Community statistics: balance of payments, international trade in services and foreign direct investment

2003/0200(COD) - 20/11/2012 - Follow-up document

In accordance with the requirements of Regulation (EC) No 184/2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment (the 'BoP Regulation'), the Commission presents a working document assessing the quality of the data reported by the Member States in 2011.

The document was prepared with the assistance of the Balance of Payments Committee, as required by the BoP Regulation. It is the first working document on this subject prepared by Eurostat for the European Parliament and is based on the results of the balance of payments (BoP) quality assessment exercise undertaken by Eurostat between January and June 2012.

After a short description of the principles that guide any assessment of the quality of official statistics and a brief overview of the challenges encountered in compiling BoP data in a globalised environment, the document analyses the extent to which BoP data comply with the quality principles that guide the European Statistical System (ESS).

Eurostat considers that **the entry into force of Regulation (EC) No 184/2005 led to closer harmonisation of balance of payments statistics throughout the EU and increased the availability of data to users**.

- The working document shows that the BoP **data** required by Eurostat under Regulation (EC) No 184 /2005 are reported by every Member State, generally on time.

- A much larger **amount** of BoP data is now available to final users compared to what could be obtained at the end of the 1990s: more detail is now available on transactions and geographical breakdowns, the frequency and timeliness of the data have improved and longer time series have been reconstructed for the sake of economic analysis.
- Greater use is made of **estimation**, but the resulting quality is kept under very strict control. Quality reports allow regular monitoring of the stability and consistency of the data.

As a result of the financial crisis, users are already expressing requests for detailed BoP and the international investment position (IIP) data **that go beyond what is included in the amended BoP Regulation.** They need more geographical breakdown for the financial flows, and ideally bilateral data related to many flows of investment. Users responsible for trade negotiations with third countries reiterated their request for information on services "by mode of supply". Eurostat will investigate the possibility of collecting, on voluntary basis, this kind of information from BoP compilers. Eurostat and national compilers are making every effort to ensure that BoP and IIP data fully meet the needs of the wide circle of users.

The next BoP quality assessment exercise will start in January 2013.