

COMMISSION REGULATION (EC) No 602/2006**of 18 April 2006****adapting Regulation (EC) No 184/2005 of the European Parliament and of the Council through the updating of data requirements**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment ⁽¹⁾, and in particular Article 10 thereof,

Whereas:

- (1) Regulation (EC) No 184/2005 establishes a common framework for the systematic production of Community statistics on balance of payments, international trade in services and foreign direct investment.
- (2) It is necessary to regularly update the data requirements and to readjust the level of breakdown required to meet changing needs due to economic and technical developments.
- (3) In the field of portfolio investment, extra-EU liabilities are difficult to measure directly. In practice, they are calculated by subtracting intra-EU net assets from total world liabilities. As a consequence, data on intra-EU net assets are necessary for calculating extra-EU liabilities.
- (4) Some geographical breakdowns should be changed in order to improve the quality of the balance of payments statistics and to meet users' needs more effectively.
- (5) Correct and precise definitions of all concepts and terms used in the Annex of the Regulation (EC) No 184/2005 should be provided in order to avoid misinterpretation.
- (6) The measures provided for in this Regulation, are in accordance with the opinion of the Balance of Payments Committee set up by Article 11 of Regulation (EC) No 184/2005,

HAS ADOPTED THIS REGULATION:

Article 1

Annex I to Regulation (EC) No 184/2005 is amended in accordance with the Annex to this Regulation.

*Article 2*This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

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

Done at Brussels, 18 April 2006.

For the Commission
Joaquín ALMUNIA
Member of the Commission

⁽¹⁾ OJ L 35, 8.2.2005, p. 23.

ANNEX

Annex I to Regulation (EC) 184/2005 is amended as follows:

1. in Table 2 'Balance of payments quarterly statistics', Section III 'Financial Account', data requirements for portfolio investment are replaced by the following text:

	Net assets	Net liabilities	Net
<i>'Portfolio Investment</i>	Intra-EU Extra-EU	World'	

2. in Table 4 'Foreign Direct Investment (FDI) flows', under B 'Activity breakdown', the description of item 505 is replaced by the following text:

'Direct investment abroad: Total';

3. in Table 6 'Geographical breakdown levels', in the column headed 'Level 1', the following countries are inserted, opposite the corresponding entries shown in the column headed 'Level 2':

(a) 'RU Russian Federation'

(b) 'BR Brazil'

(c) 'CN China'

(d) 'HK Hong Kong'

(e) 'IN India';

4. in Table 7 'Activity breakdown levels', Column 'Level 2', the definition of Section K, Division 74, Class 7414, 7415 is replaced by the following text:

'Business and management consultancy activities, including those of holding companies'.