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**COMMUNICATION OF THE COMMISSION TO THE EUROPEAN PARLIAMENT
AND THE COUNCIL ON EUROZONE STATISTICS**

**“TOWARDS IMPROVED METHODOLOGIES
FOR EUROZONE STATISTICS AND INDICATORS”**

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EXECUTIVE SUMMARY

The Barcelona European Council of 15 and 16 March 2002 invited the Commission and the Council to present a comprehensive report on Eurozone statistics for the European Council of March 2003. As the Eurozone is a monetary union working under a single and independent monetary policy and decentralised but co-ordinated fiscal policies, there is a need to make further progress by improving and harmonising the methodologies used to draw up Eurozone statistics and indicators.

Modern-day democracies can only function efficiently if the policy makers and the public at large are well informed about the economic and social developments. There is nothing more important for monetary and fiscal policies than trustworthy statistics. They summarise overall developments and are the only reliable source to assess macroeconomic developments such as inflation, economic growth and the business cycle.

Improved methodologies for Eurozone statistics and indicators mean that the principles of impartiality, reliability, relevance, consistency, cost-effectiveness, statistical confidentiality, and transparency are fully applied. The general public must be able to trust that official statistics do not serve any other interest than providing the best possible information on the state of affairs.

For the European Union as a whole and in particular for the Eurozone, official statistics of a high quality are essential for the conduct of monetary policy and the co-ordination of economic, in particular fiscal, policies. A sufficiently detailed and comprehensive set of timely and reliable monthly and quarterly statistics for the EU and the Eurozone is indispensable for an independent and credible monetary policy. Similarly, reliable statistics on national government deficit and debt and gross domestic product play an essential role in the co-ordination of economic policies of Member States.

Considerable progress has already been made. However, for the European Statistical System to become a centre of excellence a quantum leap is needed. This will be best achieved through implementing the First for Europe Principle with Member States focusing on the provision of the information required for compiling timely and high quality European statistics.

The resources for statistics and the role of the institutions compiling them must comply with these new European requirements.

The Commission (and the Council) invite the European Council to:

- ensure that all necessary measures are taken to safeguard and strengthen trustworthy official statistics, including the scientific independence of the European Statistical System comprising Eurostat and the national statistical institutes;
- support a rigorous compliance monitoring of statistics for the Excessive Deficit Procedure and the Stability and Growth Pact, notably based on a full transparency of the concepts, data and methods underlying the compilation of these data; and

- support the development of monthly and quarterly Principal European Economic Indicators needed for monetary and economic policies and available first for Europe, with a timeliness and quality that matches world-wide standards.

I. INTRODUCTION

The Barcelona European Council of March 2002 expressed the need for further progress to be made on Eurozone statistics and asked the Commission and the Council to prepare a comprehensive report on Eurozone statistics for the Spring 2003 European Council.

Indeed, the availability of good quality Eurozone statistics is essential for the co-ordination of economic policies, the assessment of convergence and the conduct of monetary policy. This applies to infra-annual macro-economic statistics, which represent a key instrument for business cycle analysis and short-term economic policies. The same is particularly true for a successful monitoring of government deficit and debt in the context of the Excessive Deficit Procedure (EDP) of the Stability and Growth Pact. This report is centred on these two aspects, which are of utmost importance for the Monetary Union.

Over recent years, the Commission, the Council, the European Central Bank and the European Statistical System (ESS) as a whole have made very substantial improvements to the quality of statistics, notably with respect to the comparability, coverage, timeliness and coherence of data. In particular, since the signature of the Maastricht Treaty in 1992, several important initiatives have been undertaken to enhance European macro-economic statistics. Thus, the European System of integrated economic accounts dating from 1979 was replaced by a new, more comprehensive system (known as ESA 95). ESA 95 has since April 1999 obliged Member States to report national accounts data within a well-defined time schedule on both an annual and quarterly basis. Moreover, high quality information for Harmonised Indices on Consumer Prices (HICP) in Member States has been produced since January 1997. In addition, in May 1998 the Council adopted, a Regulation setting up a common framework for the production of short-term Community statistics on the business cycle. Finally, since 1994 Member States have had to report their planned and actual government deficit and debt data in application of the Protocol on the EDP. However, despite the considerable progress secured to date, further improvements are still needed.

Concerning infra-annual macro-economic statistics, improvements are particularly needed with respect to the timeliness, frequency and coverage of data, the breakdown of statistics between Eurozone and non-Eurozone, the further harmonisation of methodologies and the accessibility of statistical information. Such progress is essential if the ESS is to meet fully the needs of major users including government bodies and political authorities, economic actors and financial markets, and to be considered as the reference provider of infra-annual macro-economic statistical information for the Eurozone and the EU.

On EDP statistics, the reporting practices and procedural arrangements need improving. The compliance monitoring system should be enhanced. The scientific independence of statistical authorities must be reaffirmed and reinforced. The transparency of statistical sources and methods used should be improved. These issues are of the highest importance, as they strengthen the credibility of the surveillance of the quality and long-term sustainability of public finances in the Eurozone.

In response to the invitation of the Barcelona European Council, this report sets out the recent improvements achieved on Eurozone statistics, the remaining weaknesses and the approaches

taken to deal with them, the impending threats and the strategies adopted to address them. It also underlines the support expected from the European Council and the political guidance needed. The report deals primarily with Eurozone statistics and not European Union (EU) statistics as a whole. However, given the very close links between Eurozone and other EU statistics, the latter are also mentioned in some parts of the report.

Section II deals with infra-annual macro-economic statistics, notably outlining the approaches aimed at improving their timeliness and other quality features. Section III of the report addresses the EDP provisions, and examines in particular options for strengthening its credibility. Section IV summarises the objectives and strategies on EU/Eurozone statistics, considers the commitments expected from the various players, and highlights the need for support at the highest political level.

II. TOWARDS BETTER QUALITY AND IMPROVED TIMELINESS OF INFRA-ANNUAL MACRO-ECONOMIC STATISTICS FOR EUROZONE

A. Current situation

Infra-annual macro-economic statistics represent a key tool for economic and monetary policy-making and business cycle analysis. Naturally, the demand for timely and good quality infra-annual macro-economic statistics for the Eurozone has increased sharply since the advent of the monetary union in 1999.

Although considerable progress has been made over recent years in this area, many EU/Eurozone statistics lack timeliness. The comparison with the best EU Member States and the United States is particularly striking. Moreover, the quality of some of these statistics has been criticised. This is a cause for concern to the European Commission, the European Statistical System (ESS) and the Council, and to major users such as the European Central Bank (ECB), economic actors and financial market analysts.

Thus, in its conclusions of October 2001 relative to the statistical requirements in Eurozone, the Economic and Financial Affairs ("Ecofin") Council noted that further improvements must be achieved in terms of the timeliness of key indicators. In particular, the Ecofin Council said that, within the next five years, Eurozone statistics should attempt to emulate US standards of availability and timeliness. To improve infra-annual macro-economic statistics, the Commission has adopted policies aiming primarily at meeting users' needs by providing EU/Eurozone infra-annual macro-economic statistics meeting standards of timeliness and other measures of quality which are comparable to the best in Europe, the United States and the rest of the world.

B. Main objectives and strategies on infra-annual macro-economic statistics

1. Main objectives

The Commission's main objective is to accelerate the release of a set of key EU/Eurozone infra-annual macro-economic statistics and to improve other quality features. These notably include complete statistical coverage, consistency between the different sets of data, the transparency of the methods applied, sound monitoring and detailed explanations of data revisions, and the accessibility of statistical information.

This would help improve the quality of the service to the various categories of users, and the Commission and ESS would ultimately be seen as a reference point and a centre of excellence for EU/Eurozone infra-annual macro-economic statistics. The targeted improvements will be of great interest to EU policy-makers and to the ECB, which is responsible for EU monetary policy and for the stability of the euro.

2. *The strategies used*

2.1. The European Monetary Union (EMU) Action Plan

The Action Plan presented to the Ecofin Council in September 2000 represented a major step towards the improvement of EU/Eurozone infra-annual macro-economic statistics. The EMU Action Plan covers quarterly national accounts, quarterly accounts for the government sector, statistics on labour markets, short term business statistics and statistics on external trade. For each Member State, it has identified areas where progress is needed in the compilation of national indicators. A list of action points has been established for Eurostat and for each Member State (the National Action Plan), in order to focus efforts on the required improvements. The Action Plan requires Member States to accelerate the production of national data series to permit timely compilation by the Commission of reliable EU/Eurozone indicators. It also provides for improvements in other quality aspects. Progress on implementing the Action Plan is reported regularly to Ecofin.

The Action Plan has created strong momentum for statistical improvements, and has already produced positive results. Most Member States are now transmitting their quarterly national accounts to Eurostat within 70 days, compared with over 90 days before. Moreover, the quarterly government statistics that did not previously exist are now compiled by Member States.

The main elements of the fifth progress report on the implementation of the EMU Action Plan may eventually be annexed to the comprehensive report that will be submitted to the European Council.

2.2 Statistics for services

Services contribute some 70% of Eurozone and EU Gross Domestic Product, but monthly and quarterly statistical data are scarce, except for retail trade. To improve this, the Ecofin Council requested proposals aiming to improve the availability of monthly and quarterly data. In response, priorities for the development of infra-annual macro-economic statistics have been identified in the fifth progress report on the implementation of the EMU Action Plan.

2.3. The benchmarking exercises

In parallel to the Action Plan, an intra-EU and EU-US benchmark study was carried out in September 2000. It confirmed that the Action Plan, although very substantial, might not be enough to match the US timeliness and best practices world-wide. A list of more focused infra-annual macro-economic indicators (the Principal European Economic Indicators or PEEIs) has therefore been set up, with more challenging target release dates for EU/Eurozone indicators and other quality objectives together with milestones (see table 1 below: "PEEI list: Periodicity and Delays in Calendar Days").

C. A concerted approach on PEEIs

In order to achieve the highest quality standards and offer the best possible statistical service to the various users, the EU needs strong and efficient co-ordination on statistical information in general and on PEEIs in particular. The Commission has a leading role to play in this respect, being the body responsible for compiling and releasing statistical data and indicators at EU/Eurozone level. This co-ordination role will gain in importance with the forthcoming enlargement, if infra-annual macro-economic statistics of future Member States are to be incorporated adequately so that neither timeliness nor quality of EU/Eurozone indicators are compromised.

Concerning PEEIs, the Commission has adopted solutions covering several aspects: details are given in the following paragraphs. The list of PEEIs and the related objectives will need refining over time, notably to accommodate developments on services statistics.

1. Euroindicators

In autumn 1998 the Commission launched with its Euro indicators a special dissemination service focusing on statistical information particularly relevant for the monetary union. In summer 2001 this service was extended with the opening of the Euroindicator web-site offering access to a full set of metadata and a database geared towards the needs of the business cycle analysts.

Despite a considerable improvement over the prior situation these new services have equally revealed the need for further improvement. This has led the Commission to broaden its policy in pursuit of its main objectives.

2. Setting up a list of PEEIs

The PEEIs on the list have been selected on the basis of the views of the ECB and the Commission's Economic and Financial Affairs Directorate-General, and on results from the benchmarking exercises so as to fully reflect current user needs. The list will be updated on the basis of suggestions from the Commission that will be discussed notably with the ECB and Member States.

The Commission and the ESS co-operate closely with the ECB on issues related to monetary, financial and balance of payments indicators.

3. Compilation of PEEIs

The Commission will compile and release PEEIs based on Member States' contributions. This does not mean that all Member States will have to produce representative indicators nationally with the same timeliness. But Member States, in particular those whose economy has the most significant impact on EU/Eurozone aggregates, are expected to contribute the information that will be needed to produce and release timely and representative indicators at EU/Eurozone level (First for Europe principle). Other Member States are asked to do their best to supply this information as well. All Member States naturally remain, free to release the indicators nationally, if they wish.

In the current compilation and release process the estimation of EU/Eurozone aggregates (in cases where data are lacking) is neither generalised nor based on common principles, and the revision of EU/Eurozone indicators is triggered more or less uncontrolled by national revisions. It is in this context that the Commission has recently adopted a clear estimation and revision policy for EU/Eurozone indicators.

The Commission will disclose full information on the way in which each PEEI has been compiled through the Euroindicators site.

4. Release of data

The Commission aims to release EU/Eurozone indicators on the target dates indicated in table 1. The achievement of this objective is to a large extent dependent on Member States fulfilling the commitments they have made voluntarily (i.e. by means of gentlemen's agreements) regarding PEEI improvements. These commitments notably provide that Member States will submit to the Commission their contributions to the information needed to compile indicators at EU/Eurozone level, within specific time limits, so that the EU target release dates can be met.

5. Dissemination of data

The Commission will develop a common dissemination platform with Member States for the dissemination of PEEIs. This platform will be a specific domain accessible through the Euroindicators site, and will cover both EU/Eurozone and national indicators (compiled according to EU standards). This approach implies greater responsibility for Member States regarding the quality and smooth functioning of the system. Member States will be directly responsible for the release and updating of their national indicators through the site, but this will have to be done in a way that appears consistent and co-ordinated to the users. They will have to give explanations on the status of their national indicators and the methodologies applied.

The general aim is to permit the use of state-of-the-art technologies to reinforce co-operation, taking account of the subsidiarity and proportionality principles.

6. Promotion of best practices

The benchmarking exercise (intra-EU comparison) conducted in 2001 revealed inter alia that national statistics vary considerably in terms of timeliness and other quality aspects. This has shown clearly that there is room for improvement in Member States. The Commission therefore urges Member States to adopt best practices and facilitates this through special seminars and working group discussions.

D. PEEI improvements and Member States' commitments

For each PEEI, ambitious objectives have been set up regarding timeliness and other quality aspects. Member States' commitments within this programme include transmitting contributions before specific deadlines. The information to be transmitted consists of output data contributing to the various PEEIs, together with a qualitative assessment, concise metadata (sources, methods and formulae) and explanations for significant revisions. Member States are also asked to participate actively in the studies and other work concerning PEEI,

and in particular to join task forces where appropriate and to consider using the methodologies proposed by Eurostat where relevant.

E. Performance reporting

The Commission (Eurostat) will monitor progress on this work programme. It will prepare regular reports that will notably cover progress towards PEEI objectives and the application of the First for Europe principle for PEEIs. Those reports will assess Eurostat's contributions to improvements related to the timeliness and other quality objectives for PEEIs. They will also analyse improvement of the timeliness of Member States' contributions and their efforts to fulfil their commitments. In addition, the reports will cover the quality of Member States' participation in the common dissemination platform and the costs associated with this participation and the functioning of the platform.

F. Framework for Member States' commitments

The commitments planned under this concerted approach on PEEIs are made voluntarily. This means that no new regulatory instruments are needed, as requests to Member States are based on either already existing EU legislation or on voluntary arrangements (generally referred to in the statistical field as "gentlemen's agreements"). Naturally, Member States will still have to comply with EU legislation that concerns data related to the indicators. Where the timeliness objective set by EU legislation is less stringent than the PEEI objective, the latter should be pursued on the basis of a "gentlemen's agreement".

III. THE REPORTING AND VALIDATION OF GENERAL GOVERNMENT DEFICIT AND DEBT DATA IN THE CONTEXT OF THE EXCESSIVE DEFICIT PROCEDURE

A. Recent improvements and strengths of the system

The EDP has been in operation since 1994. It has given a major impetus for improving the EU governments' fiscal positions. Moreover, thanks to the efforts co-ordinated by Eurostat in harmonising the accounting rules and monitoring their implementation, the quality, timeliness and comparability of EDP data for the various Member States have improved considerably.

Following several improvements, the reporting and procedural arrangements under the EDP have been working well. The following are strengths of the system.

Firstly, the macroeconomic aggregates covered by the EDP (principally general government deficit and debt ratios) are now based on the European System of Accounts of 1995 (ESA 95). This represents a major improvement in terms of national accounts. ESA 95 is a common national accounting framework that has a solid basis in the form of a Council Regulation and is legally binding on all Member States. This permits Eurostat to ensure that the same basic concepts and accounting rules are strictly applied by all.

Secondly, for the recording of transactions insufficiently treated in ESA 95, or not treated at all, specific Regulations and Commission (Eurostat) guidelines are adopted to supplement ESA 95 or interpret and clarify its rules. These specific solutions conform to ESA 95 basic principles.

In addition, the search for appropriate solutions is conducted using a well-defined and transparent consultation procedure, starting with a thorough technical examination of the transactions by experts from Eurostat and the Member States within the National Accounts and Financial Accounts working parties of Eurostat.

Eurostat then consults the Committee on Monetary, Financial and Balance of Payments Statistics (the CMFB, which brings together very experienced representatives of National Statistical Institutes, National Central Banks, the European Central Bank and Eurostat) on the proposed solutions.

The CMFB is a consultative committee and its opinion is not binding on Eurostat, which alone is responsible for the final decision. In its final decision Eurostat does, however, take the fullest account of the opinions expressed by the CMFB and the expert groups on the accounting treatment of a transaction. Eurostat makes its decision in full independence and neutrality, applying purely technical criteria.

Furthermore, the same treatment is applied to equivalent cases in all Member States, thus ensuring the comparability of the aggregates.

In each case, the solution adopted together with the technical justifications and the results of the CMFB consultations are communicated to National Statistical Institutes and other interested bodies, and made public through press releases. This enhances the transparency of the procedure.

Finally, Eurostat examines regularly the EDP data reported by the Member States, to ensure that the accounting rules are properly applied by all countries.

This approach has enabled Eurostat to solve a number of complex issues since the EDP was launched in 1994.

B. Remaining weaknesses and proposed approaches

Despite these strengths, several weaknesses in the system have surfaced occasionally. These include large revisions to data for some countries, raising questions about the quality of the data; a lack of information and transparency on some figures and transactions, and the late transmission of EDP notifications by some Member States. Efforts have already been made to remedy and prevent these shortcomings, but they need to be continued with increased vigour.

It must be noted that the involvement of some National Statistical Institutes in the compilation of general government deficit and debt statistics is quite recent. In several countries, this task used (and continues) to be dealt with mainly by the budgetary services of finance ministries. NSIs have the capacity to contribute in this area, and help clarify the methods, practices and procedures; but this capacity is not yet fully and adequately mobilised.

In accordance with the principle of subsidiarity, each Member State sets up its own internal procedures and responsibilities for the transmission of EDP data. Nevertheless, national responsibilities for compiling and reporting the data must be clear to Eurostat. In addition, these procedures should facilitate a dialogue at national level and with the Commission, to ensure the transparency of the transactions and data and of the accounting treatments used.

On data revisions, Eurostat will continue to work with Member States with a view to strengthening the statistical systems, sources and methods that underlie EDP data, and improving the early estimates, thus limiting the size of subsequent revisions. Moreover, earlier consultation of Eurostat on specific transactions by Member States must be extended so that all accounting issues are addressed in time for the notifications. In addition, while Eurostat has so far carried out its verification work on historic data, more information on and analysis of certain national forecasts are needed. The recently adopted Regulation 1221/2002 of the European Parliament and the Council on quarterly accounts is expected to facilitate earlier information for the Commission on some transactions affecting general government in Member States. Lastly, it is of the highest importance that, in future, Member States accompany their notifications with a document explaining fully and clearly any significant revisions to earlier data and specific transactions.

On the lack of information and transparency, it is proposed that where necessary and at Eurostat's request, for monitoring purposes Member States provide more details (including possibly more detailed EDP reporting tables) on their figures and transactions. This concerns primarily the detailed information behind the figures compiled in the first place by finance ministries or other government bodies and transmitted subsequently to NSIs.

Concerning late notifications, it is recalled that deficit and debt data have to be reported by Member States before 1 March and 1 September each year. These deadlines must absolutely be adhered to, in order that Eurostat can check the data, seek clarifications from Member States where necessary, publish the data and issue its press releases within the target deadline of fifteen days. This is a critical condition for maintaining transparency with users, in particular the financial markets and the public at large.

The Commission will report to the Economic and Financial Committee (EFC) all significant shortcomings in the data notified by Member States under the EDP with a view to prompting appropriate action also by the EFC.

According to the Treaty, data for the EDP are provided by the Commission. However, since the Commission does not directly compile data from the basic sources in each country, it has to rely on data reported by the national statistical authorities. Therefore, co-ordinated efforts towards greater transparency and co-operation, full documentation and timeliness are essential from all sides - including notably economics and finance ministers - if the monitoring exercise is to be fully efficient and successful. This is vital, in particular if the current Member States are to set a good example to an enlarged EU, with a number of countries participating in the EDP exercise for the first time in the near future.

C. Impending threats and proposed strategies

One major impending threat to the EDP is the suspicion of political interference in the methodologies and data for general government deficit and debt reported by the Member States. This raises the issue of the scientific independence of the statistical bodies that compile these data in Member States (NSIs, national central banks and other agencies). Whilst it is undoubtedly for political authorities, and not statistical bodies, to define budgetary policies and priorities, the statistical authorities must have full and unquestioned control and responsibility over statistical methodologies and the compilation of data. These bodies must compile figures in strict compliance with ESA 95 concepts and methods, other relevant EU legislation and Eurostat guidelines.

It is essential to reaffirm and reinforce the scientific independence of statistical authorities at both national and EU levels, in order to enhance the credibility of the EDP and the Stability and Growth Pact.

To that effect, political authorities should refrain from any form of interference in statistical methodologies and the compilation of data. Moreover, they should make every effort to promote the transparency of that data. In addition, they should further encourage the existing consultation procedure centred on the CMFB that is presented in section III. A. above.

The notion of scientific independence for statisticians should be further defined and based on a common and Community-wide understanding. In addition, setting up an appropriate "peer review" system at European level that aims at the full transparency of data would contribute to strengthen independence.

The resources question is another prominent issue. Scarce resources together with ever-increasing new statistical requirements create an imbalance that hinders improvement of the most important statistics for both national and EU purposes. It is proposed that statistical priorities be reviewed in Member States and at European level with a view to applying a "First for Europe" principle. This implies that in particular, where individual country data are not requested for EU purposes, Member States would simply contribute the information needed to compile EU statistics, without having to produce the same statistics nationally. This approach would help reallocate resources to the most important statistics, including EDP data.

A specific Communication from the Commission to the European Parliament and the Council on the need and means to upgrade the quality of budgetary statistics is currently being prepared. This Communication would propose a code of conduct on the reporting and validation of general government deficit and debt data in the context of the EDP.

The proposed code of conduct, that would have to be agreed with Member States and endorsed by the Ecofin Council, focuses on technical details aiming to improve rules and procedures for EDP data. On the other hand, the present Communication aims to respond to the request from the Barcelona European Council of March 2002 by putting emphasis, and calling support from the European Council, on the principles that must govern the compilation and reporting of EDP data, as well as the role of the bodies responsible for these procedures. The proposed code of conduct is thus fully complementary to the present Communication on Eurozone statistics and eventually, its main elements may be considered in the final comprehensive report that will be submitted to the European Council of March 2003.

IV. OUTLINE IMPROVEMENT OBJECTIVES AND STRATEGIES, AND EXPECTED COMMITMENTS AND SUPPORT

A. Outline objectives and strategies

The Commission, the Council, the European Central Bank and the European Statistical System as a whole have already achieved very significant results on the EDP and infra-annual macro-economic statistics for the Eurozone. Nevertheless, further improvements are needed and some remaining important weaknesses and risks must be addressed.

On infra-annual macro-economic statistics timeliness and other quality aspects will be improved. To improve timeliness, the First for Europe principle and other policies on PEEIs

regarding their compilation, release dates and dissemination (as described in point II, C, paragraphs 3 to 6) will be applied. In addition, the sharing between Member States of best practices concerning statistical methodologies, the collection of data and organisational aspects will be promoted. The improved coverage of services activities, labour costs and import/export prices and the breakdown of some statistics between Eurozone and non-Eurozone will be given special emphasis. Naturally, the implementation of National Action Plans will need to be pursued vigorously.

On EDP statistics, the scientific independence of statisticians needs strengthening, the transparency of data must be reinforced, and timeliness has to be maintained in order to further assure the credibility of the Excessive Deficit Procedure (EDP) and the Stability and Growth Pact.

A firm commitment by political authorities to enhancing scientific independence is essential. Strategies to reach the other objectives include further work with Member States to improve statistical systems and earlier consultations between Member States and the Commission on difficult issues. In addition, Member States will be asked to supply more detailed information more quickly. This will enable closer compliance monitoring by the Commission.

In order to reach these goals, strong commitments are expected from the various players.

B. Expected commitments

The Commission is committed to doing its utmost to implement the policies presented in this report and to achieve the targeted improvements to infra-annual macro-economic statistics for the EU/Eurozone and to the EDP.

The success of this approach will depend to a large extent on the full co-operation and active participation of the Member States. The Commission accordingly invites the Member States to fulfil their commitments to deliver the data required and fully participate in the infra-annual macro-economic statistics improvements envisaged. In addition, the Commission calls on the Member States to commit themselves to efforts towards the full transparency of the EDP

The Council of Ministers and the European Parliament are invited to support the Commission's approach and urge Member States to contribute fully to the achievement of the objectives set by the Commission by fulfilling the commitments to deliver the required data and information.

C. The need for further political support and guidance from the European Council

The Commission (and the Council) seek the support of the European Council for this work, which is carried out within the ESS. It is proposed that the European Council:

- expresses its trust in the work of European statisticians, underlines the importance of their scientific independence, and encourages appropriate actions to further define and enshrine this notion throughout the Union;
- supports the rigorous compliance monitoring of EDP statistics, based notably on the full transparency of the transactions, data and methods underlying the compilation of the notified figures and encourages national statistical services to adopt best practices for data collection and for the compilation of infra-annual macro-economic statistics;

- encourages the Commission in developing a concerted approach that gives priority to the compilation of EU/Eurozone aggregates as implied by the First for Europe principle and pledges support from Member States when implementing this policy. This implies that resources are reallocated at national level to strengthen the European Statistical System;
- calls for national statistical bodies to participate actively in benchmarking exercises to improve statistics, policy and organisational aspects and compliance monitoring;
- underlines the importance of a permanent and open dialogue between producers and users of statistics in appropriate fora, to enable producers to render a better service in line with user needs and strengthen the transparency, credibility and authority of statistics.

TABLE 1**PRINCIPAL EUROPEAN ECONOMIC INDICATORS LIST:
PERIODICITY AND DELAYS IN CALENDAR DAYS**

SET	INDICATOR	PERIODICITY	EU DELAY TARGET	EU DELAY ACTUAL
Set 1: Consumer Price Indicators				
1.1.	Harmonised Consumer Price Index: MUICP flash estimate	monthly	0	2
1.2.	Harmonised Consumer Price Index: actual indices	monthly	17	17
Set 2: National Accounts Indicators				
2.1.	Quarterly National Accounts: First GDP estimate	quarterly	45	NA
2.2.	Quarterly National Accounts: First GDP release with more breakdowns	quarterly	60	70/120
2.3.	Quarterly National Accounts: Household and Company Accounts	quarterly	90	NA
2.4.	Quarterly National Accounts: Government Finance Statistics	quarterly	90	100
Set 3: Business Indicators				
3.1.	Industrial production index	monthly	40	48
3.2.	Industrial output price index for domestic markets	monthly	35	35
3.3.	Industrial new orders index	monthly	40/50	Preliminary data
3.4.	Industrial import price index	monthly	45	NA
3.5.	Production in construction	monthly/ quarterly	45	75
3.6.	Turnover index for retail trade and repair	monthly	30	60
3.7.	Turnover index for other services	quarterly	60	Partial data
3.8.	Corporate output price index for services	quarterly	60	NA
Set 4: Labour Market Indicators				
4.1.	Unemployment rate	monthly	30	30
4.2.	Job vacancy rate	quarterly	45	NA
4.3.	Employment	quarterly	45	70/75
4.4.	Labour cost index	quarterly	70	90
Set 5: Foreign Trade Indicators				
5.1.	External trade balance: intra and extra for MU and EU	monthly	45	50

NA : not available (not published yet at EU level)