

Application of the Protocol on the excessive deficit procedure annexed to the EC Treaty. Codification

2008/0053(CNS) - 03/03/2020 - Follow-up document

This Commission staff working document concerns the reporting on the quality of fiscal data reported by Member States in 2019.

This annual report provides an overall assessment of the timeliness, reliability, completeness and consistency of the data and their compliance with accounting rules. The Commission adopted the previous report (on 2018 data) on 27 March 2019.

As a reminder, Member States send their actual and planned EDP data to Eurostat twice a year as part of the 'EDP notification tables', the 'Questionnaire relating to the EDP notification tables', the 'Supplementary table on government interventions to support financial institutions' and also via bilateral clarifications.

Eurostat also maintains contact with Member States by making regular EDP dialogue visits.

This report is based on the main findings and results of the EDP data reported by Member States in 2019. It focuses on the latest reports, submitted in October 2019, comparing them where appropriate with the data sent in April 2019 and in 2018.

Timeliness, reliability and completeness

The report noted that Member States all Member States met the reporting deadlines for both notifications. Revisions made between the April 2019 and the October 2019 EDP notifications were due mainly to updates of source data (primarily working balances and tax data), and methodological changes, such as reclassifications of units or transactions.

All Member States provided Eurostat with all the EDP notification tables in April and October. However, not all Member States provided all breakdowns in all EDP tables, in particular for local government. For a few Member States data provided are provisional for all the years considered, due to data source specificity or/and uncertainties regarding the complete coverage of all government subsectors.

While the completeness of the EDP tables can still be improved, the outstanding issues are expected to have little impact on data quality.

Compliance with accounting rules and consistency of statistical data

For the autumn 2019 reporting period, a first round of requests for clarification was sent to all Member States by 7 October and a second by 11 October; a third round was sent to 16 Member States and a fourth round to two Member States. Eurostat asked some Member States to provide revised 'EDP notification tables, revised tables for underlying government accounts (i.e. annual expenditure and revenue accounts, and quarterly financial and non-financial accounts) and revised 'Questionnaire relating to the EDP notification tables. In most cases, changes to data were corrections of technical errors, internal inconsistencies and adjustments. A few changes related to updates of the source data for actual and planned data.

For Germany and Portugal (2015-2018), the reporting of statistical discrepancy in the October 2019 notification tables diverges from convention for ESA table 27 and this leads to substantial discrepancies for all years.

Reservations

In October, Eurostat withdrew its reservations on the quality of data reported in the EDP notifications by Hungary and Slovakia and it expressed no new reservations.

Conclusion

Eurostat acknowledges continued overall improvement in the consistency and completeness of the reported fiscal data. Nevertheless, the quality of fiscal data needs to be improved further. In 2019, Eurostat sought improvements to the quality of the fiscal data through bilateral clarifications when assessing the EDP notifications and by intensifying contacts and consultations with Member States between notifications. The publication of all its letters of advice on methodology improved knowledge-sharing and transparency, as did its comprehensive efforts as regards communication between users and producers of statistics in relation to methodological developments.

Overall, Eurostat concludes that the quality of the reporting of fiscal data continued to improve in 2019. In general, Member States provided higher data quality and more complete information in EDP notification tables and other relevant statistical returns.