



EUROPEAN COMMISSION  
EUROSTAT

Organisation for Economic  
Co-operation and Development (OECD)



## Protocol for co-operation between Eurostat and the OECD in the area of National Accounts

### Specification of agreed data exchange and data validation arrangements

1. This protocol for co-operation (the "Protocol") describes (in the annex) the agreed data exchange and data validation modalities between the Statistical office of the European Union (Eurostat) and the OECD in the area of national accounts. Eurostat and the OECD are hereinafter jointly referred to together as the "Parties" or separately as a "Party".
2. This document is concluded as a subject-specific addition to the Memorandum of Understanding (MoU) on the exchange of statistical data signed by the Parties on 25 January 2000. This MoU sets out the general principles for the exchange of statistical data between Eurostat and the OECD, but explicitly allows further bilateral agreements in specific fields. Accordingly this Protocol lays out certain working procedures to be applied in the area of national accounts. Such procedures are to be considered as practical and organisational arrangements. As such, they are subordinate to, and have no impact on, the general mandates of the Parties.
3. There will be a phasing in period of one year. At the end of this period, the working procedures will be evaluated by the Parties in order to determine whether any adaptations are needed before they are fully applied. If necessary, an update of the annex to this Protocol can be mutually agreed using an exchange of letters.
4. The Protocol will come into effect upon signature. It will remain in force until terminated by either Party, at any time, by providing three months prior written notice to the other by registered letter with acknowledgment of receipt.
5. For the purposes of the signature, Eurostat is represented by Mr Walter Radermacher, Director General of Eurostat, and the OECD is represented by Ms Martine Durand, Chief Statistician and Director of the OECD Statistics Directorate.
6. Done in English in two originals.

Date: 12. June 2013

Date: 12 / 06 / 2013

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Director General of Eurostat

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## ANNEX:

### **Specification of agreed data exchange and data validation arrangements in the area of national accounts**

#### **1. Agreement on constituencies and coordination of new data and metadata requests**

As a general principle, one Party should have the primary responsibility for the data of any given country<sup>1</sup> (i.e. be the primary international data validator), so that it can focus on collecting, validating and disseminating data for countries in its 'constituency'. In the case of national accounts data, Eurostat would generally be responsible for data transmitted under the ESA Transmission Programme<sup>2</sup> and related EU legislation for the EU and EU enlargement countries,<sup>3</sup> and the OECD would be responsible in respect of other OECD members and OECD accession countries.<sup>4</sup> If additional requirements arise (e.g. as a result of international policy initiatives), the Parties will coordinate their response to streamline the collection of data and metadata from national authorities by agreeing on respective responsibilities and ensuring efficient data-sharing arrangements. The above principles will apply by default, i.e. Eurostat will be the primary validator for the EU and EU enlargement countries and the OECD for other OECD members and OECD accession countries.

#### **2. Validation of data using agreed minimum checking rules**

The validation process should be based on rules and procedures which have been identified as good practice.<sup>5</sup> Agreed minimum checking rules to validate national accounts data (see Table 1) include basic format, structure, encoding and content tests, which are essential for automatic processing, as well as revision checks and consistency checks within and between transmitted national accounts datasets, which are essential for users' perception of the quality of national accounts data. Further checks (e.g. statistical and economic plausibility checks or cross-checks against related data) are also considered useful for detecting problems in the transmission or comparability of data and should be run occasionally or systematically depending on the dataset in question. While focusing on checks that can be processed and interpreted in a relatively automatized way will help to ensure that data fulfilling minimum quality requirements can be published in a timely way, it is important that data specificities which affect validation checks are clarified with national authorities and documented as metadata.

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<sup>1</sup> Except in cases where responsibility is explicitly shared under this Protocol.

<sup>2</sup> Currently, Regulation (EC) No 1392/2007 of the European Parliament and of the Council amending Council Regulation (EC) No 2223/96 with respect to the transmission of national accounts data.

<sup>3</sup> In principle, Eurostat will also be the primary international validator for EFTA countries. However, responsibility could be shared in cases where data transmission needed further improvement.

<sup>4</sup> At the time of this Protocol, this concerns Russia. In addition, the OECD intends to try to collect as many data as possible for its key partner countries (Brazil, China, India, Indonesia and South Africa).

<sup>5</sup> An ECB-Eurostat-OECD technical working group analysed data validation and exchange procedures in 2012 to identify agreed minimum checking rules and propose practical improvements.

### **3. Data/metadata exchange, release and confidentiality requirements**

Following the validation process, which should generally be completed within agreed delays (see Tables 2 and 3), validated datasets and related metadata will be transmitted (or made available) to the other Party using standard tools or procedures. If data are needed more quickly (e.g. for internal analytical purposes), non-validated national accounts data would continue to be transmitted, subject to agreed confidentiality requirements and agreement by the countries in question.<sup>6</sup> In this context, the Parties generally agree to publish only data validated by the primary validating Party (the organisation responsible). In particular, they should ensure that data which have not been published by national authorities are not disseminated before they are validated and officially released by the primary validating Party. This is particularly important in the case of government finance statistics and related data. In any case, the Parties should ensure that data confidentiality requested by national authorities is strictly respected.

In cases of significant delay (beyond the agreed deadlines) in the provision of (validated) data, the receiving Party will be informed so that an alternative solution can be agreed upon.

### **4. Communication with data originators via responsible institution**

Subsequent questions regarding the correctness of national data (e.g. in relation to validation checks) should generally be handled by the same primary validating Party, which would investigate the issue or forward the question to its national counterpart for clarification. The primary validating Party would endeavour to increase the quality and quantity of published metadata in order to be able to use each other's data and reduce the response burden on individual countries. Until the quality and quantity of metadata to be exchanged, including the mode of exchange, have been agreed upon and settled, the primary validating Party will keep the receiving Party informed of issues leading to clarifications or data changes in line with the usual practices, with the exception of the exchange of particularly sensitive or confidential content. However, the above principle should not prevent specific questions being clarified directly between the OECD and the national authorities, or the OECD having regular contacts with its delegates. In these cases, the primary validating Party should be informed of issues that lead to data changes, as it will have to process data and metadata corrections.

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<sup>6</sup> Countries would be asked for agreement only in some specific cases (e.g. those involving a significant change of an existing transmission or proposals for new data-sharing arrangements).

## **5. Role of national authorities and respect of subsidiarity principle**

While the Parties will streamline the international exchange of data and metadata and foster quality by cross-checking national accounts data upon reception, it would in principle be desirable for the expected quality to be ensured already by means of appropriate checks by national authorities. It is therefore important that national authorities are informed and consulted on validation issues, so that validation checks can be progressively improved and expanded in close cooperation with national authorities over time. It would be good if national authorities mainly communicated with one counterpart specialising in its data and metadata transmissions and collecting information to help users understand data specificities. This information should also be transmitted, or accessible, to the other Party so that it can be published as metadata if appropriate.

## **6. Cooperation in relation to the use of OECD data**

The above principles relate primarily to countries that are members (or accession countries) of both the European Union and the OECD. However, cooperation between Eurostat and the OECD also extends to sharing data for non-EU OECD members in which the European Commission has a special interest in terms of analysing the EU's performance as compared with other major world economies (mainly Japan and the USA).

For the validation and exchange of data and metadata for these countries, arrangements similar to those for EU countries will be agreed upon by the Parties. However, an exception has to be made for the arrangements for communication with the countries in question. As they are not members of the European Union, Eurostat cannot be copied in on their exchanges with the OECD. However, the OECD will keep Eurostat informed about data specificities considered relevant for the interpretation of the results.

Table 3 shows the agreed deadlines for the validation of data for Japan and the USA. If necessary, agreements can be included for other countries.

In principle, the format for the exchange of the data will be a 'pull' from OECD Stat. The OECD will assist Eurostat in setting up the data exchange system.

**Table 1: Overview of proposed minimum validation checks**

Type of check	Target	Requirement	Minimum check	Implications for validation process
Preliminary checks on data reception, conversion, loading	Sender, formats, codes, etc.	Full respect of transmission and encoding conventions	Essential	(Automatic) correction or back to sender
Identification of key data characteristics	ESA table number, unit, frequency, time span, series	Consistency of data specifications	Essential	(Automatic) correction or back to sender
Checks on dubious values	Empty, zero or negative values, etc.	Respect of coding conventions and expected range of values	Essential	(Automatic) correction or back to sender
Intra-file/table checks on the consistency of totals and breakdowns	Various types of possible breakdowns (indicator, industry, sector/sub-sectors, etc.)	Sum of breakdowns should be equal to respective total (for additive series)	Essential	Misalignments can lead to refusal of dataset
Other types of intra-file/table consistency checks	Current prices/volumes, raw/adjusted data, annual/quarterly data, assets/liabilities, uses/resources, etc.	Specific relations between some series are expected	Essential	Misalignments can lead to refusal of dataset
Revision checks	Comparison with previous transmissions	Significant revisions not due to regular updates should be explained (metadata)	Essential	Unexplained major revisions can lead to refusal of the dataset
Extra-file/table consistency checks	Variables transmitted via different files/tables	Series should be coherent (except for vintages)	Essential	Unexplained major discrepancies can lead to refusal of dataset
Statistic plausibility checks	Standard deviation, etc.	Significant deviations may indicate errors	Useful	Possible follow-up questions
Economic plausibility checks	Economic ratios, growth rates, etc.	Significant deviations may indicate errors	Useful	Possible follow-up questions
Consistency checks against other statistics	Related statistics (possible conceptual differences)	Significant deviations may indicate errors	Useful	Possible follow-up questions
Consistency checks against data published by other institution	Same series published by other institutions	Significant deviations may indicate errors	Useful	Possible follow-up questions

**Table 2: Overview of (planned) data validation and exchange conventions for data transmitted to Eurostat under the ESA Transmission Programme**

ESA-TP Table (1)	Specification	Domain (2)	ESA-TP deadline (3)	validation within/by (4)	Publication / confidentiality (5)
Table 1 (Q)	Quarterly main GDP aggregates	MA	T+70 days	1-3 days (6)	Respect of embargo and c-flag
Table 1 (A)	Annual main GDP aggregates	MA	T+70 days	1 week at the latest	Respect of embargo and c-flag
Table 2	Main aggregates of general government	GFS	T+3/9 months	about 22 days (7)	No publication of non-validated data
Table 3	Tables by industry	MA	T+9/21 months	1-2 weeks	Respect of embargo and c-flag
Table 5	Household final consumption expenditures	MA	T+9 months	1-2 weeks	Respect of embargo and c-flag
Table 6	Financial accounts by sector	FA	T+9 months (8)	3-days (9)	Respect of embargo and c-flag
Table 7	Balance sheets for financial assets and liabilities	FA	T+9 months (8)	3-days (9)	Respect of embargo and c-flag
Table 8	Non-financial accounts by sector (annual data)	SA	T+9	1 month	No publication of non-validated data
Table 801 (full QSA)	Non-financial accounts by sector (quarterly data) (10)	SA	T+90 days	2 weeks (t+105)	No publication (data for internal use only)
Table 801 (Free QSA)	Free/publishable quarterly sector accounts by country	SA	national decisions	1-2 weeks (11)	No publication of non-validated data
Table 9	Detailed Tax and Social Contributions Receipts	GFS	T+9	Around mid-November (12)	No publication of non-validated data
Table 11	Expenditure of General Government by function	GFS	T+12	Around end of February (13)	No publication of non-validated data
Table 20	Cross-classification of fixed assets by industry and asset	MA	T+24 months	1-2 weeks	Respect of embargo and c-flag
Table 22	Cross-classification of gross fixed capital formation	MA	T+24 months	1-2 weeks	Respect of embargo and c-flag
Table 26	Balance sheets for non-financial assets	MA	T+24 months	1-2 weeks	Respect of embargo and c-flag

## **Footnotes:**

- (1) Regional accounts (ESA TP Tables 10, 12 and 13) and IOSUT (ESA TP Tables 15-19) are beyond the (current) scope of the data exchange with the OECD.
- (2) Acronyms stand for the following national accounts data (and Eurostat unit): MA: main GDP aggregates (Eurostat C2); GFS: government finance statistics (Eurostat D1); FA: financial accounts (Eurostat C1); SA: annual and quarterly sector accounts (Eurostat C1).
- (3) This indicates official transmission deadlines according to the ESA Transmission Programme but the validation deadline refers to reception of national accounts data by Eurostat, as Member States mostly release national accounts figures before the official deadline, following national calendars, and then transmit them to Eurostat.
- (4) Timescales can be longer if the issue cannot be rapidly solved with national authorities. In cases of significant delay (beyond the agreed deadlines) in the provision of (validated) data, the other Party will be informed so that an alternative solution can be agreed upon.
- (5) In principle, OECD should publish only data validated by Eurostat. In any case, the OECD should ensure that data which have not been published by national authorities are not disseminated before they are validated and officially released by Eurostat and that data confidentiality requested by national authorities is strictly respected. This is particularly important in the case of government finance statistics and related data.
- (6) Tables with main GDP aggregates and/or data from larger economies are usually loaded within one working day and may be prioritised at peak loading times.
- (7) About 22 days after first transmission for last countries due to the Excessive Deficit Procedure (EDP).
- (8) Gentlemen's agreement according to which countries try to send data at T+6 months.
- (9) Checking delays may be longer for peak transmission periods (notably beginning of October); validation may be done in two steps to prioritise data needed for EU procedures.
- (10) Non-financial accounts by sector (quarterly data) for 21 countries with agreed confidentiality restrictions.
- (11) Validated publishable QSA data by country transmitted to the OECD in three separate deliveries: at t+105 (for free QSA data received before t+97), around t+113 (received between t+98 and t+105) and around t+120 (received between t+105 and t+111). For free QSA datasets received later, individual data deliveries will be sent.
- (12) Around mid-November for the last countries.
- (13) Around end of February for the last countries.

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**Table 3: Overview of (planned) data validation by the OECD for Japan and USA**

Tables	Specification	US data (1)	Japanese data (1)	Validation within (2)
Table 1 (Q) (3)	Quarterly main GDP aggregates:	T+30, T+60 and T+90 days (4)	T+45 and T+70 days	1 day
Table 1 (A)	Annual main GDP aggregates:	Tables are provided in September except Table 0101, which is provided 6 months later.	No rule	1 week at the latest
Table 2	Main aggregates of general government	Table is provided in September.	No rule	1 week at the latest
Table 3	Tables by industry	Tables are provided in September except Table 0301, which is provided 6 months later.	No rule	1 month
Table 5	Household final consumption expenditures	Tables are provided in September.	No rule	1-2 weeks
Table 6	Financial accounts by sector	T+3 and T+9 months	T+14 to T+16 months	1-3days
Table 7	Balance sheets for financial assets and liabilities	T+3 and T+9 months	T+14 to T+16 months	1-3days
Table 8	Non-financial accounts by sector (annual data)	No rule. Simplified sector accounts (Table 0119) are transmitted in September.	No rule	2 weeks at the latest
Table 801	Non-financial accounts by sector (quarterly data)	Data not yet available	Once a year, around end December	3days
Table 9	Tax and Social Contributions Receipts	Table is provided in September.	No rule	1 month
Table 11	Expenditure of General Government by function	Table is provided in October	No rule	1 month
Table 20	Cross-classification of fixed assets by industry and asset	Table is provided in October	No rule	1 month
Table 22	Cross-classification of gross fixed capital formation	Table is provided in October	No rule	1 month
Table 26	Balance sheets for non-financial assets	Table is provided in October	No rule	1 month



**Footnotes:**

- (1) Usual reception or extraction date by the OECD.
- (2) Period after national publication or transmission: timescales can be longer if the issue cannot be rapidly solved with national authorities. In cases of significant delay (beyond the agreed deadlines) in the provision of (validated) data, the other Party will be informed so that an alternative solution can be agreed upon.
- (3) See OECD QNA release calendar.
- (4) Not fully SNA93 consistent.

