European system of national and regional accounts in the European Union (ESA 2010)

2010/0374(COD) - 28/03/2012 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Sharon BOWLES (ADLE, UK) 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

The committee recommends that the European Parliament's position in first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

Transparency: Members consider that information provided should be **as precise, complete and timely as possible** in order to ensure maximum transparency, especially as regards the public sector.

Further methodological studies and data tests are necessary, in particular to take better account of changes in productivity in the public sector, **integrating environmental accounts** with economic accounting and extending these by adding accounts on **social aspects**.

Members also suggest exploring the possible use of **new, automated and real-time collection methods.**

The methodology of the ESA 2010: the Commission shall lay down before the end of 2012, by means of delegated acts, a methodology for the calculation and allocation of Fisim, incorporating a risk-adjusted method that adequately reflects the **expected future cost of realised risk.** Members stress the need for risk adjustment based on expected future cost of realized risk to show the real direct contribution to GDP.

By 2014, and annually thereafter, Member States shall transmit the following information to Eurostat: (a) the debt of their public corporations, both by category and by sub-sector; (b) the level of their guarantees to public and private sector entities, including a breakdown by sector, and information relating to the calling of guarantees; (c) their implicit pension obligations.

Eurostat shall publish that information annually.

Eurostat shall also issue:

- by 2014, a report containing a materiality test, in particular for disclosure of public-private partnerships and other implicit liabilities, including contingent liabilities, outside government;

- by 2017, a further report assessing the extent to which the publication of the information set out in the first subparagraph represents the entirety of implicit liabilities, including contingent liabilities, outside government.

Transmission of data to the Commission: to help ensure compliance with this Regulation, the Commission should **provide the necessary resources and expertise to assist Member States** that have major methodological obstacles to overcome.

Six months after the date of entry into force of the Regulation, the Commission shall review Annex B and adopt a delegated act **concerning the organisation and streamlining of the date-transmission tables** so to ensure a clear, coherent, unambiguous and transparent data-transmission programme.

Assessment of data quality: two years from the date of entry into force of the Regulation, and every two years thereafter, the Commission (Eurostat) shall assess the quality of the data transmitted, and **report to the European Parliament on the quality of data on national and regional accounts**.

Derogations: the Commission shall grant a **temporary derogation** only in cases where there are clearly major methodological obstacles preventing the Member State concerned from applying the Regulation. The Commission shall not grant a derogation if it would undermine disproportionately the accuracy of aggregate data. Members state that **the proportion of the Member State's GDP within the Union** or within the euro area shall not constitute a justification for granting a derogation.

Delegated acts: the committee specifies that the power to adopt delegated acts shall be conferred on the Commission for a period of f**ive years from the date of entry into force of the Regulation** (this period shall be tacitly extended for periods of an identical duration), unless the European Parliament or the Council opposes such extension not later than three months before the end of each period (this may be extended by three months.)

Delegated acts shall not be used in respect of statistical information produced in connection with the implementation of the excessive deficit procedure or macro-economic imbalance procedures.