail turnover of the new branch in the German retail trade data. This revision was undertaken in April/May 2017 and the respective data are now published for the first time by Eurostat.

Currently no reduction effect in the retail data of the country where the retailer's headquarter is located is observed. In line with the principle of subsidiarity National Statistical Institutes decide when they revise their published data in order to take into account restructuring processes in their statistical domain. Eurostat expects however that such an off-setting effect will take place in the third quarter of 2017.

The abovementioned restructuring will also impact other business statistics and National Accounts. For the latter the quantitative effects will be limited. Retail trade turnover data are an important input for the calculation of final national consumption in National Accounts. However, in the past National Accounts already made adjustments in national consumption data to take into account the merchandise delivered from the foreign retailer to German consumers.





EMBARGO: Thursday 3 August 2017 - 11:00 CET

125/2017 - 3 August 2017

June 2017 compared with May 2017

Volume of retail trade up by 0.5% in euro area

Up by 0.4% in EU28

Luxembourg**	Ü	-30.5	-30.2	-25.8	-25.0	-24.2	-25.8
Luxembourg	×	15.2	10.8	10.1	10.1	11.3	:



Explanatory methodological note for the ESTAT news release on retail trade (3.8.2017)

Compared to the previous index releases, the retail trade turnover index for Luxembourg has been largely revised in July 2017.

- The first revision concerns a large multinational enterprise formerly classified in NACE 47.91 (Retail sale via mail order houses or via internet). It restructured its activities in Luxembourg from August 2015 onwards, and it is considered to have its main activity in NACE 70.10 (Activities of head offices). Therefore, the merchandise sold in other countries is no longer reported by this Luxembourg enterprise, but as a counterpart directly by national entities in the importing countries. This revision concerns August 2015 and the subsequent months.
- A second revision concerns another important enterprise, also classified in NACE 47.91 that has ceased its commercial activity in Luxembourg. The turnover estimates have been revised for October 2016 and the subsequent months.

Other statistics, such as the different business statistics, the balance of payments and National accounts are also affected by these revisions. For more information please contact the Statistical Office of Luxembourg, STATEC.

European Commission

Explanatory methodological note for the ESTAT news release on retail trade (4 October 2017)

Compared with the previous news releases, retail trade turnover in NACE 47.91 (retail sale via mail order houses or via internet) for France was largely revised from August 2015 due to restructuring operations of a major multinational retailer. Although the company had already traded goods in France, its turnover was recorded in the country where its headquarter is located. Starting with the reference month August 2015, Insee – the National Institute of Statistics for France – included the retailer's turnover in the French retail trade data. This revision was undertaken in September 2017 and the respective data are now published for the first time by Eurostat.

The above mentioned restructuring will also impact other business statistics and National Accounts. For the latter the quantitative effects will be limited. In particular retail trade turnover data are not the main source used to estimate final national consumption of goods: in the past National Accounts already made adjustments in national consumption data to take into account the merchandise delivered from the foreign retailer to French consumers.



Commerce de détail: Eurostat fâche la clc

iTunes avait annoncé quitter le Luxembourg le 4 juillet 2016



ÉCONOMIE / □ 2 mln. / 06.02.2018









La confédération luxembourgeoise du commerce s'est fâchée mardi après-midi de la publication des statistiques sur les ventes de détail. Le Luxembourg est le pays européen où elles ont le plus reculé en 2017.

Seulement, cela s'explique simplement...

par Thierry Labro

La confédération luxembourgeoise du commerce n'a pas aimé. Mais pas du tout.

Dans les statistiques publiées ce mardi matin même par Eurostat, l'organisme européen qui gère les statistiques, le Luxembourg accuserait le plus fort recul l'an dernier (-20% de la zone euro et -6,2% de l'Union européenne) en termes de volumes du commerce de détail.

"Malheureusement, il a été omis de signaler la raison de cette baisse, qui n'est pas structurelle", écrit la clc dans un courrier électronique.



La CLC affine les données d'Eurostat

07 SEPTEMBRE 2016 05:56 Par Frédéric Antzorn







Aux chiffres d'Eurostat sur l'évolution du commerce de détail au Luxembourg, la Confédération luxembourgeoise du commerce (CLC) oppose les siens, qui font état d'une réalité toute différente.

Après la diffusion ce mardi par Eurostat des dernières données relatives à l'évolution du volume des ventes du commerce de détail en Europe en général et dans les États membres en particulier, la Confédération luxembourgeoise du commerce (CLC) a tenu à réagir pour remettre de l'ordre dans ces chiffres, du moins sous l'angle de la réalité luxembourgeoise.

Alors qu'Eurostat indiquait hier que le volume des ventes du commerce luxembourgeois avait progressé, en juillet de +2,3% en un mois et de



Pour Thierry Nothum, derrière les chiffres d'Eurostat se cache une tout autre réalité. (Photo: Paperjam.lu / archives)

PARTAGEZ EN DIGEST



Commerce de détail: la réalité derrière les chiffres

+12,2% en un an, le directeur de la CLC, Thierry Nothum, a déclaré que ces chiffres englobaient les ventes de carburants et celles du commerce électronique dont le chiffre d'affaires - dans une très grande partie - ne concerne pas le marché luxembourgeois.





- According to your methodological notes these changes took place in 2015. Why did it take until 2017 to report them in the published data?
- Germany in May, Luxembourg in August, France in October - why weren't the changes coordinated? Doesn't this mean you knowingly published incorrect data for months?
- What does this mean in the real world? It doesn't reflect what is happening on the high street...



Summary – what do journalists ask?

- Are these effects real? What impact do they have on the real economy?
- What are the real origins/destinations? Accounting or physical reality?
- Can you give us the details? Companies and countries?
- Why are well-known tax havens among the EU's largest partners?
- Can't you solve these asymmetries?



Summary – what do journalists ask?

- A move from questions on specific cases to concentrate on general principles (often in great detail)
- Want clear explanations of methodology, both "the rules" and underlying rationale
- Happy to hear "we are working on it", but then want details on future initiatives

