III

*(Preparatory acts)*

# EUROPEAN CENTRAL BANK

## OPINION OF THE EUROPEAN CENTRAL BANK

**of 25 March 2022**

**on a proposal for a regulation amending Regulation (EU) No 549/2013 on the European system of national and regional accounts in the European Union**

**(CON/2022/12)**

(2022/C 218/02)

### Introduction and legal basis

On 3 and 28 January 2022 the European Central Bank (ECB) received requests from the European Parliament and the Council of the European Union, respectively, for an opinion on a proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 549/2013 and repealing 11 legal acts in the field of national accounts ([1]) (hereinafter the 'proposed regulation').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union, in conjunction with Article 127(2) of the Treaty and Article 3 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter the 'Statute of the ESCB'), since the proposed regulation concerns the competence of the ECB pursuant to Article 5 of the Statute of the ESCB to collect the necessary statistical information in order to undertake the tasks of the European System of Central Banks (ESCB) and to contribute to the harmonisation, where necessary, of the rules and practices governing the collection, compilation and distribution of statistics in the areas within its fields of competence. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

### 1. General observations

1.1. The ESCB and the European Statistical System (ESS) cooperate closely to minimise the reporting burden and guarantee the coherence necessary to produce European statistics ([2]). The cooperation between the ESCB and the ESS is further governed by relevant agreements between the ESCB and the ESS, such as the Memorandum of Understanding on the Cooperation between the Members of the ESCB and the ESS ([3]), covering fields of shared responsibility or common interest, i.e. balance of payments, financial statistics, government finance statistics, macroeconomic statistics and national accounts. Even though the members of the ESCB and the ESS fulfil their own statistical responsibilities under separate legal frameworks ([4]), in view of the interdependencies of the ESCB statistical framework and the ESS, amendments to Regulation (EU) No 549/2013 of the European Parliament and of the Council ([5]) (hereinafter 'the

([1]) COM(2021) 776 final.

([2]) See Article 2a of Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank (OJ L 318, 27.11.1998, p. 8).

([3]) Memorandum of Understanding on the Cooperation between the Members of the European Statistical System and the Members of the European System of Central Banks, 24 April 2013, available on the ECB website at www.ecb.europa.eu.

([4]) See paragraph 3 of Opinion CON/2011/44 of the European Central Bank of 19 May 2011 on the proposal for a regulation of the European Parliament and of the Council on the European system of national and regional accounts in the European Union (OJ C 203, 9.7.2011, p. 3). All ECB opinions are published on EUR-Lex.

([5]) Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union, (OJ L 174, 26.6.2013, p. 1).

ESA 2010 Regulation') are relevant to the ESCB statistical reporting requirements, especially in the fields of their shared responsibility or common interest ([6]). In addition, the ESA 2010 Regulation is used as a reference in various legal acts of the ECB's statistical legal framework. Therefore, amendments to the ESA 2010 Regulation may have implications for the ECB's statistical legal framework.

1.2. As a producer and user of European statistics, the ECB generally welcomes the proposed regulation's amendment of the ESA 2010 Regulation as a step towards further improving the quality of national accounts. Since the ESA 2010 Regulation forms the core of macroeconomic European statistics it plays a vital role for various ECB and Eurosystem tasks, such as monetary policy analysis and the preparation of economic and fiscal projections ([7]).

1.3. The ECB welcomes the strengthening of data consistency, introduced by the proposed regulation, across various tables reported under the ESA 2010 transmission programme. At the same time, complete and timely national accounts data, in particular for euro area Member States, is essential for the ECB. In this respect, the proposed ESA 2010 transmission programme ensures a good balance between the timeliness, completeness, and consistency of the reported national data ([8]).

1.4. Furthermore, the ECB welcomes the fact that the proposed regulation aligns the ESA 2010 Regulation with the revised Classification of Individual Consumption by Purpose ([9]), as this ensures the comparability of data between countries and maintains its relevance for users.

2. **Specific observations: Annex 2 to the proposed regulation**

2.1. The ECB generally agrees with the amendments to the ESA 2010 transmission programme contained in Annex 2 to the proposed regulation, subject to the following specific observations.

2.2. The ECB welcomes the inclusion of the voluntary transmission of flash estimates of quarterly gross domestic product (GDP) and employment (Table 1F), used for the publication of euro area aggregates after the end of the reference quarter ([10]). These flash estimates are of high importance for the ECB in analysing euro area economic growth and its underlying dynamics.

2.3. As regards the retransmission of quarterly national accounts main aggregates (Table 1Q) three months after the reference quarter, this can promote consistency across tables and frequencies. In this respect, the ECB encourages the Commission (Eurostat) to review the impact of such national data retransmissions on the frequency and calendar of the publication of the euro area quarterly GDP main aggregates. In particular, the new provision might allow steps to be taken towards improving the publication timeliness of the final euro area data no later than 100 days after the end of the reference quarter.

2.4. The ECB welcomes the transmission of new data on transactions with institutions and bodies of the European Union (Table 2 on annual main aggregates of general government and its subsectors) and encourages the compilation by the Commission (Eurostat) of the accounts of the European institutions classified in the government sector, in full cooperation between the excessive deficit procedure and national accounts statistics. The launch of NextGenerationEU also speaks in favour of revisiting and compiling the accounts of European institutions to ensure a sound statistical and analytical framework.

([6]) See paragraph 7 of Opinion CON/2011/44.
([7]) See paragraph 1 of Opinion CON/2011/44.
([8]) Annex 2 to the proposed regulation amending Annex B to the ESA 2010 Regulation.
([9]) Annex 1 to the proposed regulation amending Annex A to the ESA 2010 Regulation.
([10]) The GDP flash estimates are published 30 and 45 days after the end of the reference quarter. The employment flash estimates are published 45 days after the end of the reference quarter.

2.5. Annex 2 to the proposed regulation introduces a new requirement for Member States to transmit to the Commission (Eurostat) annual financial accounts by sector (Table 6) and annual balance sheets for financial assets and liabilities (Table 7) already four months after the end of the year. The aforementioned items, which under the proposed regulation will be reported to the Commission (Eurostat) at an annual frequency, are also included in Guideline 2014/3/EU of the European Central Bank (ECB/2013/24) ([11]), according to which Eurosystem central banks are required to report to the ECB quarterly financial accounts. These timely quarterly data are transmitted each quarter by the ECB to the Commission (Eurostat), and are, with a few exceptions, consistent with the annual data required under the proposed regulation.

2.6. Every quarter the ECB and the Commission (Eurostat) jointly compile and release the integrated euro area accounts covering financial and non-financial accounts for the institutional sectors of the euro area. The ESA 2010 transmission programme is an essential statistical source for performing this task. Therefore, the ECB particularly welcomes the fact that the proposed regulation preserves the availability of quarterly non-financial accounts by sector (Table 801) and quarterly financial accounts and balance sheets of general government (Table 27) for euro area Member States 85 days after the end of the reference quarter. The provision of these timely and reliable quarterly data is a high priority for the ECB.

2.7. The ECB recognises that it is important to adapt the European System of Accounts statistics to economic developments and emerging user demands. Hence, the ECB encourages, for policy analysis purposes, a more complete and mandatory reporting for statistics on investment and fixed assets of information and communication technologies, with a breakdown by economic activity where applicable. This concerns annual (Table 1A) and quarterly (Table 1Q) national accounts main aggregates, cross classification of fixed assets by economic activity and by asset (Table 20) and cross classification of gross fixed capital formation by economic activity and by asset (Table 22). Moreover, the ECB suggests including mandatory reporting of semi-durable and non-durable goods, and services in Table 1Q, as well as at least a voluntary reporting of land underlying buildings and structures in the balance sheets for non-financial assets in Table 26.

Done at Frankfurt am Main, 25 March 2022.

*The President of the ECB*
Christine LAGARDE

([11]) Guideline 2014/3/EU of the European Central Bank of 25 July 2013 on the statistical reporting requirements of the European Central Bank in the field of quarterly financial accounts (ECB/2013/24) (OJ L 2, 7.1.2014, p. 34).