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(Acts whose publication is obligatory)

**COUNCIL REGULATION (EC) No 1165/98
of 19 May 1998
concerning short-term statistics**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 213 thereof,

Having regard to the draft Regulation submitted by the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Having regard to the opinion of the European Monetary Institute ⁽⁴⁾,

(1) Whereas Council Directive 72/211/EEC of 30 May 1972 concerning coordinated statistics on the business cycle in industry and small craft industries ⁽⁵⁾ and Council Directive 78/166/EEC of 13 February 1978 concerning coordinated statistics on the business cycle in building and civil engineering ⁽⁶⁾ which aimed to provide a body of coherent statistics, have not been able to take account of economic and technical changes;

(2) Whereas the European Union has in the meantime made further progress towards integration; whereas new economic, competition, social, environmental and enterprise policies and guidelines call for initiatives and decisions based on valid statistics; whereas the information provided for under existing Community legislation or available in the various Member States is partly inadequate or insufficiently comparable to serve as a reliable basis for the work of the Communities;

(3) Whereas the future European Central Bank needs rapid short term statistics in order to assess economic development in the Member States in the context of a single European monetary policy;

(4) Whereas standardisation is required to meet Community needs for information concerning economic convergence;

(5) Whereas it is necessary to have reliable and rapid statistics available in order to report on the economic development in each Member State of the Union within the framework of the economic policy of the Union;

(6) Whereas businesses and their professional associations need such information in order to understand their markets and to know their activity and performance relative to their sector, at national and international level;

(7) Whereas the compilation of national accounts according to Council Regulation (EC) No 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community ⁽⁷⁾ requires the development of comparable, complete and reliable statistical sources;

(8) Whereas by Decision 92/326/EEC ⁽⁸⁾ the Council adopted a two-year programme (1992 to 1993) for the development of European statistics on services; whereas this programme includes the compilation of harmonised statistics at national and regional levels, particularly for the distributive trades;

(9) Whereas in accordance with the principle of subsidiarity the creation of common statistical norms that permit the production of harmonised statistics is an action which can only be undertaken efficiently at Community level and whereas they will be applied in each Member State under the authority of the bodies and institutions in charge of compiling official statistics;

(10) Whereas the best method of ascertaining the business cycle consists of compiling statistics which conform to common methodological principles and with common definitions of characteristics; whereas it is only from coordinated compilation that harmonised statistics can be drawn up with reliability, speed, flexibility and the level of detail required to

⁽¹⁾ OJ C 267, 3. 9. 1997, p. 1.

⁽²⁾ Opinion delivered on 20 February 1998 (OJ C 80, 16.3.1998).

⁽³⁾ OJ C 19, 21. 1. 1998, p. 125.

⁽⁴⁾ Opinion delivered on 11 September 1997 (not yet published in the Official Journal).

⁽⁵⁾ OJ L 128, 3. 6. 1972, p. 28.

⁽⁶⁾ OJ L 52, 23. 2. 1978, p. 17.

⁽⁷⁾ OJ L 310, 30. 11. 1996, p. 1.

⁽⁸⁾ OJ L 179, 1. 7. 1992, p. 131.

meet the needs of the Commission and of enterprises;

- (11) Whereas seasonal adjustment and the calculation of trend-cycle series for national data can best be carried out by the national statistical authorities; whereas the transmission to the Commission (Eurostat) of seasonally adjusted data and trend-cycle series will increase the coherence between data disseminated nationally and at an international level;
- (12) Whereas kind-of-activity units (KAU) correspond to one or more operational subdivisions of the enterprise; whereas for a KAU to be observable, the enterprise's information system must be capable of indicating or calculating for each KAU at least the value of production, intermediate consumption, manpower costs, the operating surplus and employment and gross fixed capital formation; whereas KAUs falling within a particular heading in the statistical classification of economic activities in the European Community (NACE Rev.1) can produce products outside the homogeneous group, on account of secondary activities connected with them which cannot be separately identified from available accounting documents; whereas the enterprise and the KAU are identical when it proves impossible for an enterprise to indicate or calculate information on all of the variables listed in this recital for one or more operational subdivisions;
- (13) Whereas the statistical data compiled within the Community system must be of a satisfactory quality and this quality, as well as the burden it entails, must be comparable from one Member State to another, and whereas it is therefore necessary to establish jointly the criteria enabling these requirements to be met; whereas short-term statistics must be consistent with the results transmitted in accordance with Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning structural business statistics⁽¹⁾;
- (14) Whereas Council Regulation (EC) No 322/97 of 17 February 1997 on Community statistics⁽²⁾ constitutes the reference framework for the provisions of this Regulation, in particular those which cover access to administrative data sources and statistical confidentiality;
- (15) Whereas it is necessary to simplify the administrative procedures for enterprises, particularly smaller enterprises, including the promotion of new technologies for data collection and compilation; whereas the use

of existing administrative data for statistical purposes is one of the measures to decrease the burden on enterprise; whereas if a direct data collection from businesses is indispensable for compiling the statistics, the methods and techniques must ensure that the data are reliable and up to date, without giving rise for the parties concerned, in particular for small and medium sized businesses, to a burden out of proportion to the results which users of the said statistics can reasonably expect;

- (16) Whereas it is necessary to have a legal framework common to all business activities and domains of business statistics covering also the activities and domains for which statistics are not yet developed; whereas the scope of the statistics to be compiled can be defined by reference to Council Regulation (EEC) No 696/93 of 15 March 1993 on the statistical units for the observation and analysis of the production system in the Community⁽³⁾ and Council Regulation (EEC) No 3037/90 of 9 October 1990 on the statistical classification of economic activities in the European Community (NACE Rev.1)⁽⁴⁾;
- (17) Whereas, in order to enable the rules for the collection and statistical processing of data and for processing and transmission of the variables to be clarified further, it is necessary to confer upon the Commission, assisted by the Statistical Programme Committee set up by Council Decision 89/382/EEC, Euratom⁽⁵⁾, the power to adopt measures for the application of this Regulation;
- (18) Whereas the Statistical Programme Committee has been consulted in accordance with Article 3 of Decision 89/382/EEC, Euratom,

HAS ADOPTED THIS REGULATION:

Article 1

General aims

1. The objective of this Regulation is to establish a common framework for the production of short-term Community statistics on the business cycle.
2. The statistics comprise information (variables) necessary to provide a uniform basis for the analysis of the short-term evolution of supply and demand, production factors and prices.

⁽³⁾ OJ L 76, 30. 3. 1993, p. 1.

⁽⁴⁾ OJ L 293, 24. 10. 1990, p. 1. Regulation as amended by Commission Regulation (EEC) No 761/93 (OJ L 83, 3. 4. 1993, p. 1).

⁽⁵⁾ OJ L 181, 28. 6. 1989, p. 47.

⁽¹⁾ OJ L 14, 17. 1. 1997, p. 1.

⁽²⁾ OJ L 52, 22. 2. 1997, p. 1.

*Article 2***Scope**

1. This Regulation shall apply to all market activities in Sections C to K and M to O of the statistical classification of economic activities in the European Community (NACE Rev.1) as established by Regulation (EEC) No 3037/90.

2. Statistical units of the types listed in Section I of the Annex to Regulation (EEC) No 696/93 and classified under one of the activities referred to in paragraph 1 shall be included in the scope of this Regulation. The use of particular units for the compilation of statistics is specified in the Annexes to this Regulation.

*Article 3***Annexes**

1. The specific requirements for the variables are described in the Annexes.

2. The following information is laid down in each Annex where relevant:

- (a) the specific activities for which the statistics are to be compiled;
- (b) the types of statistical unit to be used for the compilation of the statistics;
- (c) the lists of variables;
- (d) the form of the variables;
- (e) the reference period of the variables;
- (f) the level of detail of the variables;
- (g) the deadlines for data transmission;
- (h) the list of voluntary pilot studies;
- (i) the first reference period;
- (j) the length of the transition period which may be conceded.

*Article 4***Collection of data**

1. Member States shall obtain the necessary data for the compilation of the variables listed in the Annexes.

2. Member States may acquire the necessary data using a combination of different sources specified below, applying the principle of administrative simplification:

- (a) compulsory surveys: the legal units as defined in Regulation (EEC) No 696/93, to which the statistical units called upon by the Member States belong or of

which they are composed, shall be obliged to give timely, accurate and complete information;

- (b) other appropriate sources, including administrative data;

- (c) appropriate statistical estimation procedures.

3. Member States and the Commission within their respective fields of competence shall promote the conditions for increased use of electronic data collection and automatic data processing.

*Article 5***Periodicity**

All variables shall be produced more frequently than annually. The frequency for each variable is specified in the Annexes.

*Article 6***Level of detail**

The variables shall be produced in accordance with the prevailing classifications at the level of detail specified in the Annexes.

*Article 7***Processing**

Member States shall process the completed data acquired in accordance with Article 4(2) into comparable variables following the rules laid down in the Annexes. Member States shall also take account of the guidance provided by the advisory methodological manual referred to in Article 12.

*Article 8***Transmission**

Member States shall transmit the variables provided for in Article 7, including confidential data, to Eurostat by electronic or other appropriate means within a period of time from the end of the reference period which is laid down in the Annexes. In any case, the variables shall be transmitted to the Commission (Eurostat) not later than the day they are disseminated by the national authority.

*Article 9***Treatment of confidential data**

The treatment of confidential data and the transmission of such data as provided for in Article 8 shall be carried out in accordance with the existing Community provisions governing statistical confidentiality.

*Article 10***Quality**

1. Member States shall ensure that the transmitted variables reflect the population of units. For this purpose, the data acquired in accordance with Article 4(2) must cover as many units as necessary to ensure a sufficient degree of representativeness.
2. The quality of the variables shall be measured by each Member State according to common criteria.
3. The quality of the variables shall be tested regularly by comparing them with other statistical information. In addition they shall be checked for internal consistency.
4. Quality evaluation shall be carried out comparing the benefits of the availability of the data with the costs of collection and the burden on businesses, especially on small enterprises. For the purpose of this evaluation, Member States shall transmit to the Commission, at its request, the necessary information.

*Article 11***Change of weightings and base year**

1. Member States shall adapt where necessary the weighting system of composite indices at least every five years. The weights used in the adapted weighting systems shall be transmitted to the Commission within three years after the end of the new base year.
2. Every five years, Member States shall rebase the indices using as base years the years ending with a 0 or a 5. All indices must be rebased on the new base year within three years after the end of this new base year.

*Article 12***Methodological manual**

1. The Commission, after consulting the Statistical Programme Committee, shall publish an advisory methodological manual which explains the rules set out in the Annexes and also contains guidance concerning short term statistics.
2. The manual shall be revised at regular intervals.

*Article 13***Transition period and derogations**

1. Transition periods may be conceded, not extending more than five years from the date of entry into force of this Regulation.
2. During the transition periods derogations from the provisions of this Regulation may be accepted by the Commission in so far as the national statistical systems require major adaptations.

*Article 14***Reports**

1. Member States shall transmit to the Commission, at its request, any relevant information with regard to the implementation of this Regulation in the Member States.
2. The Commission shall, within three years of the date of entry into force of this Regulation and again every three years thereafter, submit a report to the European Parliament and the Council on the statistics compiled pursuant to this Regulation and in particular on their relevance and quality and the burden on business.

*Article 15***Coordination in the Member States**

In each Member State one national authority shall coordinate:

1. the transmission of variables (Article 8),
2. the quality measurement (Article 10),
3. the transmission of relevant information (Article 14(1)).

*Article 16***Pilot studies**

1. The Commission shall, in accordance with the procedure laid down in Article 18, institute a series of voluntary pilot studies to be carried out by Member States. These pilot studies are specified in the Annexes.
2. The pilot studies shall be carried out in order to assess the relevance and feasibility of obtaining data, taking into account the benefits of the availability of the data in relation to the cost of collection and the burden on business.
3. The Commission shall inform the Council of the results of the pilot studies.

*Article 17***Implementation**

The Commission shall determine, in accordance with the procedure laid down in Article 18, the measures for implementing this Regulation, including the measures to accommodate economic and technical developments concerning the collection and statistical processing of data and the transmission of the variables. In doing so, consideration shall be given to the principle that the benefits of the measure must outweigh its cost, and to the principle that major additional resources are not involved either for Member States or for enterprises as compared with the original provisions of this Regulation. In particular the measures for implementing this Regulation shall include:

- (a) the use of particular units (Article 2);
- (b) the updating of the list of variables (Article 3);
- (c) the definitions and the appropriate forms of the transmitted variables (Article 3);
- (d) the frequency of compilation of the statistics (Article 5);
- (e) the levels of breakdown and aggregation to be applied to the variables (Article 6);
- (f) the transmission deadlines (Article 8);
- (g) the criteria for the measurement of quality (Article 10);
- (h) the transition periods and derogations granted during the transition period (Article 13);
- (i) the institution of pilot studies (Article 16).

Article 18

Committee procedure

1. The Commission shall be assisted by the Statistical Programme Committee, hereinafter referred to as 'the committee'.
2. The representative of the Commission shall submit to the committee a draft of the measures to be taken. The committee shall deliver its opinion on the draft within a time limit which the chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148(2) of the

Treaty in the case of decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the committee shall be weighted in the manner set out in that Article. The chairman shall not vote.

3. The Commission shall adopt the measures envisaged if they are in accordance with the opinion of the committee. If the measures envisaged are not in accordance with the opinion of the committee, or if no opinion is delivered, the Commission shall without delay submit to the Council a proposal relating to the measures to be taken. The Council shall act by a qualified majority.

If on the expiry of a period of three months from the date of the referral to the Council, the Council has not acted, the proposed measures shall be adopted by the Commission.

Article 19

Repealing provisions

Directives 72/211/EEC and 78/166/EEC are hereby repealed.

Article 20

Entry into force

This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 19 May 1998.

For the Council
The President
G. BROWN

ANNEX A

INDUSTRY

(a) Scope

This Annex applies to all activities listed in Sections C to E of NACE Rev.1.

(b) Observation unit

1. Unless otherwise stated in paragraph 2 or decided otherwise according to the procedure in paragraph 3, the observation unit for all variables in this Annex is the kind-of-activity unit.
2. For enterprises with few persons employed in secondary activities the local unit or the enterprise may be used as the observation unit.
3. The use of other observation units can be decided in accordance with the procedure laid down in Article 18.

(c) List of variables

1. The statistics in this Annex comprise the following variables:

Variable	Name
110	Production
120	Turnover
121	Domestic turnover
122	Non-domestic turnover
130	New orders received
131	Domestic new orders
132	Non-domestic new orders
210	Number of persons employed
220	Hours worked
230	Gross wages and salaries
310	Output prices
311	Output prices of the domestic market
312	Output prices of the non-domestic market

2. Only if output prices of the non-domestic market (No 312) are not available, then this variable may be approximated by the unit value index (No 313).
3. Starting from the beginning of the first reference period the information on new orders (Nos 130, 131, 132) may be approximated by an alternative leading indicator, which may be calculated from business opinion survey data. This approximation is permitted for a period of five years from the date of entry into force of the Regulation. This period shall be extended for up to five more years unless decided differently in accordance with the procedure laid down in Article 18.
4. Starting from the beginning of the first reference period the information on persons employed (No 210) may be approximated by the number of employees (No 211). This approximation is permitted for a period of five years from the date of entry into force of the Regulation. This period shall be extended by up to five more years unless decided differently in accordance with the procedure laid down in Article 18.
5. The term 'domestic' means the territorial area of the Member State in question.
6. The information on production (No 110) is not required for Division 41 and Group 40.3 of NACE Rev.1.
7. The information on turnover (Nos 120, 121, 122) is not required for NACE Rev.1, Section E.

8. The information on orders (Nos 130, 131, 132) is only required for the following divisions of NACE Rev.1: 17, 18, 21, 24, 27, 28, 29, 30, 31, 32, 33, 34, 35. The list of NACE divisions could be modified within three years from the date of entry into force of the Regulation in accordance with the procedure laid down in Article 18.
9. The information on output prices or the unit value index (Nos 310, 311, 312 or 313) is not required for the following groups of NACE Rev.1: 12.0, 22.1, 23.3, 29.6, 35.1, 35.3. The list of groups could be modified within three years from the date of entry into force of the Regulation in accordance with the procedure laid down in Article 18.

(d) Form

1. All of the variables except production (No 110) are to be transmitted in an unadjusted form.
2. The production variable (No 110) is to be transmitted in a working-day adjusted form.
3. In addition Member States may transmit the variables seasonally adjusted and may also transmit the variables in the form of trend-cycles. Only if data are not transmitted in these forms, then the Commission (Eurostat) may produce seasonally adjusted and trend cycle series for these variables.
4. The variables Nos 110, 310, 311, 312 and 313 are to be transmitted as an index. All other variables are to be transmitted either as an index or as absolute figures.

(e) Reference period

The following reference periods shall apply:

Variable	Reference period
110	month
120	month
121	month
122	month
130	month
131	month
132	month
210	at least quarter
220	at least quarter
230	at least quarter
310	month
311	month
312 or 313	month

(f) Level of detail

1. All variables are to be transmitted at the 2-digit level of NACE Rev.1.
2. In addition, for Section D of NACE Rev.1, the index of production (No 110) and the index of output prices (Nos 310, 311, 312 or 313) are to be transmitted at the 3-digit and 4-digit levels of NACE Rev.1. The transmitted indices at the 3-digit and 4-digit levels must represent at least 90 % of the total value added for each Member State of Section D of NACE Rev.1 in a given base year. These variables need not be transmitted at these detailed levels by those Member States whose total value added of Section D of NACE Rev.1 in a given base year represents less than 5 % of the European Community total.
3. The variables transmitted at the 3-digit and 4-digit levels of NACE Rev.1 are used to produce aggregated indicators at these levels for the Community as a whole and for the group of Member States participating in the single currency. These indicators may also be disseminated at 3-digit and 4-digit levels for individual Member States and other groupings of Member States, where the Member States concerned have indicated that the data are of sufficient quality.
4. In addition, all variables are to be transmitted for main industrial groupings, the definition of which (reference to NACE Rev.1 activities) shall be decided in accordance with the procedure laid down in Article 18.

(g) Deadlines for data transmission

1. The variables shall be transmitted by the following deadlines after the end of the reference period:

Variable	Deadlines
110	1 month and 15 calendar days
120	2 months
121	2 months
122	2 months
130	1 month and 20 calendar days
131	1 month and 20 calendar days
132	1 month and 20 calendar days
210	3 months
220	3 months
230	3 months
310	1 month and 15 calendar days
311	1 month and 5 calendar days
312	1 month and 5 calendar days
313	1 month and 15 calendar days

2. The deadline may be up to 15 calendar days longer for those Member States whose value added in Sections C, D and E of NACE Rev.1 in a given base year represents less than 3 % of the European Community total.

(h) Pilot studies

The priorities for the pilot studies are as follows:

1. assess the possibilities of earlier data transmission;
2. collect output prices of the non-domestic market;
3. break down the non-domestic market variables into 'Monetary Union', 'intra-EC' and 'extra-EC';
4. collect short-term information concerning births and deaths of enterprises;
5. produce monthly employment information;
6. collect data on inventories;
7. provide information for more activities than listed in paragraphs 6 to 9 of Section C;
8. collect short-term investment information;
9. collect data on the stock of orders.

(i) First reference period

The first reference period for which all variables are to be transmitted is January 1998 for monthly data and the first quarter for quarterly data.

(j) Transition period

1. For the production variable (No 110), persons employed and the hours worked variables (Nos 210, 220) and the domestic output prices variable (No 311) a transition period of no longer than three years from the date of entry into force of the Regulation may be conceded in accordance with the procedure laid down in Article 18. This transition period may be extended by a further two years in accordance with the procedure laid down in Article 18.
2. For all other variables a transition period of no longer than five years from the date of entry into force of the Regulation may be conceded in accordance with the procedure laid down in Article 18.

ANNEX B

CONSTRUCTION

(a) Scope

This Annex applies to all activities listed in Section F of NACE Rev. 1.

(b) Observation unit

1. Unless otherwise stated in paragraph 2 or 3 or decided otherwise according to the procedure in paragraph 4, the observation unit for all variables in this Annex is the kind-of-activity unit.
2. For enterprises with few persons employed in secondary activities the local unit or the enterprise may be used as the observation unit.
3. Where appropriate, the statistics may be derived from information produced according to the classification of constructions (CC).
4. The use of other observation units can be decided in accordance with the procedure laid down in Article 18.

(c) List of variables

1. The statistics in this Annex comprise the following variables:

Variable	Name
110	Production
115	Production of building construction
116	Production of civil engineering
130	New orders received
135	New orders received for building construction
136	New orders received for civil engineering
210	Number of persons employed
220	Hours worked
230	Gross wages and salaries
320	Construction costs
321	Material costs
322	Labour costs
411	Building permits: number of dwellings
412	Building permits: square metres of useful floor area or alternative size measure

2. Starting from the beginning of the first reference period, the information on new orders (No 130) may be approximated by an alternative leading indicator, which may be calculated from business opinion survey data. This approximation is permitted for a period of five years from the date of entry into force of the Regulation. The period shall be extended for up to five more years unless decided differently in accordance with the procedure laid down in Article 18.
3. Starting from the beginning of the first reference period the information on persons employed (No 210) may be approximated by the number of employees (No 211). This approximation is permitted for a period of five years from the date of entry into force of the Regulation. The procedure shall be extended for up to five more years unless decided differently in accordance with the procedure laid down in Article 18.
4. The information on new orders variables (Nos 130, 135, 136) may be approximated by information on building permits. Further approximations for these and other variables can be defined in accordance with the procedure laid down in Article 18.
5. Only if construction costs variables (Nos 320, 321, 322) are not available, then they may be approximated by the output prices variable (No 310).

(d) Form

1. All of the variables except production (No 110) are to be transmitted in an unadjusted form.
2. The production variable (No 110) is to be transmitted in a working-day adjusted form.
3. In addition Member States may transmit the variables seasonally adjusted and may also transmit the variables in the form of trend-cycles. Only if data are not transmitted in these forms, then the Commission (Eurostat) may produce seasonally adjusted and trend-cycle series for these variables.
4. The variables Nos 110, 115, 116, 320, 321 and 322 are to be transmitted as an index. The variables Nos 411 and 412 are to be transmitted in absolute figures. Other variables are to be transmitted either as an index or as absolute figures.

(e) Reference period

A reference period of at least a quarter shall apply to all variables in this Annex.

(f) Level of detail

1. The variables Nos 110, 130, 210, 220 and 230 are to be transmitted at least at the two-digit level of NACE Rev. 1.
2. The new orders variables (Nos 130, 135 and 136) are required only for groups 45.1 and 45.2 of NACE Rev. 1.
3. Construction costs variables (Nos 320, 321 and 322) are only mandatory for new residential buildings excluding residencies for communities.
4. The building permits variable (No 411) covers only new residential buildings (excluding residencies for communities) and is to be broken down between:
 - (i) one-dwelling residential buildings;
 - (ii) two- and more dwelling residential buildings.
5. The building permits variable (No 412) covers only buildings and is to be broken down between:
 - (i) one-dwelling residential buildings;
 - (ii) two- and more dwelling residential buildings;
 - (iii) residencies for communities;
 - (iv) office buildings;
 - (v) other buildings.

(g) Deadlines for data transmission

1. The variables shall be transmitted by the following deadlines after the end of the reference period:

Variable	Deadline
110	2 months
115	2 months
116	2 months
130	3 months
135	3 months
136	3 months
210	3 months
220	3 months
230	3 months
320	3 months
321	3 months
322	3 months
411	3 months
412	3 months

2. The deadline may be up to 15 calendar days longer for those Member States whose total value added in Section F of NACE Rev.1 in a given base year represents less than 3 % of the Community total.

(h) Pilot studies

The priorities for the pilot studies are as follows:

1. provide output prices information;
2. break down production (No 110) into new work and repair and maintenance;
3. provide monthly data;
4. break down the variables Nos 210, 220 and 230 into building and civil engineering;
5. provide cost information (Nos 320, 321 and 322) for other types of construction than residential buildings as well as for repair and maintenance work;
6. break down the production of building construction (No 115) into residential and non-residential buildings;
7. provide short-term investment information;
8. provide short-term information concerning births and deaths of enterprises.

(i) First reference year

The first reference period for which all variables are to be transmitted is January 1998 for monthly data and the first quarter 1998 for quarterly data.

(j) Transition period

1. For the production variable (No 110) and the persons employed and hours worked variables (Nos 210 and 220) a transition period of no longer than three years from the date of entry into force of the Regulation may be conceded in accordance with the procedure laid down in Article 18. This transition period may be extended by a further two years in accordance with the procedure laid down in Article 18.
 2. For all other variables a transition period of no longer than five years from the date of entry into force of the Regulation may be conceded in accordance with the procedure laid down in Article 18.
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ANNEX C

RETAIL TRADE AND REPAIR

(a) **Scope**

This Annex applies to the activities listed in Division 52 of NACE Rev.1.

(b) **Observation unit**

1. The observation unit for all variables in this Annex is the enterprise.
2. The use of other observation units can be decided in accordance with the procedure laid down in Article 18.

(c) **List of variables**

1. The statistics in this Annex comprise the following variables:

Variable	Name
120	Turnover
210	Number of persons employed
330	Deflator of sales

2. The information on the volume of sales (No 123) may be produced instead of the deflator of sales (No 330).
3. Starting from the beginning of the first reference period the information on persons employed (No 210) may be approximated by the number of employees (No 211). This approximation is permitted for a period of five years from the date of entry into force of the Regulation. This period shall be extended for up to five more years unless decided differently in accordance with the procedure laid down in Article 18.

(d) **Form**

1. All variables are to be transmitted in an unadjusted form.
2. The turnover variable (No 120) and the volume of sales variable (No 123) are also to be transmitted in a working-day adjusted form.
3. In addition Member States may transmit the variables seasonally adjusted and may also transmit the variables in the form of trend-cycles. Only if data are not transmitted in these forms, then Eurostat may produce seasonally adjusted and trend-cycle series for these variables.
4. All variables are to be transmitted either as an index or as absolute figures.

(e) **Reference period**

The following reference periods shall apply:

Variable	Reference period
120	month
210	quarter
330 or 123	month

(f) **Level of detail**

1. The turnover variable (No 120) and the deflator of sales/volume of sales variables (No 330/123) are to be transmitted according to the levels of detail defined in paragraphs 2, 3 and 4. The persons employed variable (No 210) is to be transmitted according to the levels of detail defined in paragraphs 3 and 4.

2. Detailed level regrouping NACE Rev.1 classes and groups:

Class 52.11;

Class 52.12;

Group 52.2;

Group 52.3;

sum of Classes 52.41, 52.42 and 52.43;

sum of Classes 52.44, 52.45 and 52.46;

sum of Classes 52.47 and 52.48;

Class 52.61.

3. Aggregate levels regrouping NACE Rev.1 classes and groups:

sum of Class 52.11 and Group 52.2;

sum of Class 52.12 and Groups 52.3 to 52.6;

sum of Groups 52.1 to 52.6.

4. Division 52

Member States whose value added for Group 52.7 represents less than 5 % of their value added for Division 52 in a given base year may approximate Division 52 by the sum of Groups 52.1 to 52.6.

(g) Deadlines for data transmission

1. The variables shall be transmitted within three months after the end of the reference period. The variables shall be transmitted for turnover (No 120) and the deflator of sales/volume of sales (No 330/123) within two months at the levels of detail specified in paragraphs 3 and 4 of Section F.
2. The deadline may be up to one month longer for those Member States whose value added in Division 52 in a given base year represents less than 3 % of the European Community total.

(h) Pilot studies

The priorities for the pilot studies are as follows:

1. provide a more detailed activity breakdown;
2. assess the possibilities of earlier data transmission;
3. collect information on the number of employees;
4. collect wages and salary information;
5. use the kind-of-activity unit as observation unit;
6. collect short-term information on the births and deaths of enterprises.

(i) First reference year

The first reference period for which all variables are to be transmitted is January 1998 for monthly data and the first quarter 1998 for quarterly data.

(j) Transition period

1. For the persons employed variable (No 210) a transition period of no longer than three years may be conceded in accordance with the procedure laid down in Article 18. This transition period may be extended by a further two years in accordance with the procedure laid down in Article 18.
2. For the turnover variable (No 120) at the levels of detail specified in paragraph 3 of Section F a transition period of no longer than two years may be conceded in accordance with procedures laid down in Article 18.
3. For the turnover variable (No 120) at the level of detail specified in paragraphs 2 and 4 of Section F and the deflator of sales/volume of sales (No 330/123) a transition period of no longer than five years may be conceded from the date of entry into force of the Regulation in accordance with the procedure laid down in Article 18.

ANNEX D

OTHER SERVICES

(a) **Scope**

This Annex applies to all activities listed in Divisions 50 and 51 and Sections H, I, J, K, M, N and O of NACE Rev. 1.

(b) **Observation unit**

1. The observation unit for all variables in this Annex is the enterprise.
2. The use of other observation units can be decided in accordance with the procedure laid down in Article 18.

(c) **List of variables**

1. The statistics in this Annex comprise the following variables:

Variables	Name
120	Turnover
210	Number of persons employed

2. Starting from the beginning of the first reference period the information on persons employed (No 210) may be approximated by the number of employees (No 211). This approximation is permitted for a period of five years from the date of entry into force of the Regulation. The period shall be extended by up to five more years unless decided differently in accordance with the procedure laid down in Article 18.

(d) **Form**

1. All of the variables are to be transmitted in an unadjusted form.
2. The turnover variable (No 120) is also to be transmitted in a working-day adjusted form.
3. In addition Member States may transmit the variables seasonally adjusted and may also transmit the variables in the form of trend cycles. Only if data are not transmitted in these forms, may the Commission (Eurostat) produce seasonally adjusted and trend-cycle series for these variables.
4. All variables are to be transmitted either as an index or as absolute figures.

(e) **Reference period**

A reference period of a quarter shall apply to all variables in this Annex.

(f) **Level of detail**

1. The turnover variable (No 120) is to be transmitted according to the following groupings of NACE Rev. 1:
 - sum of 50.1, 50.3, 50.4;
 - 50.2;
 - 50.5;
 - 51, 64 each at three-digit;
 - 50, 60, 61, 62, 63, 72 each at two-digit;
 - sum of 74.11, 74.12, 74.13, 74.14;
 - sum of 74.2, 74.3;
 - 74.4 to 74.8 each at three-digit.
2. The persons employed variable (No 210) is to be transmitted at the two-digit level of NACE Rev. 1 for Divisions 50, 51, 55, 60, 61, 62, 63, 64, 72 and 74.

3. For Divisions 50, 51, 64 and 74 of NACE Rev. 1, the turnover variable need only be transmitted at the two-digit level by those Member States whose value added in those divisions of NACE Rev. 1 in a given base year represents less than 5 % of the European Community total.
4. For Section I of NACE Rev. 1, the persons employed variable (No 120) need only be transmitted at Section level by those Member States whose total value added in Section I in a given base year represents less than 5 % of the European Community total.

(g) Deadlines for data transmission

The variables shall be transmitted within three months after the end of the reference period.

(h) Pilot studies

The priorities for the pilot studies are as follows:

1. collect wages and salary information;
2. collect information on deflators;
3. assess the feasibility and relevance of collection data on:
 - (i) travel agents NACE Rev. 1 Group 63.3;
 - (ii) real estate NACE Rev. 1 Division 70;
 - (iii) renting activity NACE Rev. 1 Division 71;
 - (iv) research and development NACE Rev. 1 Division 73;
 - (v) management activities of holding companies NACE Rev. 1 Class 74.15;
 - (vi) NACE Rev. 1 Sections J, M, N and O;
4. produce a more detailed breakdown;
5. assess the possibility of earlier data transmission;
6. collect information on the number of employees;
7. use the kind-of-activity unit as observation unit;
8. collect short-term information on the births and deaths of enterprises.

(i) First reference period

The first reference period for which all variables are to be transmitted is the first quarter 1998.

(j) Transition period

For all variables a transition period of five years may be conceded from the date of entry into force of the Regulation in accordance with the procedure laid down in Article 18.
