Luxembourg, 15 September 2017

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https://circabc.europa.eu/w/browse/26803710-8227-45b9-8c56-6595574a4499

ESSPROS Expert Group (1486):
https://circabc.europa.eu/w/browse/96ade83-8ee4-4c76-8c37-83502f932ee9

Meeting of the Working Group “Social Protection statistics”
Luxembourg, 4-5 April 2017
BECH Building – Room Quetelet

Draft minutes of the previous meeting
(held on 27-28 April 2016)

Item 2.1 of the Agenda
Draft minutes

A. Approval of the agenda and of the minutes of previous meeting

The agenda was approved as well as the minutes of the previous meeting.

B. Nature of the meeting

Meeting of the Working Group on Social Protection Statistics is an annual non-public meeting with representatives of EU Member States, candidate countries, EFTA countries and Commission DGs, Indicators Sub-Group of the SPC and International organisations.

C. List of points discussed

Item 1: Opening of the meeting

Item 1.1: Introduction

Christine Coin (Eurostat, Head of Unit F5) opened the meeting, welcoming the participants:

- All EU MSs except EE, EL, HR, CY
- EEA/EFTA countries: NO, CH and IS
- Candidate and Potential Candidates: ME, MK, RS, TR, AL, BA, XK
- SPC-ISG
- DG EMPL
- OECD
- Eurostat
- Alphametrics Ltd.

UNICEF, ILO, DG ECFIN were unable to attend. DG EMPL will present on behalf of DG ECFIN for item 3.
Brief information: following internal reorganisation within Eurostat (March 2016), Unit F5 continues with the same areas of responsibility (Education, health and social protection) but only deal with collections based on administrative data. Survey-based data collections were transferred to other units.

**Item 1.2: Approval of the agenda**

*DOC SP-2016-01*

The agenda reflects decisions taken at the ESSPROS Conference in 2014, the WG meeting in 2015 and the work developed since the Task Force meeting in November 2015. Some minor adjustments to the agenda were proposed:

- Sub-item 3c (DG ECFIN) merged with 3a (DG EMPL)
- Sub-item 3b (ISG) was moved to the afternoon
- Item 4 to include an additional presentation ("amended procedure for Core System (CS) and Pension Beneficiaries (PB)").

There were no requests to add topics under item 12 ("any other business").

*The proposed agenda, including the proposed few adjustments, was approved by the WG.*

**Item 2: Approval of the minutes and/or follow up of the previous meetings**

**Item 2.1: Approval of the minutes of the previous Working Group**

*DOC SP-2016-02.1-rev*

Minutes of the 2015 Working Group (WG) had been circulated in advance of the meeting, revised by Eurostat in response to comments received.

*There were no further comments from the floor and the WG approved the minutes.*

**Item 2.2 Follow-up of decisions taken during the previous Working Group**

Eurostat summarised the work undertaken and still in progress as follow-up to the decisions made at the previous WG meeting.

*The WG took note of the progress made.*

**Item 2.3 Summary of the results of the ESSPROS Task Force**

*DOC SP-2016-02.3*

Eurostat summarised the main results of the ESSPROS Task Force meeting on 18-19 November 2015 and subsequent developments, with specific reference to issues covered in the WG agenda.

*The WG took note of the draft minutes of the TF.*

**Item 3 Presentations by main users of ESSPROS data**

DG EMPL, SPC-ISG and OECD presented key ESSPROS related developments since the previous WG meeting.
DG EMPL gave an overview of key employment and social priorities and initiatives of the Commission, particularly the "European Pillar of Social Rights", and informed on the use of ESSPROS data for monitoring the 2020 strategy (including the Joint Assessment Framework) and for compiling reports and analysis (ESDE reviews, Analytical web notes and other SPC/Commission reports).

DG EMPL presented on behalf of DG ECFIN to inform that ESSPROS data are combined with SHA data to produce the Ageing Report. Improving the understanding of links between SHA and ESSPROS would decrease the risk of unintended overlaps in the use of data. The next report is to be published in 2018 so data are required in 2017.

To summarise, priority improvements from these two DGs are:

1. Timeliness: including the possibility to have provisional EU aggregates and preliminary estimates of expenditure by function.
2. Links with other data sources: links with national accounts are most important but better understanding of the links with SHA, LMP and EU-SILC would also be useful.
3. Improve the data collection on the numbers of beneficiaries: extending the coverage to include benefits other than pensions, providing more guidance on reliability of data and breakdowns.
4. Improve data dissemination and address borderline cases.

Comments during the WG meeting:

- BE: Increased use of ESSPROS data is welcome. In this respect, BE highlights the need for stronger collaboration between interested parties. DG ECFIN’s efforts to combine ESSPROS data with SHA is a prime example as the first draft proposals of the previous Ageing Report for BE included a lot of double counting problems.

The WG noted the use of ESSPROS data by DG EMPL and DG ECFIN as well as the further improvements required, which are in line with priorities identified at the 2014 ESSPROS conference and subsequent meetings.

3b) Social Protection Committee – Indicators sub-group (SPC-ISG)¹:

SPC-ISG summarised its use of ESSPROS data in different areas (e.g. indicators related to the effectiveness and efficiency of social protection, sustainability and fiscal policy issues in context of the European Semester, social impact assessments, etc.) and highlighted the need to use linked data sources. The main priority for the SPC-ISG remains to improve timeliness. SPC-ISG also remains interested to improve data on beneficiaries.

Comments during the WG meeting:

- BE: ESSPROS and SHA were originally launched because national accounts cannot deliver the details users need in relation to specific domains. As the timeliness of ESSPROS is not as good as national accounts some users have returned to using national accounts. However, users need to be aware of the intentions of the different datasets and that the added value of ESSPROS and SHA lies in the more dedicated approaches as well as in the level of details.

¹ This item was presented and discussed in the afternoon (before item 7).
• NL: ESSPROS should always be produced after national accounts are finalised otherwise
  there is a risk that additional work is needed to align the two datasets, which represents an
  inefficient use of limited resources. Further, bringing the deadline for ESSPROS forward
  could result in clashes with the work to produce national accounts. The only permanent
  solution would require an increase in human resources.
• NL: Data on beneficiaries are already collected in NL but there is a concern about the risk
  of duplicating work if an additional collection using different definitions is established.
  Further, users do not always use this type of data correctly (e.g. producing averages which
  make no sense). These points need to be carefully considered before extending the
  collection on beneficiaries.

Eurostat agreed with BE that the work on the ‘links’ between national accounts and ESSPROS
is not aiming at the alignment (identity of results) between the two exercises (which can not be
achieved by definition, since there are differences between the two systems), but rather at
clarifying and documenting the existing differences and at verifying that the differences in
results are consistent with the differences in methodology. Indeed ESSPROS was established
on the ground of the fact that national accounts are not able to provide all answers for the
analyses on social protection as needed by users.

Eurostat reminded the WG that steps to improve timeliness were agreed at the previous
Working Group while extension of the module on beneficiaries is a longer-term priority: the
mandate for the TF is clear on this.

*The WG took note of the use of ESSPROS data by the SPC-ISG and acknowledged the
confirmed priority for improvement in timeliness.*

3d) Organisation for Economic Co-operation and Development (OECD):

OECD presented the OECD Social Expenditure Database (SOCX) and the use of ESSPROS
data to feed it; OECD informed of the update expected during the summer of 2016, work on
now-casting and the ongoing work on benefit recipients (SOCR), including the extension to
cover working-age benefits (with the financial support of DG EMPL). OECD also reminded
the WG of the work done to measure Net social expenditure, based on a specific questionnaire
addressed to all OECD countries.

*The WG took note of the use of ESSPROS data by the OECD and the ongoing developments.*

**Item 4 Routine statistical production activities (data transmission,
validation, dissemination): current status and planning for the future.**

*DOC SP-2016-04-rev1, Annex 1 and Annex 2-rev1*

No presentation was made for this item, according to countries' opinions expressed during the
exchange of views, organised in advance by written procedure. The WG was invited to take
note of the previously distributed document and annexes, and revisions thereof, summarising
the routine statistical activities undertaken since the WG meeting of 26-27 March 2015 (data
transmission, validation, and dissemination) and the status of implementation of ESA 2010 in
ESSPROS. The document also presented plans for the main activities to be carried out during
2016 (“2014 ESSPROS data collections”).

*The WG took note of the document.*
Item 4 addendum - Amended procedure for Core System (CS) and Pension Beneficiaries (PB)

Eurostat presented the current procedure for the collection of data for the CS and PB module and proposed a series of changes to be implemented in 2017:

- All countries will be required to use a standard template that will be uploaded to CIRCABC. The template is identical to the existing country-specific questionnaires except that the country name and footnotes sheet will not be pre-populated.
- The practice of uploading existing QUANTI data to a country specific folder on CIRCABC will be discontinued.

The WG approved the amended procedure.

Item 5 Data transmission: structural investments to improve timeliness

Item 5.1 SDMX implementation strategy

DOC SP-2016-05.1

Eurostat informed the WG on the current status of SDMX implementation in ESSPROS. Of the seven countries (DE, FR, LV, LU, NL, SK and SE) that participated in the 2014 and 2015 pilot exercises, four (DE, LV, FR and SE) expect to extend SDMX transmission to all datasets. Four additional countries (LT, HR, DK and CH) have volunteered to participate in a further pilot during 2016. Ireland also expressed an interest to participate but needs to further review what is required. Eurostat SDMX experts emphasized the possibility of a gradual implementation of SDMX (by progressive steps).

Some practical questions about the implementation of SDMX were raised from the floor but these should be addressed bilaterally with Eurostat.

Comments during the WG meeting:

- IE: expressed an interest in participating and agreed there are advantages to SDMX (i.e. possibility for data visualisation, Application Programming Interfaces and more detailed breakdowns of data...etc.) but would like to see concrete examples of transmission files and consider at what level of the data production the conversion to SDMX should be implemented. Eurostat informed that examples of files for all datasets are available on CIRCAB.
- BE: recognises that there are large advantages for Eurostat and potentially some advantages for Member States. However, it does not take into account the different data production procedures across countries. In Belgium SHA and ESSPROS data are produced by the Ministry and not the statistical office so the associated decision making differs compared with other countries. Further Eurostat's excel templates are not used, since the national own model produces directly Excel files similar to that required by Eurostat. In order to comply with SDMX, the model will have to re-written and this requires important investment and resources that are not available. The investment would be large but the gains will mainly be for Eurostat. Eurostat SDMX experts agreed that this is an issue and that there are two levels of discussion: (1) a high level discussion on strategy and (2) a lower level discussion on finding practical solutions. In terms of the latter Eurostat could investigate if it is able to offer a technical solution.
• IT: informed that they would like to participate and had already explored some technicalities with colleagues in national accounts, but it is not possible this year due to ongoing internal reorganisation.

• NO was waiting for feedback on specific SDMX artefacts.

• CZ: requested information about a tool for converting the Excel questionnaire to SDMX format. Eurostat SDMX experts informed that they will provide this tool and guidelines on how to use it, with support available by e-mail.

• CH: informed that for internal purposes they rely on the Excel template so they are therefore developing a tool to convert Excel files to SDMX. Eurostat SDMX experts noted that bilateral discussion on this could be useful.

In addition to the technical support available, Eurostat informed that missions can also be organised to assist delegates. There was also the possibility for countries to use (to a limited extent) grants (see item 6).

*The WG took note of the updated documentation for the implementation of the SDMX strategy. It was stressed that a successful implementation of SDMX requires the joint participation of both ESSPROS and SDMX experts at both Eurostat and country levels. The recent exchange of contact points was thus considered useful. Additional countries (compared to those which had already volunteered) were invited to inform Eurostat as soon as possible about their willingness to participate to the 2016 pilot exercises.*

*The WG took note of the various levels of assistance available from Eurostat. In this respect countries were invited to provide Eurostat with information on their possible specific needs (deadline: asap, mid-June at the latest).*

**Item 5.2 Data flagging: current practices and SDMX solutions**

*DOC SP-2016-05.2*

Eurostat presented the general principles of data flagging and reviewed the current procedure applied in ESSPROS using the Excel template and its limitations. SDMX provides an opportunity to improve flagging procedures and Eurostat presented a possible approach.

Comments during the WG meeting:

• NO, BE, IE and DK: raised some concerns regarding the use of zeroes to express low values or “not applicable”. NL suggested contacting national accounts to learn from their experience in this regards.

*The WG welcomed the proposal by Eurostat of a new data flagging system in ESSPROS: it was suggested to amend the proposal taking into accounts the comments provided by the WG and also to explore the approach applied in national accounts. The WG agreed with the proposal to completely review the current procedure for flagging the Core System data, starting during this year’s data validation.*

**Item 6 Administrative information about grants**

Eurostat briefly recapitulated the main features of a recently launched call for proposals for grants that can be used to develop ESSPROS at national level. A representative from the Eurostat unit in charge of budget and financial management presented the administrative rules
to be followed and explained the costs that could be covered. The deadline for applications is June 17th, 2016.

Countries are encouraged to apply for this grant as it is an opportunity to improve timeliness. If the grant is successful, another grant may be available next year.

*The WG took note of the rules associated with the grants.*

**Item 7 Data validation**

*DOC SP-2016-07*

Item 7 was separated in four parts:

**Validation rules (general)**

*DOC SP-2016-07-Annex 1-rev1;*  
*DOC SP-2016-07-Annex 2-rev1;*  
*DOC SP-2016-07-Annex 3-rev1;*  
*DOC SP-2016-07-Annex 4.*

Eurostat presented an overview of the revised ESSPROS validation rules distributed to the WG prior to the meeting, summarised changes applied since the 2015 WG meeting and reviewed comments received.

*The WG approved the proposed "official" list of validation rules to be used for monitoring ESSPROS data quality (Annexes 1 to 4) without amendments. However, the WG was invited to send possible final comments by 10 May 2016. The list will be made available in CIRCA as a reference. The list will be used for the next validation round.*

7a) **Split of expenditure and beneficiaries by residency (residents vs non-residents)**

*DOC SP-2016-07-Annex 5*

Eurostat presented proposals to introduce validation rules for checking the data on expenditure and beneficiaries by residency. Further it was noted that even though these data are voluntary they are becoming more and more important for users.

*The WG approved the new validation rules for inclusion in the "official" list.*

7b) **Classification of schemes according to the criterion “establishment of entitlements” (contributory vs non-contributory schemes)**

*DOC SP-2016-07-Annex 6*

Eurostat presented proposals for new validation rules related to the contributory and non-contributory nature of schemes as well as the possibilities to split schemes and classify benefits rather than schemes.

Comments during the WG meeting:

- IT: an important scheme in Italy provides mostly non-contributory benefits but also some contributory benefits. The classification is done using the "predominant character": being the scheme big, this implies a big approximation. However, it is not likely to be possible to split the scheme.
• IT: in December 2017, as part of national accounts, all Member States will have to supply Eurostat with a supplementary table on pension entitlement (Table 29 based on Chapter 17 of ESA 2010). In ESA 2010, there is a definition which distinguishes social insurance and social assistance pension schemes. However, Table 29 includes social insurance but not social assistance: this effectively implies that all pensions in Table 29 have to be contributory. This should be taken into consideration and further investigated. Rules in ESSPROS are clear.

• IE: agreed to the validation rules but not to splitting schemes as it will make the understanding of national schemes more difficult. It would be preferable to classify benefits according to whether they are contributory or non-contributory.

• ES: agreed to validation rules but believes that splitting schemes is not possible. Providing information at benefit level may be an option.

• DK: noted that currently schemes are classified as contributory when one of the benefits is contributory.

• BE: thinks that splitting schemes is not possible but providing information at benefit level may be an option.

Concerning the classification of supplementary schemes (chapter 8 of the document: case of Slovenia), CH mentioned that the same situation exists in CH as in SI and it is treated in ESSPROS in the same way.

The WG approved the new validation rules for inclusion in the "official" list.

The WG welcomed exploring the possibility to classify benefits (instead of schemes) as contributory or non-contributory while considered the idea of splitting schemes to be infeasible. The Task Force could be involved in further analysis concerning contributory schemes (1. to classify benefits instead of schemes; 2. comparison with Table 29 of ESA 2010 transmission programme).

7c) Comparison of information included in the qualitative information (QUALI) and the Mutual Information System on Social Protection (MISSOC)

DOC SP-2016-07-Annex 7

Alphametrics presented a general overview of the qualitative information in ESSPROS and MISSOC so as to identify the broad links between the two. Comparison of the coverage and organisation of the two datasets shows that there are significant overlaps in the data collected but also structural differences that present difficulties for directly comparing their content. Further work on this issue will focus initially on family/children benefits and possibly later on housing benefits.

Comments during the WG meeting:

• IE: finds the comparison useful and wondered if it would be possible to refer ESSPROS users to MISSOC for qualitative information.

• FI: the same Ministry is responsible for both datasets. Linking the two datasets will help reporting and could reduce the burden of work in the long-term. FI supports further work on Family/children

• IS: the qualitative data required for ESSPROS is quite a burden and in the past MISSOC has been used to compile it and save time. IS supports the work on mapping.

• BE and IE: support the linking of the two datasets but believe that it will not be straightforward and housing is not the most appropriate function for consideration.
(there is no dedicated table in MISSOC). Perhaps it is best to start with one of the big functions (old age or health) or unemployment.

- ES: agreed that it is best not to start with housing, while supporting Family/children.

The WG welcomed the analysis of comparison MISSOC-QUALI. For more detailed analysis, the WG suggested to keep Family/children but to replace housing with another function (perhaps Old age or Health). The Task Force could be involved in this analysis.

## Item 8 Dissemination

8a) Dissemination (general) +  
8b) Data by scheme and by category of schemes

DOC SP-2016-08 and Annex

Eurostat presented recent improvements in the dissemination of data and metadata and developments regarding the Statistics Explained (SE) articles for ESSPROS, including the proposed outline of a new SE article on family/children function.

Eurostat updated the WG on the confidentiality status of data by scheme for the three data collections (Core System, Pension Beneficiaries and Net benefits).

Eurostat updated the Working Group on dissemination of Core System data by scheme.

Eurostat updated the Working Group on the current status and future developments about the dissemination of data by category of schemes.

The WG took note of the new/updated SE articles disseminated during the last year and of plans for SE articles in 2016 and 2017.

The WG welcomed the draft outline of an SE article on the "Family/children function". Comments in writing are welcome until the end of June 2016. A draft article will be circulated in September 2016.

The WG took note that 29 countries (+1: ES) have no objection to the dissemination of Core System data by scheme. The other 4 countries (EL, PT, SI, TR) are asked to keep Eurostat informed on progress and, where relevant, on their contact with national data sources. Eurostat will continue working towards disseminating these data on the Eurostat website and will keep the WG informed.

The WG took note of the results of the survey by Eurostat on confidentiality issues for the two ESSPROS modules (number of beneficiaries and net benefits).

The WG took note of the progress made towards the dissemination of data by category of schemes. According to the results presented under sub-item 7b, quality checks for the criterion "establishment of entitlements" were introduced during the last validation process and some improvements were made. Work on this will continue and the next criterion to be examined is "decision making". The TF could be useful for discussing this topic.

8c) Italy: Pensioners’ Living Conditions: An integrated statistical reading of ESSPROS and EU-SILC
Italy presented highlights from a recent publication on living conditions of pensioners that exploited data from ESSPROS and SILC as well as national sources.

The WG thanked Italy for the work undertaken. Eurostat is investigating the possibility to apply a similar approach to data from the EU-SILC for the various countries and will contact Italy to share experiences. The other WG members were invited to inform Eurostat about similar studies in their country.

8d) France: Comparative study on seven countries using Net data by scheme

France presented the preliminary results of a comparative study of the differences between gross and net social protection benefits in seven countries (DK, DE, ES, FR, IT, SE and UK).

The WG thanked France for the analysis to date and looked forward to hearing further results.

Item 9 ESSPROS Task Force on methodology: report of main results of the November 2015 meeting to the Working Group; related further developments.

Item 9.1 Introduction: final outcome of the Task Force developments

Eurostat provided an overview of the topics discussed at the 2015 TF meeting and the kinds of output that will be submitted to the WG:

- Changes to legislation (for approval): None proposed so far.
- Changes to the ESSPROS Manual (for approval);
- Methodological analysis to be included in a new publication "ESSPROS methodological clarifications" (for approval);
- Draft methodological documents (for discussion).

Eurostat reiterated that the current mandate of the TF is to perform work on two topics: (1) review of current ESSPROS and (2) links between ESSPROS and national accounts.

Eurostat also presented a possible schedule for the next publication of the ESSPROS Manual (2016) and of the new publication "ESSPROS methodological clarifications" (2017).

Item 9.2 Payable Tax Credits

DOC SP-2016-09.2

Alphametrics presented proposed changes to the ESSPROS manual regarding payable tax credits following the agreement of the WG in 2015 to follow the approach of national accounts (ESA 2010).

The WG approved the proposed changes to the Manual without any further amendments and confirmed that there is no need for any amendment to the legislation.

The WG approved without amendment the chapter of the new publication "ESSPROS methodological clarifications", as proposed by the Task Force.
Possible additional changes to the manual concerning the use of residual fiscal benefits to ensure consistency between CS and NET will be discussed bilaterally with AT and submitted to the WG for final approval.

**Item 9.3 Capital transfers**

*DOC SP-2016-09.3*

Eurostat presented a document looking at the inclusion of capital transfers in ESSPROS. Following this methodological analysis, further review of current practice is needed. Eurostat will circulate a questionnaire accordingly.

Comments during the WG meeting:
- IE: a firm link with National Accounts to clarify what should or should not be included.
- NO: originally reported that no capital transfers are included in ESSPROS but now realise that some are.
- ES: further clarifications on capital transfers are required. For the time being none are included in the Spanish data.

Eurostat will circulate a specific questionnaire to countries concerning the current status of inclusion of capital transfers in ESSPROS data. The WG agreed that links to National Accounts need to be clarified and invited the TF to complete the work and to present to the next WG meeting final proposals for a chapter of the new publication "ESSPROS methodological clarifications" and, if necessary, amendments to the manual (and legislation).

**Item 9.4 Collective services**

*DOC SP-2016-09.4*

Alphametrics presented a document on collective services that concludes that collective services are outside the scope of ESSPROS and proposes changes to the Manual to clarify this.

Comments during the WG meeting:
- IE: noted that it may be useful to insert references to ESA 2010 into paragraph 100D.
- BE: did not have any comments on the content of the changes, however concerning IE proposal thought that such references could be problematic if ESA is updated in the future: there may be a legal issue in relation to this type of automatic references to ESA legislation since the Manual is referred to in Annexes to the ESSPROS regulation and ESA changes may potentially require the ESSPROS regulation to be also changed and republished.

The WG approved the proposed changes to the Manual without any further amendments (to be included in the next edition of the Manual together with changes related to payable tax credits) and confirmed that there is no need for any amendment to the legislation. Inclusion of references to ESA 2010 in the ESSPROS manual is to be further investigated. The WG approved without amendments the chapter for the new publication "ESSPROS methodological clarifications", as proposed by the Task Force.

**Item 9.5 High level validation: comparing ESSPROS data with National Accounts**

*DOC SP-2016-09.5-rev 1 + Annex*

Eurostat presented work undertaken to compare actual data of ESSPROS and National Accounts (as agreed in the 2015 WG meeting) and feedback on the results received though the early exchange of views. Eurostat invited countries that have not yet provided comments on the
validation rules to contact Eurostat by May 17, 2016 at the latest. Results of the questionnaire may be used in the TF meeting for the Quarterly Sector Account in June 2016.

Comments during the WG meeting:

- A number of countries stressed the need for closer cooperation with national accountants. This is essential for understanding differences.
- DK: have not yet replied and are trying to identify why social contributions are reported in one collection but not the other.
- CZ: cannot comment on the correctness of rules because data are prepared by different departments.
- BE: have some concerns about the thresholds applied in rules as relative differences tends to be larger when the amounts reported are small. For receipts there may be differences in scope between ESSPROS and National accounts and other aspects to be taken into account. A case by case examination and further research into differences is required.
- UK: there were big differences between National Accounts and ESSPROS and it seems that these derived from the different treatment of "imputed premiums". On this basis the validation rules were very helpful and have facilitated correction of the data.
- IT: the time of recording of the two datasets is an important factor. In addition, in several cases cash is lower than estimations because some payments are not made. Also, there are some useful definitions in ESA concerning the calculation of contributions that need to be considered.
- IE: validation rules proved useful for both sides. Agreed with Italy that we should make use of definitions and guidance in ESA 2010 where it is appropriate to do so. Recording of contributions is a good example in this respect.

Eurostat proposed to use the validation rules to check the coherence between the two datasets, but only as warnings. These validation rules will not be included in the “official” list but used on a provisional basis to detect possible errors.

The WG took note of the comparisons made and the written comments already provided by countries. Countries which have not yet commented on the results for their country are requested to do so by 17 May at the latest.

The validation rules are useful and will be used to continue checking coherence with national accounts as a warning mechanism.

The TF will continue to work in this area (methodological analysis, explanation of data differences, development of additional validation rules). Further research into differences (via bilateral contacts) and closer cooperation with National Accounts is needed.

**Item 9.6 Benefits and recipients above/below the standard retirement age**

*DOC SP-2016-09.6*

Eurostat presented work undertaken to clarify the classification of benefits according to the age of the recipients and the opinion of the TF regarding this matter, which resulted in the decision tree presented as Figure 1 of DOC SP-2016-9.6. The WG was invited to comment on this and on the following two key principles presented in the document:

- All types of pension, with the sole exception of survivors’ pensions, should be reported in the old-age function when the beneficiary is above the reference standard/legal retirement age (at scheme or national level).
In the case of disability benefits, reporting in the old-age function according to the standard/legal retirement age should apply to all types of benefits (not just pensions).

Comments during the WG meeting:

- Countries agreed that the decision tree is a useful tool for clarifying the procedure.
- BE: availability of information is a crucial factor (e.g. if a retiree has entered the system it is not clear if they are on early/late retirement. This information is only available when the person is entering the scheme). Sometimes the information is not formally reported in the relevant databases and the distinctions are therefore not possible. Also, the standard retirement age is an issue because this is not a concept applied in some countries (e.g. age may vary between schemes), instead a consensus retirement age must be used. Following a reform the pre-pensioners are obliged formally to remain "active" (ready to work).
- IT: regarding pension benefits for ESSPROS, the age of 65 is used but the reality is much more complex with regulations resulting in different retirement ages for different groups (e.g. public employees vs. private sector, retirement age dependent on the number of years of contributions). In addition the retirement age gradually changes (increases) over time.
- FI: there is no standardised retirement age in Finland as retirement age varies between 63 and 68 years old.
- IE: the decision tree is clear for old age, disability and survivors. In Ireland the situation is more straightforward as a person receiving a pension before the official retirement age (66) is transferred to the standard pension on reaching the official retirement age.
- NO: the decision tree is OK. A reform introduced in 2011 but yet to be fully implemented means that in Norway there will be a new form of pension where it is possible to have partial pension but work 100%.
- IS: pensions are not only for those who do not participate in the labour market. The decision tree is clear.
- DK: raised a question on how to record situations where the pension legislation is changed: should the pension be recorded under a different kind of benefit? Eurostat replied that the issue relates to the age of the beneficiary and that the purpose of the benefit should be taken into consideration.

The WG discussed the methodological document and agreed that the work done by the TF was a good starting point. The decision tree and the key principles are useful tools and the WG invited the TF to continue the work.

Item 9.7 Treatment of multi-function benefits

DOC SP-2016-09.7

Alphametrics presented work undertaken to clarify the treatment of multi-function benefits and the opinion of the TF regarding this matter. The TF agreed that further clarifications in the manual are required and the agreed approach was summarised as a decision tree in Figure 1 of DOC SP-2016-9.7. However, several issues need further investigation (see relevant document for more details).

Comments during the WG meeting:

- Countries agreed that the decision tree is a useful tool.
- BE: stressed the need for a consistent approach across all of ESSPROS which also takes into account the classification procedures discussed under the previous item.
Eurostat clarified that there is no plan to change to existing philosophy of the manual, there are simply some areas that need to be refined to provide better clarity.

Comments were provided with information on issues to be further explored and there are links with item 9.6. The decision tree is a useful tool and a good basis for further progress. The WG invited the TF to continue the work undertaken.

**Item 9.8 Definition of means-testing**

*DOC SP-2016-09.8*

Eurostat presented a document on means-testing which recommends clarifications in the manual to ensure a common understanding of the concept.

The WG approved the proposed changes to the Manual without any further amendments (to be included in the next edition of the Manual together with changes related to payable tax credits) and confirmed that there is no need for any amendment to the legislation. The WG approved without amendments the chapter for the new publication "ESSPROS methodological clarifications", as proposed by the Task Force.

Countries are invited to inform Eurostat by 31 May 2016 if this decision may have an impact on their data or if there are any borderline cases to be clarified.

**Item 9.9 Withheld taxes and contributions**

*DOC SP-2016-09.9*

Eurostat presented the work undertaken since 2015 on withheld taxes and contributions, the opinion of the TF regarding their treatment and the WG responses to the early exchange of views regarding proposed modifications to the Manual and the draft chapter for the new publication "ESSPROS methodological clarifications".

Comments during the WG meeting:

- IE: asked to include country specific examples in the clarification document so as to better understand the issues.
- ES: noted that they had requested some clarification from Eurostat on a specific Spanish case on the topic.
- CH: this change has had quite an impact on the Swiss data, which have been revised accordingly (including time series).

  *The WG approved the proposed changes to the Manual without any further amendments (to be included in the next edition of the Manual together with changes related to payable tax credits) and confirmed that there is no need for any amendment to the legislation. The WG approved without amendments the chapter for the new publication "ESSPROS methodological clarifications", as proposed by the Task Force.*

Countries are invited to inform Eurostat by 31 May 2016 if this decision may have an impact on their data or if there are any borderline cases to be clarified.
General conclusions concerning the "ESSPROS Manual 2016" and the "ESSPROS methodological clarifications 2017"

Eurostat concluded item 9 by providing an overview of the overall procedure for updating the ESSPROS Manual and the publication of the Working Paper on "ESSPROS methodological clarifications".

Comments during the WG meeting:
• IE: The methodological clarification document should include as many examples as possible.

The WG agreed to the procedure and the timetable for the publication of the ESSPROS Manual in 2016. The new Manual will be formally applicable after its publication (i.e. starting with collections to take place during 2017).

The WG agreed to the timetable for the new publication "ESSPROS Methodological clarifications” in 2017.

Item 10 Future work

Item 10.1. Possible topics for the 2016 meeting of the Task Force

The provisional date for the next Task Force meeting is 16-17 November 2016. Eurostat presented possible areas for further discussion by the TF:
• 1: Work to be finalised from item 9: capital transfers, validation rules based on comparison of ESSPROS data with National accounts, benefits and recipients above/below retirement age, multi-function benefits.
• 2: Clarifications from other items of the WG agenda: classification of schemes (contributory), comparison/links between QUALI and MISSOC, reassessment of metadata collection, etc.
• 3: Work already started by TF but not yet presented to the WG: clarifications on borderline cases between Education and Social protection
• 4: Clarifications on specific methodological issues raised more recently by countries: CH (reimbursement of contributions), SE (taxes vs. contributions), etc.
• 5: Preliminary discussion on earlier estimates of main ESSPROS aggregates.
• 6: Other methodological topics arising from previous discussions in the TF or WG: re-routed social contributions vs. transfers; administration costs in ESSPROS vs. National Accounts; treatment of supplements; classification of schemes (government-controlled) etc..

Eurostat will select topics for the next Task Force agenda taking into account the connections between topics, user priorities and the need to finalise topics which are already well advanced.

Item 10.2 Possible long-term planning of the activities of the Task Force

Eurostat presented a preliminary planning of the activities of the Task Force until 2020.

Comments during the WG meeting:
• Several countries noted the need to bear in mind resource limitations so that activities need to be prioritised. Indeed, development of links with national accounts can be a major undertaking as the work may require co-operation with other organisations.
• BE: there is a need to distinguish between activities of ESSPROS, those of associated satellite accounts and those not related to ESSPROS. In particular, there needs to be a clear distinction between ESSPROS activities (i.e. compiling basic statistics) and the use of the data (for example for indicators). Future work needs to be organised with this in mind. In addition, data sources are not always available so political decisions are required at the national level. Political support is also needed to get additional resources.
• FI: agreed with BE. Resources are limited at national level and linking ESSPROS with National accounts is a big step, especially for countries in which ESSPROS is compiled outside the NSI.
• ISG: Linking with national accounts improves visibility for social statistics. Users welcome efforts and support such developments.
• DK: even though grants are very helpful for the investment phase, they cannot solve all issues. Time and additional structural resources (for example human resources are needed to implement changes and then to support an increase in routine production activities).
• OECD: welcomes the links between sources and understands that the procedure will take time but the increased demand by users proves that this is the way to go.

Item 11 Compilation of Social protection statistics by Candidates and Potential Candidates

Eurostat presented the latest situation concerning the compilation of social protection statistics by Candidate and Potential Candidates.

The WG took note of the current state of development for each Candidate and Potential Candidate.

Eurostat invited Candidates and Potential Candidates to communicate future plans for the implementation of ESSPROS to the Statistical Co-operation Unit of Eurostat by 1 June 2016.

Item 12 Any other business

None arising.

Item 13 Conclusions of the meeting

Eurostat presented draft conclusions for each item of the agenda (as identified under each item above). The WG approved the content of the draft conclusions and asked few improvements. The full list of conclusions (amended according to the WG comments) will be uploaded to CIRCABC.

Participants were requested to complete the meeting evaluation questionnaire.

D. Conclusions/recommendations/opinions

Conclusions of the meeting were agreed after each discussion item and re-presented at the end of the meeting. The conclusions have been made available on CIRCABC on the 29th of April 2016.
E. Next meeting

Next meeting of the Working group on Social Protection Statistics will take place in March/April 2017.

F. List of participants

EU and EFTA Member States

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<tr>
<th>Country</th>
<th>Institution</th>
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<td>BE</td>
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<td>BG</td>
<td>National Statistical Institute</td>
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<td>CZ</td>
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<td>Central Statistics Office &amp; Department of Social Protection</td>
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<td>Ministerio de Empleo y Seguridad Social</td>
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<td>DREES - Direction de la recherche, des études, de l’évaluation et des statistiques, Bureau Comptes et Prévisions d'Ensemble</td>
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<td>Office for National Statistics</td>
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<td>IS</td>
<td>Statistics Iceland</td>
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### Candidates and Potential Candidates

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<tr>
<td>ME</td>
<td>Zavod za statistiku Crne Gore – MONSTAT</td>
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<td>Agency for Statistics of BiH</td>
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<td>XK</td>
<td>Statistical Office of Kosovo</td>
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### International Organisations

- OECD

### Other participants

- Social Protection Committee – Indicators Sub-Group (SPC-ISG)

### European Commission

- DG EMPL
- DG ESTAT
  - Alphametrics Ltd (contractor of DG ESTAT).