

INSTITUTIONAL COOPERATION AGREEMENT IN THE FIELD OF GENERAL GOVERNMENT STATISTICS

1. Scope

The Macroeconomic Statistics Department of the National Statistics Institute (Portuguese acronym: INE), the Statistics Department of Banco de Portugal and the Directorate-General of the Budget (Portuguese acronym: DGO) signed the present Institutional cooperation agreement, which focuses on the following activities in the field of the compilation of general government statistics:

- Definition and update of the list of institutional units of the general government sector;
- Preparation of the (financial and non-financial) annual accounts for the general government sector;
- Preparation of the (financial and non-financial) quarterly accounts for the general government;
- Preparation of government debt statistics;
- Monitoring of excessive deficit procedure notification and respective methodological analyses.

The present Agreement, as regards the aspects related to the competences of and mechanisms of cooperation between the National Statistics Institute and Banco de Portugal in the field of the compilation of national accounts, shall comply with the provisions laid down in the Protocol signed by both institutions (the latest update of this Protocol was signed on 22 June 2001 by the Governor of Banco de Portugal and the President of the National Statistics Institute).

2. Objectives

The main objectives of institutional cooperation in the field of general government statistics are the following:

- a) Compliance with European Union legislation in force in this area (see Annex 1).
- b) Compliance with other national commitments in the statistical field arising either from national or EU legislation, in particular the compilation of national accounts, or from agreements at the international level, namely on the SDDS (IMF).

Effective compliance with such goals requires that the different entities involved shall define cooperation mechanisms which ensure appropriate methodological harmonisation in the compilation of these statistics and articulated planning of activities, particularly as regards the deadlines for the availability of basic data and for the publication of statistics.

3. Methodological harmonisation

The entities undersigning this Agreement are committed to cooperating actively in the field of the methodological discussion associated with the compilation of general government statistics, involving the following actions:

- a) Participation in the preparation and update of the “Inventory of sources and methods” of the Portuguese national accounts, in the field of general government accounts, to be submitted to Eurostat;
- b) Update of the Inventory of sources and methods, in the context of the excessive deficit procedure;
- c) Coordination of the positions to be adopted by Portuguese representatives in European Union fora (committees, working groups and task forces), where methodological issues are discussed, as well as in the replies to questionnaires prepared in this context;
- d) Preparation of and participation in visits made by Eurostat delegations in this field;

- e) Clarification of doubts and discussion of actual methodological options raised by any of the entities involved, in the context of the compilation of national statistics.

4. Availability of basic data

Compliance with the objectives mentioned in number 2 above depends on timely and exhaustive access to the relevant basic data required for the compilation of general government statistics. Annex 2 presents a list of the basic data to be made available by the different entities, and respective deadlines (this list shall be updated depending on any additional requirements identified by the WG mentioned in number 6).

5. Publication of statistics

The entities undersigning this Agreement are committed to cooperating actively towards the strict compliance with the reporting deadlines to be met by Portugal in this field.

As regards the production of the annual accounts for the general government sector and the respective articulation with the reporting obligations in the context of the excessive deficit procedure, every effort shall be made so that the INE may comply with the timetable presented below.

Reporting		Data to be available in:							
GG Accounts		2006		2007(*)		2008(*)		2009(*)	
Year	Version	March	September	March	September	March	September	March	September
2003	Preliminary								
	Provisional								
	Definitive	DEF03	DEF03	DEF03	DEF03	DEF03	DEF03	DEF03	DEF03
2004	Preliminary								
	Provisional	PROV04							
	Definitive		DEF04	DEF04	DEF04	DEF04	DEF04	DEF04	DEF04
2005	Preliminary								
	Provisional		PROV05	PROV05					
	Definitive				DEF05	DEF05	DEF05	DEF05	DEF05
2006	Preliminary			PRE06					
	Provisional				PROV06	PROV06			
	Definitive						DEF06	DEF06	DEF06
2007	Preliminary					PRE07			
	Provisional						PROV07	PROV07	
	Definitive								DEF07
2008	Preliminary							PRE08	
	Provisional								PROV08
	Definitive								

(*) **RULE TO BE FOLLOWED IN SUBSEQUENT YEARS**

NOTIFICATION OF MARCH IN YEAR N: Preliminary of N-1; Provisional of N-2; Definitive of N-3

NOTIFICATION OF SEPTEMBER IN YEAR N: Provisional of N-1; Definitive of N-2

After an initial adjustment period to be implemented in the course of 2006, the reporting process for a given year, according to the calendar, shall comply with the following rules:

- Notification of March of year N:
 - The preliminary account of N-1 is based on general government quarterly accounts
 - The provisional account of N-2 revises the preliminary version based on accumulated quarterly data
 - The definitive account of N-3 is based on the definitive national accounts for the general government institutional sector
- Notification of September of year N:
 - The provisional account of N-1 revises the preliminary version of the reference year reported in March
 - The definitive account of N-2 is based on the definitive national accounts for the general government institutional sector.

6. Cooperation mechanisms

The following articulation mechanisms are defined with the goal of facilitating the practical implementation of the present Agreement:

- a) The subscribers of the present Agreement shall coordinate its implementation and oversee the effective compliance with the provisions envisaged therein;
- b) The subscribers shall circulate all the documents deemed relevant in the context of the different actions envisaged in this Agreement, while complying with the respective legal obligations;
- c) Quarterly meetings (bi-monthly during the adjustment period in 2006) shall be held by the subscribers of the Agreement, in which the implementation of actions is monitored and joint activities are planned. Meetings to coordinate the preparatory activities of the different statistical reports are held before the quarterly meetings;
- d) Creation of a technical working group (Working group on general government statistics) with the following mandate and composition:

Mandate:

- Detailed calendar of activities of production of general government statistics;
- Definition of the basic data required and implementation of the solutions for access to such data;
- Clearing of doubts and discussion of methodological options;
- Assessment of the quality of the statistical results obtained.

Composition:

INE: Rute Dourado; Miguel Alves; Sofia Rodrigues

BP: Ana Margarida Almeida; João Coelho; Sérgio Branco

DGO: Jorge Garrido; Paulo Ferreira

- e) Creation of a task force responsible for the preparation of a document describing the sources and procedures followed in the compilation of the statistical data reported by Portugal in the context of the excessive deficit procedure. This task force shall present a first draft document covering aspects related to Tables 2 and 3 of the excessive deficit procedure data request, up to 28 February 2006. It shall be composed of the following members:

INE: Rute Dourado; Filipa Chambel; Sofia Rodrigues

BP: João Coelho; Sérgio Branco

DGO: Anabela Rodrigues; Paulo Ferreira

- f) Creation, by the technical teams of the three institutions underwriting this Agreement, of efficient operational solutions for shared access to data necessary for the preparation of the general government financial and non-financial accounts, broken down by quarterly and annual data, contributing to a common and consistent base for the compilation of the general government national accounts, ensuring internal consistency.

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National Statistics Institute
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Statistics Department

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Directorate General of the
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(Daniel Santos)

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ANNEX 1

Statistical reporting within the scope of the general government sector

- Council Regulation (CE) No 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community (Annex B – Transmission programme of national accounts data). Worthy of mention in Annex B are the following tables of statistics of the general government accounts :
 - a) Table 2: Main aggregates of general government;
 - b) Tables 6 and 7: Financial accounts by sector, with a 6-month reporting deadline;
 - c) Table 8: Non-financial accounts by sector (approved by EC Regulation of November 2005);
 - d) Table 11: General government expenditure by function;
 - e) Table 25: Quarterly non-financial accounts for general government; Regulation (EC) No 1221/2002 (mentioned in more detail below);
 - f) Table 27: Quarterly financial accounts for general government; Regulation (EC) No 501/2004 (mentioned in more detail below);
 - g) Table 9: Detailed tax receipts by sector.

- Regulation (EC) No 501/2004 of the European Parliament and of the Council of 10 March 2004 on quarterly financial accounts for general government. Official reporting on a regular basis was started on 30 June 2004. The reporting deadline is 90 days.

- Council Regulation (EC) No 3605/93 on the application of the Protocol on the excessive deficit procedure and subsequent updates. Reporting shall be made twice a year, on 30 March and on 30 September.

- Council Regulation (EC) No 1222/2004 of 28 June 2004 concerning the compilation and transmission of data on the quarterly government debt. The first transmission of data in Portugal was started by the Ministry of Finance (Directorate-General of the Budget) on 31 December 2005. The reporting deadline is 90 days.

- Regulation (EC) No 1221/2002 of the European Parliament and of the Council of 10 June 2002 and Commission Regulation (EC) No 264/2000 of 3 February 2000 on quarterly non-financial accounts for general government. The reporting deadline is 90 days.
- Guideline of the European Central Bank of 21 November 2002 (ECB/2002/7) (2002/967/EC) on the statistical reporting requirements of the European Central Bank in the field of quarterly financial accounts (MUFA). The reporting deadline is 130 days.

A new Guideline has been subsequently approved on the statistical reporting requirements in the field of full quarterly financial accounts (ECB/2005/13, which entered into force on 1 April 2006). The transmission of data within the scope of the new Guideline shall start on 20 April 2006 (including data for December 2005). The reporting deadline is 110 days. Portugal shall have a derogation for instruments F.42 Long-term loans among non-financial corporations, F.513 Unquoted shares and other equity and F.7 Other accounts receivable/payable and therefore also for Outstanding amounts B.9 Financial savings, as regards data up to June 2007 (to be reported in October 2007).

- Guideline of the European Central Bank of 17 February 2005 (ECB/2005/5) (2005/327/EC) on the statistical reporting requirements of the ECB and the procedures for exchanging statistical information within the ESCB in the field of government finance statistics (GFS). Reporting shall be made twice a year, before 15 April and before 15 October.

ANNEX 2

A. Quarterly accounts/Preliminary annual accounts

Directorate General of the Budget:

- Detailed file of the budgetary outcome of expenditure of the State (integrated entities)¹
- File with data on the budgetary outcome (revenue and expenditure) of autonomous funds and services
- Updated version of 2004 Organic Classification (integrated and autonomous entities)
- Updated version of 2004 Items (expenditure for integrated entities; revenue and expenditure for autonomous entities)
- Table of the central system for net revenue by economic classification.

Data under the responsibility of other entities shall be collected and made available to INE and Banco de Portugal by the Directorate-General of the Budget:

Regional government

- Provisional accounts for regional governments (quarterly data)

Local government

- Data relating to the budgetary outcome (revenue and expenditure) of the local authorities (per municipality)

Social security

- Quarterly bulletin or provisional balance sheet

¹ Data on the 4th quarter shall include the revised version.

Deadlines for the availability of data:

- Data of the general financial statement of the State (integrated services) – 40 to 60 days after the end of the reference period
- Data of the autonomous funds and services and local authorities – 75 days after the end of the reference period
- Data of the regional government and social security – 60 days after the end of the reference period

B. Provisional annual accounts

Directorate General of the Budget:

- General financial statement of the State
- Detailed file of the expenditure budgetary outcome of the State (integrated entities)
- File with data on the budgetary outcome (revenue and expenditure) of the autonomous funds and services

Data under the responsibility of other entities shall be collected and made available to INE and Banco de Portugal by the Directorate-General of the Budget:

Regional government

- Provisional accounts for regional governments
- Provisional accounts for autonomous funds and services of regional government

Local government

- Data of the budgetary outcome of (revenue and expenditure) of local authorities

Social security

- Social security account – cash flow chart

Timetable for the availability of data:

The above information, together with data relating to year n shall be made available in June of year n+1. In addition, a revised version of data relating to years n-1, n-2 and n-3 shall be made available in September of year n.

C. Financial national accounts (quarterly and annual)

Data to be made available to Banco de Portugal for the compilation of the financial national accounts:

○ Quarterly

Description	Source	Periodicity	Deadline (days)
Additional data relating to item Other accounts receivable/payable (F7), such as taxes, social contributions, Health System expenditure, ...	INE	Quarterly	80

○ Annual

Description	Source	Periodicity	Deadline (days)
Loans granted by the general government	DGO	Annual	90
Additional data relating to item Other accounts receivable/payable (F7)	DGO	Annual	90

D. Complementary data

Data to be made available by the National Statistics Institute:

- File covering all the entities that integrate the general government sector, classified at the sub-sector level
- Classification tables of the transactions, from the perspective of government accounting in national accounting
- Assessment of financial transactions by general government subsector
- Cash/accrual adjustment items and other complementary items that are the object of specific treatment

Quarterly data to be made available by Banco de Portugal for the preparation of the quarterly government debt within the scope of the excessive deficit procedure notification:

- Bank credit to the State
- Coins issued
- Bank deposits held by the general government with subsector breakdown

Deadline for the availability of data: 60 days after the reference period.