



**Memorandum of Understanding between  
Eurostat and the European Central Bank/Directorate General Statistics  
on the quality assurance of statistics underlying  
the Macroeconomic Imbalances Procedure**

1. European statistics are developed, produced and disseminated by the European Statistical System (ESS) and by the European System of Central Banks, under separate legal frameworks - Article 338(1) of the Treaty on the Functioning of the European Union and Article 5 of the Protocol No 4 on the Statute of the European System of Central Banks (ESCB) and of the European Central Bank (ECB), respectively - reflecting their respective governance structures.
2. The development, production and dissemination of European statistics by the ESS is governed by the principles set out in Article 338(2) TFEU as well as the statistical principles of professional independence, impartiality, objectivity, reliability, statistical confidentiality and cost-effectiveness as defined in Article 2 of Regulation (EC) No 223/2009 of the European Parliament and the Council. These statistical principles are further elaborated in a Code of Practice in accordance with Article 11 of Regulation (EC) No 223/2009.
3. The development, production and dissemination of European statistics by the ESCB is governed by the statistical principles of impartiality, objectivity, professional independence, cost-effectiveness, statistical confidentiality, minimisation of the reporting burden and high output quality, including reliability as defined in Article 3a of Council Regulation (EC) No 2533/98. The definition of these principles has been adopted, elaborated and published by the ECB on its website as a Public Commitment concerning European Statistics by the ESCB.
4. The statistical principles of the ESS laid down in Article 2 of Regulation (EC) No 223/2009 and the statistical principles of the ESCB laid down in Article 3a of Regulation (EC) No 2533/98 are similar.
5. According to Article 9 of Regulation (EC) No 223/2009, and Article 2a of Regulation (EC) No 2533/98, to minimise the reporting burden and guarantee the coherence

necessary to produce European statistics, the ESS and the ESCB cooperate closely complying with the respective statistical principles.

6. According to Recital (7) of Regulation (EC) No 223/2009, it is important to ensure close cooperation between the ESS and the ESCB. According to Recital (23) of Regulation (EC) No 2533/98, the European Commission and the ECB should establish appropriate forms of cooperation in the field of statistics in order to carry out their tasks in the most efficient way, trying to minimise the burden on reporting agents.
7. According to Article 5(1) second subparagraph of Regulation (EC) No 223/2009, to the extent that some of the European statistics determined in the European statistical programme drawn up by the ESS are compiled by National Central Banks (NCBs) in their capacity as members of the ESCB, the National Statistical Institutes (NSIs as defined in Article 5(1) of Regulation (EC) No 223/2009) and the National Central Banks (NCBs) of the respective Member State should cooperate closely in accordance with national arrangements with a view to ensuring the efficient production of complete and coherent European statistics.
8. The independence of the ESCB in the performance of its tasks as described in Protocol No 4 on the Statute of the ESCB and of the ECB should be fully respected in the implementation of the working arrangements set out below, in conformity with Articles 130 and 338 TFEU.
9. The ECB applies quality assurance procedures consistent with the ESCB Public Commitment concerning European statistics on all the data produced, validated and reported by the ESCB following the regular data transmissions, and publishes quality assessment reports on the data. Where appropriate, the ECB complements the quality assurance procedures with ESCB audit reviews.
10. NCBs support the ECB in conducting its statistical tasks in line with Article 5(1) and 5(2) of the ESCB/ECB Statute. Within the ECB, the responsibility for these tasks lies with the Directorate General Statistics (ECB/DG-Statistics).
11. The indicators used for the Macroeconomic Imbalances Procedure (MIP) are provided by Eurostat on the basis of statistics compiled in the Member States either by NSIs or by NCBs. Eurostat computes the relevant MIP Scoreboard indicators based on the most up-to-date datasets transmitted by Member States to Eurostat.
12. The Committee on Monetary, Financial and Balance of Payments Statistics (CMFB) may express opinions on the quality assurance frameworks of the datasets that may be taken into account in implementing this Memorandum of Understanding.

13. The European Commission and the ECB have exchanged letters dated 3 and 4 November 2016, respectively, that refer to the mutual recognition of the quality assurance frameworks in place in the ESS and the ESCB, respectively, and to working arrangements that should be established and implemented in cooperation between Eurostat and the ECB/DG-Statistics. These arrangements are set out below.

#### **A. Objective**

1. Considering that the ESS and the ESCB, respectively, have elaborated quality assurance frameworks that are based on similar principles, the respective quality assurance frameworks have been mutually recognised.
2. Although the relevant indicators used for the MIP are provided by Eurostat on the basis of Union legislation, some underlying statistics are compiled in the Member States by NCBs in their capacity as members of the ESCB. For these cases, the Memorandum of Understanding
  - lays down practical working arrangements for the cooperation between Eurostat and the ECB/DG-Statistics on the quality assurance of statistics underlying the MIP, and
  - contains the list of Member States that have designated the respective NCB for producing the datasets in the scope of this Memorandum of Understanding.

#### **B. Scope**

1. The statistics in the scope of this Memorandum of Understanding are:
  - Balance of payments and international investment position statistics;
  - Financial accounts.

For the purpose of this Memorandum of Understanding they are referred to as "the datasets".

2. The Annex lists the Member States who have designated the respective NCB for producing the datasets. These datasets are quality assured by the ECB/DG-Statistics according to the Public Commitment on European statistics by the ESCB.
3. The scope in B.1 and the lists in the Annex shall be reviewed whenever the list of datasets needs to be revised or when the national responsibilities for producing these datasets change.



### **C. Quality assurance during the MIP indicator production process**

1. After the regular quarterly data transmission in September/October each year, the ECB/DG-Statistics will run the quality assurance procedure on the datasets reported by NCBs for the length of the required time span for MIP purposes. Quality issues identified by the ECB/DG-Statistics may result in the retransmission of updated datasets to the ECB/DG-Statistics and Eurostat by the responsible NCB, in line with the relevant legal provisions and recommendations.
2. Before the MIP cut-off date, the ECB/DG-Statistics will provide Eurostat with the quality assured datasets accompanied by a brief metadata report explaining major events and revisions of the datasets. This will allow Eurostat to confirm that the datasets held by the ECB/DG-Statistics and Eurostat are comparable.
3. The ECB/DG-Statistics will additionally clarify with relevant NCBs any concern (e.g. outliers, strange values or any other issues) that Eurostat has communicated to the ECB/DG-Statistics when computing the indicators for the MIP Scoreboard and inform Eurostat on the outcome and related activities of this clarification.
4. For each calendar year Eurostat and the ECB/DG-Statistics will establish a timetable for providing Eurostat with the quality assured datasets and the accompanying brief metadata report, taking the European semester requirements into account.

### **D. Output quality and consistency of the datasets with related statistics**

With the support of NSIs and NCBs, Eurostat and the ECB/DG-Statistics may undertake analysis of the output quality and consistency of the datasets with related statistical domains, including e.g. visits.

### **E. National reports on the quality of data transmitted**

1. Reports on the quality of the national datasets transmitted to Eurostat and to the ECB/DG-Statistics shall follow the agreed formats in terms of their scope, structure and periodicity established by legal acts or otherwise agreed.
2. In order to avoid duplication of work, Eurostat and the ECB/DG-Statistics commit to jointly investigate the possibilities for a greater harmonisation of the formats of the quality reports transmitted to Eurostat and the ECB/DG-Statistics.

#### **F. Quality assessments by Eurostat and the ECB/DG-Statistics**

1. Eurostat and the ECB/DG-Statistics regularly conduct overall assessments of the quality of the datasets in conformity with applicable statistical principles. The datasets produced by NCBs are quality assured by the ECB/DG-Statistics according to the Public Commitment on European Statistics of the ESCB.
2. Eurostat and the ECB/DG-Statistics shall publish their assessments on the quality of the datasets in the form of quality assessment reports. The quality standards, the structure and the periodicity of these quality assessment reports shall follow an agreed format and shall include quantitative and qualitative elements.

#### **G. Joint summary report of the quality assessments**

1. At regular time intervals, Eurostat and the ECB/DG-Statistics shall jointly prepare and publish a summary report reflecting the key features of their respective quality assessments on the statistics underlying the MIP indicators. The intervals and the timetable are to be aligned with the European semester.
2. The joint summary report shall reflect the main quantitative and qualitative elements included in the quality assessment reports.

#### **H. Preservation of existing agreements and working arrangements**

This Memorandum of Understanding is without prejudice to reporting and quality assessment obligations following from Union legislation. The Memorandum of Understanding on economic and financial statistics between the Directorate General Statistics of the ECB and the Statistical Office of the European Communities (Eurostat), dated 10 March 2003, shall remain in principle unaffected by the signature of this Memorandum of Understanding. The provisions of the present Memorandum of Understanding shall prevail in case of a conflict.

#### **I. Settlement of disagreements**

In the event of any disagreement between the parties arising out of or in connection with this Memorandum of Understanding, including diverging quality assessments, such a disagreement shall be resolved at a working level with a view to reaching an amicable solution. If no mutually acceptable solution is reached within two months, the matter will be referred to the signatories of this Memorandum of Understanding.

## **J. Amendment and termination**

Any party may request an amendment or a termination of this Memorandum of Understanding, in which case the other party will address this request in good faith with a view to identifying a mutually acceptable solution as set out above.

Signed at Frankfurt and Luxembourg on 4 and 7 November 2016, respectively, in two original copies each in the English language by the Parties' duly authorised representatives.

*For Eurostat*



*Walter Radermacher*

*Director General Eurostat*

*For the ECB/DG-Statistics*



*Aurel Schubert*

*Director General Statistics*



*Werner Bier*

*Deputy Director General Statistics*

Annex

**Lists of Member States that have designated the respective NCB for producing the datasets**

<b>BALANCE OF PAYMENTS &amp; INTERNATIONAL INVESTMENT POSITION</b>	<b>FINANCIAL ACCOUNTS</b>
<i>Belgium</i>	
<i>Bulgaria</i>	<i>Bulgaria (NSI: Annual, NCB: Quarterly)</i>
<i>Czech Republic</i>	<i>Czech Republic (NSI: Annual, NCB: Quarterly)</i>
<i>Denmark (NSI: BOP, NCB IIP)</i>	<i>Denmark (NSI: Annual, NCB: Quarterly)</i>
<i>Germany</i>	<i>Germany</i>
<i>Estonia</i>	<i>Estonia (NSI: Annual, NCB: Quarterly)</i>
	<i>Ireland (NSI: Annual, NCB: Quarterly)</i>
<i>Greece</i>	<i>Greece</i>
<i>Spain</i>	<i>Spain</i>
<i>France</i>	<i>France</i>
<i>Croatia</i>	<i>Croatia</i>
<i>Italy</i>	<i>Italy</i>
<i>Cyprus</i>	<i>Cyprus (NSI: Annual, NCB: Quarterly)</i>
<i>Latvia</i>	<i>Latvia (NSI: Annual, NCB: Quarterly)</i>
<i>Lithuania</i>	<i>Lithuania (NSI: Annual, NCB: Quarterly)</i>
<i>Luxembourg (NSI: current account – all items except investment income, capital account, NCB: IIP, Financial account and investment income)</i>	<i>Luxembourg (NSI: Annual, NCB: Quarterly)</i>

<i>Hungary</i>	<i>Hungary</i>
	<i>Malta (NSI: Annual, NCB: Quarterly)</i>
<i>Netherlands</i>	
<i>Austria</i>	<i>Austria (except for the General Government sector)</i>
<i>Poland</i>	<i>Poland (except for the General Government sector)</i>
<i>Portugal</i>	<i>Portugal</i>
<i>Romania</i>	<i>Romania</i>
<i>Slovenia</i>	<i>Slovenia</i>
<i>Slovakia</i>	<i>Slovakia (NSI: Annual, NCB: Quarterly)</i>