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I. BACKGROUND

Eurostat is the European Union's statistical authority. Eurostat collects and disseminates harmonised data related to all Member States of the European Union (EU), for the European Free Trade Association (EFTA) countries and for the candidate countries. The disseminated data are in general available at <http://ec.europa.eu/eurostat/data/database>.

II. EUROSTAT EXTERNAL DEBT STATISTICS DATA AVAILABILITY

Eurostat disseminates statistics^[1] related to balance of payments, international investment position (IIP), international trade in services, external debt statistics (EDS) and foreign direct investment. These statistics are mostly based on the data transmissions by the European Union (EU) Member States and other European countries. Quarterly and annual aggregated gross and net external debt (GED and NED, respectively) statistics by country are included as subsets of IIP. No additional EDS breakdowns are produced. The data are also available as shares of GDP.

The Eurostat Macroeconomic Imbalances Procedure (MIP) Scoreboard indicators that are used to identify emerging or persistent macroeconomic imbalances in the EU Member States^[2], include the net IIP, as the headline, and the NED as auxiliary indicator, both as % of GDP.

Eurostat's [Statistics Explained](#)^[3] presents statistical topics in an easily understandable way. Together, the articles make up an encyclopedia of European statistics for everyone, completed by a [statistical glossary](#)^[4] clarifying all terms used and by numerous links to further information and the latest data. The information is presented by themes. The interpretation of EDS is included in the IIP section.^[5]

III. GENERAL GOVERNMENT GROSS DEBT AND FINANCIAL ACCOUNTS FOR GENERAL GOVERNMENT

In all fields related to debt statistics, Eurostat relies on regulations (legal texts) to collect timely, high quality, and harmonised data from the EU Member States and EFTA countries. Additionally, Eurostat complements data provided under legal obligation by data provided under gentlemen's agreement.

Maastricht (EDP) debt is general government gross debt at nominal (face) value for the following debt instruments: currency and deposits, debt securities, and loans. Due to the use of the annual Maastricht debt data in the context of the Excessive Deficit Procedure/ Stability and Growth Pact and the extensive verification of these data used for administrative purposes, the data disseminated are highly harmonised and comparable across countries.

The quality of annual Maastricht debt data reported in the context of the Excessive Deficit Procedure is assured by Eurostat and the National Statistical Authorities through an exhaustive

^[1] <http://ec.europa.eu/eurostat/web/balance-of-payments/data/database>

^[2] <http://ec.europa.eu/eurostat/web/macroeconomic-imbances-procedure/indicators>

^[3] http://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics_Explained

^[4] http://ec.europa.eu/eurostat/statistics-explained/index.php/Thematic_glossaries

^[5] See http://ec.europa.eu/eurostat/statistics-explained/index.php/International_investment_position_statistics for IIP and EDS

set of verifications. These are described in detail on the Eurostat GFS website. <http://ec.europa.eu/eurostat/web/government-finance-statistics/eurostat-edp-processes>.

Eurostat collects, verifies, and disseminates complete financial accounts data related to the general government sector and its subsectors (including selected counterpart information) as well as Maastricht debt, both at quarterly and annual frequency.

Quarterly GFS data, including financial accounts and quarterly general government gross debt follow a lighter and less formalized validation procedure. Nevertheless, quality is assured through transmission reports covering a number of quality/ data validation aspects (such as completeness, internal consistency, coherence within the dataset and with other data, coherence of the time series, and revisions) and through use of the data in the context of the preventive approach of the Excessive Deficit procedure.

The annual structure of government debt survey (timing of dissemination around t+6 months) provides additional detail on Maastricht debt: debt is broken down by initial and remaining maturity, sector of debt instrument holders, and currency denomination of debt. In addition, details on government guarantees and market value of Maastricht debt instruments are provided. All non-confidential information in this survey is now published.

Data are disseminated in Eurostat's online databases¹, in press releases², and in articles on 'Statistics Explained'³, an official Eurostat website presenting statistical topics in an easily understandable way.

Quarterly financial accounts for general government are since July 2015 also disseminated in annualised form. Similarly, the available counterpart information is published.⁴ All dissemination of data is accompanied by metadata, including country-specific notes where appropriate.

A. Data sharing

Eurostat shares information provided for Maastricht debt and quarterly GFS with DG ECFIN, IMF and the ECB.

A simplified bridge table to GFSM2014 is used for providing IMF with quarterly financial accounts data, both for the IAG GFS recommendation and the quarterly IMF template.

For the quarterly public sector debt questionnaire, Eurostat now pre-fills information provided and validated in the context of the quarterly financial accounts for general government and the quarterly Maastricht debt for all EU countries as well as Norway.

¹ <http://ec.europa.eu/eurostat/web/government-finance-statistics/data/database>

² <http://ec.europa.eu/eurostat/web/government-finance-statistics/publications/press-releases>

³ http://ec.europa.eu/eurostat/statistics-explained/index.php/Government_finance

⁴ The provision of counterpart sector information is compulsory for central government and social security funds for debt securities (assets), loans (assets/ liabilities) and equity and investment fund shares (assets). A number of countries send additional detail (such as counterpart information, instrument breakdown and breakdown of other flows) on a voluntary basis.

A common pre-filling strategy was agreed with the countries in 2016 and pilot exercises were run.

The pre-filling currently has some gaps as regards breakdowns of debt; however it covers the main target of IAG recommendation 16 by providing a broad instrument coverage for central and general governments. The main difficulty in the view of the European countries expressed in Eurostat meetings related to the preferred use of Maastricht debt as main indicator on which breakdowns should be based and the conceptual differences between ESA2010 and GFSM2014 recording, both of which are consistent with SNA08. However, the different approaches taken in both manuals lead to difficulties in the comparison of AF.6 and AF.8 data.

Given that the project is now out of the pilot phase, Eurostat has expanded the ESA table 28 questionnaire (quarterly government debt) to include budgetary central government, public corporations as well as the breakdowns included in the QPSD. European countries are invited to complete this on a voluntary basis.

B. Contingent liabilities

Eurostat also collects and disseminates (selected) annual data on contingent liabilities: government guarantees, liabilities related to off-balance sheet PPPs, and liabilities of government controlled entities classified outside general government. The EU Member States and Eurostat aim to continuously improve the consistency and completeness of the data. In the third release, the completeness of information has significantly improved.

Contingent assets and contingent liabilities are not considered financial assets and liabilities and are therefore not recorded in the national accounts (see ESA2010, §5.08-5.11 and 7.31, in Annex 1). The exception to this rule are standardised guarantees/F66 and derivatives/F7, treated as giving rise to financial assets and liabilities (see ESA2010 5.10 and Box B5.1.2(b)).

Though contingent assets and liabilities are not recognised on the balance sheets and in macroeconomic statistics prior to the conditions being fulfilled, information on this kind of contractual financial arrangements is considered increasingly important for policy and analysis. Even though no payments may eventually be due for contingent liabilities, a high level of contingencies may indicate an undesirable level of risk on the part of those units offering them.

Under the pressure of the financial crisis, Eurostat started collecting and disseminating some information on government's contingent liabilities related to the financial sector already in 2009. Historically, data on government guarantees has been available in the annual structure of government debt survey. More information on government's contingent liabilities (covering all sectors) has become available since January 2015.

The relevance of collecting information on contingent liabilities is explicitly recognised by ESA2010 that makes specific references to them in three "Whereas" and in art 11 (See Annex 1). The expansion of the collection of information on contingent liabilities within the EU is limited to those involving general government.

C. Net debt

Given the strong interest expressed in net debt measures by some users such as other international institutions, Eurostat proposed to EU countries in the June 2016 EDPS WG meeting to relaunch a discussion on net debt with publication of an amended and updated form

of the 2014 statistical working paper⁵. In response "a number of MS reiterated their concerns over the development of a net debt measure in general and the net debt measure proposed by Eurostat in particular. A number of MS cautioned against the publication of the working paper in a different and regular format. Eurostat took note of the comments of MS and indicated to reflect further in consultation with MS prior to publication of any net debt measures."⁶

D. Other developments

In the course of 2016, a number of issues of interest for public sector debt have been discussed in the relevant Eurostat fora:

- Clarification on the reporting of guarantees,
- Recording of SDRs,
- Payments for modifying streams of interest payments on debts,
- Borderline between trade credits and advances (F.81) and other accounts receivable/payable (F.89),
- Face value of the financial instruments classified under deposits (AF.2),
- Government debt and liabilities of limited-liability entities classified in government sector,
- EU resolution legislation/ Sector classification of national statutory protection funds,
- Sale and lease back operations – follow-up,
- Recording of concession assets in the government sector,
- Consolidation in Maastricht debt and in financial accounts.

⁵ <http://ec.europa.eu/eurostat/documents/1015035/2041365/Measuring-net-government-debt-theory-and-practice.pdf/0c4f104d-856c-4818-adbf-cfc7ea07ad9c>

⁶ Extract from EDPS WG June 2016 minutes