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

2021/0407(COD) - 10/12/2021 - Legislative proposal

PURPOSE: to amend Regulation (EU) No 549/2013 in order to maintain the relevance of the revised European System of Accounts (ESA 2010) as regards its conceptual basis and transmission programme and thus create common statistical standards allowing the production of harmonised national accounts data.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Regulation (EU) No 549/2013 of the European Parliament and of the Council 6 , which established the revised European System of Accounts (ESA 2010), contains the reference framework of common standards, definitions, classifications and accounting rules for drawing up the accounts of the Member States for the statistical requirements of the Union, in order to obtain comparable results between Member States.

Annex A to Regulation (EU) No 549/2013 defines the methodology for compiling Member States' accounts. Annex B of the Regulation (the 'transmission programme') provides for a set of tables of national accounts data to be transmitted within certain deadlines for EU purposes.

Since the introduction of ESA 2010 in 2014, there has been an evolution in a key statistical classification upon which it is based (a new Classification of Individual Consumption by Purpose, or COICOP) and also an evolution in the needs of users for national accounts data.

The Commission therefore believes that it is appropriate to amend Regulation (EU) No 549/2013 to update references to the COICOP classification and to update the transmission programme to reflect new user needs.

In addition, the Commission believes that it is opportune to repeal 11 legal acts relating to the previous European System of Accounts (ESA 1995) 3 , as these acts are no longer relevant.

CONTENT: the proposal relates to an amendment of Regulation (EU) No 549/2013 in two respects:

Amendments to Annex A (the conceptual basis of ESA 2010)

The Classification of Individual Consumption by Purpose (COICOP), was updated in 2018 and the references in Annex A to COICOP must be amended to reflect the updated classification. It is also proposed to update Annex A to correct minor textual inconsistencies that have been identified during its implementation in Member States.

Amendments to Annex B (ESA 2010 transmission programme)

In order to take account of the evolving needs of these users, the proposal has the following objectives:

- to expand the availability of Government Finance Statistics, notably in respect of interactions with the institutions and bodies of the EU and the structure of government debt.

- to provide an updated legislative basis for the transmission of quarterly non-financial accounts for general government at t+3 months delay. The data is being transmitted by Member States on a voluntary basis.

- to improve the timeliness of the transmission of some tables, for example the transmission of annual financial accounts at t+4 months delay and the transmission of COFOG data at t+11 months delay. The latter is expected to facilitate its use in policy processes.

- to strengthen the consistency across tables, notably by amending the deadline arrangements for transmission of quarterly non-financial sector accounts data.

- to provide a legislative basis for the voluntary transmission of statistics which had been transmitted by Member States on a gentlemen's agreement basis in the past, for example GDP and employment flash estimates at t+30 and t+45 days delay.

The proposal also provides for the improvement of the availability of metadata accompanying national accounts data, and to strengthen the consistency of data between tables, particularly for quarterly data.

Lastly, the proposal takes the opportunity to **repeal 11 legal acts** which relate to the former European System of Accounts (ESA 1995) and are no longer relevant since ESA 2010 has been implemented.

The Regulation would apply from 1 September 2024.