

Presidency Flash

Paris, 20th April, 2022

3rd informal videoconference of the Council Working Party on Statistics on 27 april

Dear colleagues,

We are pleased to invite you to the third informal videoconference of the Council Working Party on Statistics under the French Presidency. This meeting will be organised remotely, using the Council's VTC platform. It will take place on 27 April and will be held from 10 a.m. to 4.30 p.m. at the latest, with a lunch break between 12.30 and 2 p.m.

The meeting will focus on the revision of regulation 549/2013 of the European Parliament and of the Council on the European system of national and regional accounts in the European Union (ESA2010).

The meeting on 27 April 2022 will focus on the following four issues.

Metadata

The Presidency proposes a rewriting of the points in Annex 2 concerning metadata (see annex on p.4 of this document). This rewriting follows two principles: the first is a principle of finality (the metadata must allow the Commission (Eurostat) to assess the data transmitted); the second is a principle of minimisation, so as not to impose a too great burden on the Member States.

These metadata have been divided into two domains: structural metadata which describe in a general way the general process of production of the accounts, and transmission-specific metadata which allow in particular to describe the difficulties linked to this transmission.

The new wording of the points on metadata distinguishes between these two types of data, and considerably lightens the text, as it keeps only three points on this subject (out of the ten points of the Commission proposal).

A new recital refers to the future Commission Recommendation on reference metadata and quality reports currently being prepared by the Commission (Eurostat).

Finally, an article will be added in the basic act to make it compulsory to send structural metadata only one year after the date of application of the Regulation. The objective of this extension is to leave time to Eurostat and to Member States to discuss the format of metadata to be sent, and to give time to Member States to adapt.

Retransmission and consistency between tables

In view of the reservations expressed by several Member States concerning the wording of the Commission's proposal, the Presidency proposes to keep the wording on this subject contained in

the current version of the Regulation concerning Table 801. The footnote (5) on the first page ("*Overview of the data tables*") of Annex B of the Regulation concerning this table will be kept in the same place on the same page. This footnote mentions that *"If a Member State transmits a complete set of data at 85 days, data does not need to be transmitted at t+3 months"*.

In the same way, a footnote will be added on the first page of Annex 2 of the Regulation, stating in relation to Tables 1Q and 1A that *"If a Member State transmits a complete set of data at t+2 months, data does not need to be transmitted at t+3 months"*.

In line with the changes made to the Commission proposal concerning tables 1Q, 1A and 801 (new footnotes), the following sentence will be removed from p.5 (Tables 1Q and 1A): *"The tables shall be retransmitted at t+3 months if differences with table 801 are significant"*. Similarly the sentence on p.38 (Table 801) will also be removed: *"The table shall be retransmitted at t+3 months if differences with table 25 and table 1Q are significant"*.

Derogations

The Presidency proposes to add an article and a recital on derogations in the basic act. Derogations must be limited in time and may only relate to new provisions included in the revised regulation.

The proposed article amends Article 6 of the current Regulation.

Article 6 amended

Derogations

1. In so far as a national statistical system necessitates major adaptations for the application of [*the amending Regulation we are working on*], the Commission shall grant temporary derogations to Member States by means of implementing acts, for a maximum duration of three years. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 2b8(2).

2. The Commission shall grant a derogation pursuant to paragraph 1 only for a period sufficient to allow the Member State concerned to adapt its statistical system. The proportion of the Member State's GDP within the Union or within the euro area shall not constitute in itself a justification for granting a derogation. Where appropriate, the Commission shall provide support to the Member States concerned in their efforts to ensure the required adaptations to their statistical system.

3. For the purposes set out in paragraphs 1 and 2, the Member State concerned shall present a duly justified request to the Commission not later than three months after the date of entry into force of this amending Regulation.

A new recital is also proposed :

(7a) Where the implementation of this Regulation will require major adaptations in the national statistical systems, derogations can be granted by the Commission to Member States. The derogations granted by the Commission should be temporary and granted for a maximum duration of three years.

Table 28A

Eurostat is preparing an informal note on this table, which will be disseminated before the meeting.

After the discussion on the four points mentioned above, the Presidency will report on the various progress made on the other points raised by the Member States in the written consultation.

Looking forward to a productive meeting !

The French Presidency

Annex: Presidency draft on metadata

Commission Proposal	Presidency draft
Whereas in the basic Act	
	The requirements <u>for metadata should be developed</u> between the Commission (Eurostat) and Member States through consultations with the relevant technical groups. <u>The structural metadata transmitted should take into account the principles described in the [Commission Recommendation on reference metadata and quality reports for the European Statistical System].</u>
New article in the basic Act	
	<u>The obligation to transmit information referred in paragraph 10 of annex A shall apply from [1 September 2025].</u>
New articles in Annex 2	
Metadata	
9. The specific requirements of metadata for each table will be agreed between the Commission (Eurostat) and Member States through consultations with the relevant technical groups, and – within the context of the Transmission programme - should avoid the duplication of requests of the same information collected in other processes and tables.	9. <u>Metadata should consist of structural information concerning methods and sources as well as specific information concerning the data transmitted. The Member States shall transmit the metadata to the Commission (Eurostat) to allow the Commission (Eurostat) to assess the quality of the data transmitted. Transmitting the metadata shall not impose excessive additional costs or administrative burden to the Member States.</u> Where the metadata <u>include</u> confidential information, Member states shall inform the Commission (Eurostat) that the relevant text in the metadata cannot be disseminated
10. Member States shall inform the Commission (Eurostat) of major methodological or other changes that affect the data transmitted. This information shall be provided in the form of metadata accompanying the transmitted data allowing the Commission (Eurostat) to assess the changes and inform users of such changes. Where	10. <u>The structural information transmitted</u> shall describe the production process, as well as sources and methods used. It shall, where relevant, inform the Commission (Eurostat) of major methodological or other changes that

<p>the metadata concern confidential information, Member States shall inform the Commission (Eurostat) that the relevant text in the metadata cannot be disseminated.</p>	<p>affect the data transmitted, allowing Commission (Eurostat) to assess the changes and inform users of such changes.</p> <p><u>This information</u> shall, when the concepts and definitions specified in Annex A to this Regulation are not implemented, provide short explanations on the concepts and definitions actually applied in the transmitted data and the reasons why the concepts and definitions specified in Annex A to this Regulation are not implemented <u>or not applicable</u>.</p> <p><u>The structural information</u> shall be sent <u>once</u> and each time when a <u>significant</u> change <u>has been implemented</u>.</p>
<p>11. Metadata on methods and sources shall be sent when the method and sources are implemented in the transmitted data table and each time when a change takes place. These metadata shall provide short explanations on the methods and source data used to compile the table in line with Annex A to this Regulation.</p>	<p><u>See new paragraph 10</u></p>
<p>12. Metadata on deviations from concepts and definitions shall be sent with each data transmission only when the concepts and definitions specified in Annex A to this Regulation are not implemented. These metadata shall provide short explanations on the concepts and definitions actually applied in the transmitted data and the reasons why the concepts and definitions specified in Annex A to this Regulation are not implemented.</p>	<p><u>See new paragraph 10</u></p>
<p>13. Metadata on major events such as major data revisions, data inconsistencies, outliers, breaks in time series as well as unusual zero and negative values shall be sent only when such events occur in the transmitted data. These metadata shall provide short explanations on the reasons why the event is observed in the transmitted data and which variables and reference periods are affected.</p>	<p><u>11. The specific information concerning the data transmitted by the Member states shall inform the Commission (Eurostat) about</u> major events such as major data revisions, data inconsistencies, outliers, breaks in time series, updates on seasonal adjustment, as well as unusual zero and negative values. <u>This information</u> shall be sent <u>with the data</u> only when such events occur in the transmitted data, and</p>

	<p>it shall provide short explanations on the reasons why the event is observed in the transmitted data and which variables and reference periods are affected.</p> <p><u>Member states shall provide specific information on revisions which do not derive from routine operations.</u></p>
14. In all cases, metadata on routine revisions shall provide explanations on the reasons for updating the time series and the variables affected.	<u>See new paragraph 11</u>
15. Metadata on data inconsistencies shall provide short explanations regarding the reasons for the lack of consistency of variables within a data table, between the annual and quarterly frequencies of data tables where applicable and between identical variables of accounts reported across data tables for each given data transmission when differences are present.	<u>See new paragraph 11</u>
16. Metadata on seasonal adjustment shall be sent once when a method is implemented in the transmitted data and each time when the method is updated. These metadata shall provide short explanations regarding the general characteristics of the seasonal adjustment method, i.e. direct or indirect approach, seasonal adjustment method and associated software, presence of calendar effects and benchmarking to annual data.	<u>See new paragraph 10: seasonal adjustment is included the structural metadata.</u>
17. Upon request by the Commission (Eurostat), Member States shall provide clarifications on the transmitted metadata and include other information of relevance to data users.	<u>See new paragraph 10</u>
18. Variables that are not applicable in a Member State shall be transmitted with the appropriate flag. Explanation shall be provided where requested by the Commission (Eurostat).	<u>See new paragraph 10</u>