



**COUNCIL OF  
THE EUROPEAN UNION**

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**STATIS 53  
ECOFIN 454  
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**COVER NOTE**

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From: General Secretariat of the Council  
To: Council

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Subject: European Parliament legislative resolution of 6 July 2010 on the proposal for a Council regulation amending Regulation (EC) No 479/2009 as regards the quality of statistical data in the context of the excessive deficit procedure (COM(2010)0053 – C7-0064/2010 – 2010/0035(NLE))

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The text of the European Parliament's legislative resolution, adopted on 6 July 2010, is set out in the Annex to this document.

Encl.:

**European Parliament legislative resolution of 6 July 2010 on the proposal for a Council regulation amending Regulation (EC) No 479/2009 as regards the quality of statistical data in the context of the excessive deficit procedure (COM(2010)0053 – C7-0064/2010 – 2010/0035(NLE))**

**(Consultation)**

*The European Parliament,*

- having regard to the Commission proposal to the Council (COM(2010)0053),
  - having regard to Article 126(14), third subparagraph, of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C7-0064/2010),
  - having regard to the opinion of the European Central Bank of 31 March 2010<sup>1</sup>,
  - having regard to Rule 55 of its Rules of Procedure,
  - having regard to the report of the Committee on Economic and Monetary Affairs (A7-0220/2010),
1. Approves the Commission proposal as amended;
  2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 293(2) of the Treaty on the Functioning of the European Union;
  3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
  4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
  5. Instructs its President to forward its position to the Council and the Commission.

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<sup>1</sup> OJ C 103, 22.4.2010, p. 1.

## Amendment 1

### Proposal for a regulation – amending act Recital 1 a (new)

*Text proposed by the Commission*

*Amendment*

***(1a) Unfortunately, neither the Commission (Eurostat)'s warning, issued as long ago as 2004, nor the Commission's initiatives in this area, set out in its communication of 22 December 2004 entitled 'Towards a European governance strategy for fiscal statistics'<sup>1</sup>, led to reforms by the Council of the governance framework for financial statistics, which were overdue even then. Had timely action been taken, the errors in reporting the relevant data on public deficit could have been identified much sooner and the resulting crisis could at least have been contained. It is therefore of critical importance that the Commission (Eurostat) receive an appropriate competence framework, adequate staffing and as much independence as possible.***

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<sup>1</sup>COM(2004)0832.

## Amendment 2

### Proposal for a regulation – amending act Recital 1 b (new)

*Text proposed by the Commission*

*Amendment*

***(1b) The Commission should assess and draw conclusions about how the collection and evaluation of financial statistics from Member States was conducted in the past. Those conclusions should be reported to the European Parliament.***

### Amendment 3

#### Proposal for a regulation – amending act Recital 3

*Text proposed by the Commission*

(3) The revised governance framework for fiscal statistics has overall functioned well and, in general, has produced a satisfactory outcome in terms of reporting of relevant fiscal data on government deficit and debt. ***In particular, the*** Member States have ***predominantly*** demonstrated a solid record of co-operation in good faith and an operational ability to report fiscal data of high quality.

*Amendment*

(3) ***While*** the revised governance framework for fiscal statistics has overall functioned well and, in general, has produced a satisfactory outcome in terms of reporting of relevant fiscal data on government deficit and debt, ***and most*** Member States have demonstrated a solid record of co-operation in good faith and an operational ability to report fiscal data of high quality, ***previous opportunities should have been taken to enhance the quality and scope of data provided to the Commission (Eurostat).***

### Amendment 4

#### Proposal for a regulation – amending act Recital 4

*Text proposed by the Commission*

(4) However, recent developments have also clearly demonstrated that the current governance framework for fiscal statistics still does not mitigate, to the extent necessary, the risk of incorrect or inaccurate data being deliberately notified to the Commission.

*Amendment*

(4) However, recent developments ***in the Union*** have also clearly demonstrated that the current governance framework for fiscal statistics still does not mitigate, to the extent necessary, the risk of incorrect or inaccurate data being deliberately notified to the Commission.

### Amendment 5

#### Proposal for a regulation – amending act Recital 4 a (new)

*Text proposed by the Commission*

*Amendment*

***(4a) The reliability of statistics made available by the Commission (Eurostat) at Union level directly depends on the reliability of statistical data collected by Member States at national level.***

## Amendment 6

### Proposal for a regulation – amending act Recital 4 b (new)

*Text proposed by the Commission*

*Amendment*

***(4b) Ensuring institutional independence of all national statutory statistical bodies is crucial to avoid any undue pressure on them from their respective governments.***

## Amendment 7

### Proposal for a regulation – amending act Recital 5

*Text proposed by the Commission*

*Amendment*

(5) In this connection, the Commission (Eurostat) should have additional rights of access to a widened scope of information for the needs of data quality assessment.

(5) In this connection, the Commission (Eurostat) should have additional rights of access to a widened scope of information for the needs of data quality assessment. ***It is essential that the data received from the Member States is shared in due time with the European Central Bank's Directorate General for Statistics.***

## Amendment 8

### Proposal for a regulation – amending act Recital 5 a (new)

*Text proposed by the Commission*

*Amendment*

***(5a) The comparability of economic data requires a uniform methodology. The Commission should therefore promote the harmonisation of statistical data collection.***

## Amendment 9

### Proposal for a regulation – amending act Recital 6

*Text proposed by the Commission*

(6) In carrying out monitoring visits to a Member State whose statistical information is under scrutiny the Commission (Eurostat) should be entitled to have access to the accounts of government entities at central, state, local and social security levels, including the provision of underlying detailed accounting information, relevant statistical surveys and questionnaires and further related information, respecting the legislation on data protection as well as statistical confidentiality.

*Amendment*

(6) In carrying out monitoring visits to a Member State whose statistical information is under scrutiny the Commission (Eurostat) should be entitled to have access to the accounts of government entities at central, state, local and social security levels, including the provision of underlying detailed accounting information, relevant statistical surveys and questionnaires and further related information, ***including off-balance sheet transactions***, respecting the legislation on data protection as well as statistical confidentiality.

## Amendment 10

### Proposal for a regulation – amending act Recital 6 a (new)

*Text proposed by the Commission*

*Amendment*

***(6a) To enable the Commission (Eurostat) to fulfil its extended supervisory duties responsibly, an increase in qualified staff in the relevant departments is needed. The additional outlay for staff and costs should be covered by budget and staff transfers within the Commission.***

## Amendment 11

### Proposal for a regulation – amending act Recital 7

*Text proposed by the Commission*

(7) Public accounts of individual general government units, as well as of public units classified outside general government sector, should be the main object of the controls, and the public accounts should be assessed in terms of their statistical use.

*Amendment*

(7) Public accounts of individual general government units, as well as of public units classified outside general government sector, should be the main object of the controls, and the public accounts should be assessed in terms of their statistical use.

***Both mid-term analysis and multiannual frameworks should be used to assist budgetary evaluation.***

## Amendment 12

### Proposal for a regulation – amending act Recital 8 a (new)

*Text proposed by the Commission*

*Amendment*

***(8a) The Member States should provide the Commission (Eurostat) with all statistical and budgetary information on the basis of a standardised and internationally accepted method of accounting.***

## Amendment 13

### Proposal for a regulation – amending act Recital 8 b (new)

*Text proposed by the Commission*

*Amendment*

***(8b) The Commission should consider elaborating sanctions within the framework of the Stability and Growth Pact in relation to the submission of misrepresented macro-economic statistics by Member States. The Commission should consider enforcing such sanctions against Member States that falsify the macroeconomic statistics relating to their budget deficit and government debt.***

## Amendment 14

### Proposal for a regulation – amending act

#### Article 1 – point -1 (new)

Regulation (EC) No 479/2009

Article 2 – paragraph 1

*Text proposed by the Commission*

*Amendment*

***(-1) In Article 2, paragraph 1 is replaced by the following:***

**"1. 'Planned government deficit and government debt level figures' means the figures established for the current year by the Member States. They shall be the most recent official forecasts, taking into account the most recent budgetary decisions and economic developments and prospects *and monthly and quarterly outturns*. They *shall* be produced in as short a time as possible before the reporting deadline."**

## Amendment 15

### Proposal for a regulation – amending act

#### Article 1 – point 2

Regulation (EC) No 479/2009

Article 8 – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

2. Member States shall as promptly as possible provide the Commission (Eurostat) with access to all the information requested for the needs of the data quality assessment, ***including*** statistical information ***such as*** data from national accounts, inventories, excessive deficit procedure notification tables, additional questionnaires and clarification related to ***the*** notifications.

2. Member States shall as promptly as possible provide the Commission (Eurostat) with access to all the ***statistical and budgetary*** information requested for the needs of the data quality assessment. ***That information shall be based on a standardised and internationally accepted method of accounting agreed with the Commission (Eurostat).*** Statistical and budgetary information ***shall include, in***



*particular:*

- (a)* data from national accounts;
- (b)* inventories;
- (c)* excessive deficit procedure (*EDP*) notification tables;
- (d)* additional questionnaires and clarifications related to *EDP* notifications;
- (e)* **information from the General Audit Office, Ministry of Finance or relevant regional authority on the execution of the Member State's national and regional budgets;**
- (f)* **the accounts of extra-budgetary bodies or non-profit organisations and similar bodies that are part of the general government sector in national accounts;**
- (g)* **exhaustive information on any type of off-balance sheet body;**
- (h)* **the accounts of social security funds;**  
**and**
- (i)* **local government surveys.**

**Amendment 16**

**Proposal for a regulation – amending act**

**Article 1 – point 3**

Regulation (EC) No 479/2009

Article 11 – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

3. The methodological visits are designed to monitor the processes and verify the accounts which justify the reported actual data and to draw detailed conclusions as to the quality of reported data, as defined in Article 8(1).

*Amendment*

3. The methodological visits **may be unannounced and** are designed to monitor the processes **including the independence of the national statistical authority from the government** and verify the accounts which justify the reported actual data and to draw detailed conclusions as to the quality of reported data, as defined in Article 8(1).

## Amendment 17

### Proposal for a regulation – amending act

#### Article 1 – point 3

Regulation (EC) No 479/2009

Article 11 – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The methodological visits shall only be undertaken in *exceptional* cases where *significant* risks or problems with the quality of the data *have been clearly identified*.

#### *Amendment*

The methodological visits, *announced or unannounced*, shall only be undertaken in cases where *serious* risks or problems with the quality of the data *are suspected*. *The Commission shall establish a list of cases to be considered as a significant risk or problem relating to the quality of the data. That list shall be established after consulting the CMFB.*

## Amendment 18

### Proposal for a regulation – amending act

#### Article 1 – point 4

Regulation (EC) No 479/2009

Article 12 – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall, at the request of the Commission (Eurostat), provide the assistance of experts in national accounting, including for the preparation and undertaking of the methodological visits. In the exercise of their duties, these experts shall provide an independent expertise. A list of those experts in national accounting shall be constituted on the basis of proposals sent to the Commission (Eurostat) by the national authorities responsible for the excessive deficit reporting.

#### *Amendment*

1. Member States shall, at the request of the Commission (Eurostat), provide the assistance of experts in national accounting, including for the preparation and undertaking of the methodological visits, *which may also be unannounced*. In the exercise of their duties, these experts shall provide an independent expertise *and shall undergo special training so as to ensure a high level of expertise and impartiality*. A list of those experts in national accounting shall be constituted on the basis of proposals sent to the Commission (Eurostat) by the national authorities responsible for the excessive deficit reporting.

## Amendment 19

### Proposal for a regulation – amending act

#### Article 1 – point 5

Regulation (EC) No 479/2009

Article 12 – paragraph 2 – subparagraph 1

#### *Text proposed by the Commission*

2. In the framework of the methodological visits, the Commission (Eurostat) shall have the right to access the accounts of all government entities at central, state, local and social security levels, including the provision of underlying detailed accounting information, such as transactions and balance sheets, relevant statistical surveys and questionnaires and further related information, such as analytical documents and the accounting data of other public bodies.

#### *Amendment*

2. In the framework of the methodological visits, ***which may also be unannounced,*** the Commission (Eurostat) shall have the right to access the accounts of all government entities at central, state, local and social security ***(including state pension fund)*** levels, including the provision of underlying detailed accounting information, such as transactions and balance sheets, relevant statistical surveys and questionnaires and further related information, such as analytical documents and the accounting data of other public bodies.

## Amendment 20

### Proposal for a regulation – amending act

#### Article 1 – point 5

Regulation (EC) No 479/2009

Article 12 – paragraph 2 – subparagraph 1 a (new)

#### *Text proposed by the Commission*

#### *Amendment*

***Representatives of the European Central Bank may take part and assist the officials of the Commission (Eurostat) during the methodological visits.***

## Amendment 21

### Proposal for a regulation – amending act

#### Article 1 – point 5

Regulation (EC) No 479/2009

Article 12 – paragraph 2 – subparagraph 1 b (new)

*Text proposed by the Commission*

*Amendment*

***The Commission (Eurostat) may make on-site inspections and be permitted to hold interviews with any organisation it deems relevant to its work.***

## Amendment 22

### Proposal for a regulation – amending act

#### Article 1 – point 5

Regulation (EC) No 479/2009

Article 12 – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

Member States shall take all necessary measures to facilitate the methodological visits. Those visits may be carried out in national authorities involved in the excessive deficit procedure reporting, as well as in all services directly or indirectly involved in the production of government accounts and debt. Member States shall ensure that those national authorities and services, and where necessary, their national authorities who have a functional responsibility for the control of the public accounts, provide the Commission officials or other experts referred to in paragraph 1 with the assistance necessary to carry out their duties, including making documents available to justify the reported actual deficit and debt data and the underlying government accounts. Confidential records of the national statistical system should only be provided to the Commission (Eurostat).

Member States shall take all necessary measures to facilitate the methodological visits, ***which may also be unannounced.*** Those visits may be carried out in national authorities involved in the excessive deficit procedure reporting, as well as in all services directly or indirectly involved in the production of government accounts and debt. Member States shall ensure that those national authorities and services, and where necessary, their national authorities who have a functional responsibility for the control of the public accounts, provide the Commission officials or other experts referred to in paragraph 1 with the assistance necessary to carry out their duties, including making documents available to justify the reported actual deficit and debt data and the underlying government accounts. Confidential records of the national statistical system should only be provided to the Commission (Eurostat).

## Amendment 23

### Proposal for a regulation – amending act

#### Article 1 – point 5 a (new)

Regulation (EC) No 479/2009

Article 16 – paragraph 1

*Text proposed by the Commission*

*Amendment*

***(5a) In Article 16, paragraph 1 is replaced by the following:***

***"1. Member States shall ensure that the actual data reported to the Commission (Eurostat) are provided in accordance with the principles established by Articles 2 and 12 of Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics<sup>1</sup>. In this regard, the responsibility of the national statistical authorities is to ensure the compliance of reported data with Article 1 of this Regulation and the underlying ESA 95 accounting rules. Member States shall ensure that the national statistical authorities are provided with access to all relevant information necessary to perform this task."***

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<sup>1</sup> OJ L 87, 31.3.2009, p. 164.