



Session 4: Main revisions and benchmarking – policy and practice

Harmonized EU revision practices and preparation for the 2024 benchmark revision

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Overview

Part I: Harmonized EU revision practices

- Development and main features
- Recommendations for regular and benchmark revisions

Part II: Preparation for the 2024 benchmark revision

- Main expected features of 2024 BM
- ESS communication, dissemination
- Challenges and way forward



Part I:

Harmonized EU revision practices

HERP Guidance for different types of revisions

Harmonized European Revision Policy (HERP) developed to ensure coordinated and consistent revisions between statistical domains within each country and across the EU.

Practical guidelines for revising ESA 2010 data distinguish between:

Routine revisions (or current revisions):

- Changes in published data related to the regular data production process
- Improved data sources: from provisional to final estimates
- Revisions generally limited to most recent periods (up to N-4)
- Revision of full time series recommended in Q3, for Q2 estimates (some flexibility)

Benchmark (BM) revisions (or major regular revisions):

- Changes originated from methodological changes of sources or methods
- 5-year coordinated benchmark revisions in EU based on an agreed timetable
- Revision of entire time series and focus on cross-domain consistency

Non-scheduled revisions (outside HERP):

- Take place on an ad-hoc basis
- Outside the European harmonized approach.
- No comprehensive set of recommendations
- But good practices regarding metadata and communication

Revisions and consistency for EU policy uses

Revisions are “positive” to balance timeliness and accuracy but need to be well planned and communicated; consistency between domains and countries are crucial for EU policy uses.

Consistency between the tables of the ESA 2010 TP

- Internal consistency of data within each transmission table;
 - Consistency of data within a particular domain (including Q&A)
 - Consistency between the various national accounts domains.
- **Eurostat validation checks and ESA 2010 quality reports**

Data for administrative purposes & policy assessments

- Excessive deficit procedure (EDP) data for last 4 years
- Gross national income data used for EU’s own resources purposes (GNI OR)
- Scoreboard macroeconomic imbalances procedure (MIP)
- Principle European economic policy indicators (PEEI)

Consistency with other domains and satellite accounts:

- As balance of payments (BOP) statistics and national accounts (NA) are strongly related; common revision policy for BOP and national accounts
- In certain cases, countries establish clear links between parts of the satellite accounts and parts of the national accounts

HERP is voluntary but linked to legal acts (European statistical law Regulation (EC) 223/2009; European statistics code of practice, ESA transmission programme)

2024 BM and HERP recommendations

- HERP recommendations aim to ensure coordinated and consistent revisions between the statistical domains within each country and across the EU.
- Timing within the year: expected by T+9 i.e. mostly end September
- Revisions of entire time series (series breaks should be avoided)
- Consistency dimensions to be considered/ensured :
 - Between annual and quarterly data
 - Within national accounts datasets (cross-table/domains)
 - Between national accounts and data for administrative uses (GNI own resources, EDP)
 - Between national accounts and balance of payments.

Metadata and communication aspects

- Additional metadata needed on
 - Scope and impact
 - References to pre-announcement
 - Information on changes in data sources and methods
 - Breaks in time series
 - Possible inconsistencies
 - Timetable to address outstanding issues
- To Eurostat:
 - Inform on planning, e.g. agree to questionnaire to collect information on impact and prepare messages to users
 - Send an official letter to the Eurostat's Director-General at least 3 months in advance.
- To national users:
 - Publication on national web-sites a quarter in advance



Part II:

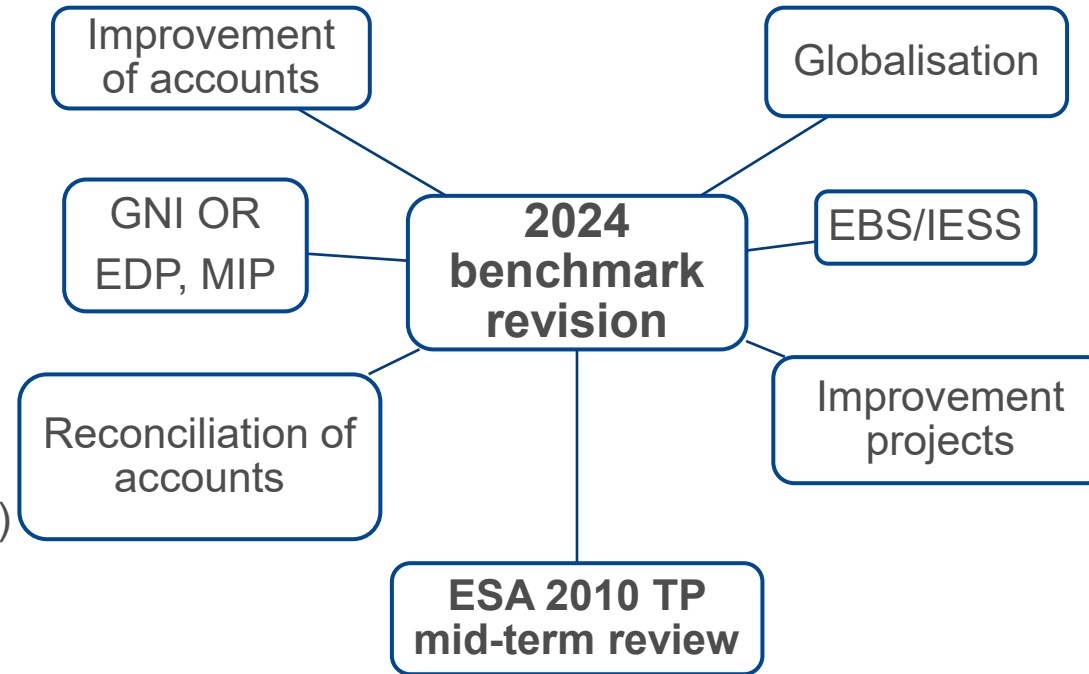
Preparation for the 2024 Benchmark Revision

Main expected features of 2024 BM

Specific features

Typical features

- New data sources and improved methodology
- Action points + reservations
- Improved coherence and consistency over time and between datasets (including vertical consistency, NA-BOP)
- Change of reference year



- Fully coordinated
- Globalization related improvements
- Changes in primary statistics e.g. (European business statistics (EBS), common framework for European statistics relating to persons and households (IESS))
- Harmonisation of perpetual inventory model (PIM) assumptions (supported by TF FIXCAP) and other analysis

Regulation (EU) 2023/734 amending Regulation (EU) No 549/2013

- Coicop 2018 classification for household final consumption expenditure breakdowns
- Some consolidation / editorial improvements of presentation in transmission tables
- Some changed/new transmission requirements enter into force on 1 September 2024
- Specification of metadata requirements: with data and structural (from 1.9.2025)

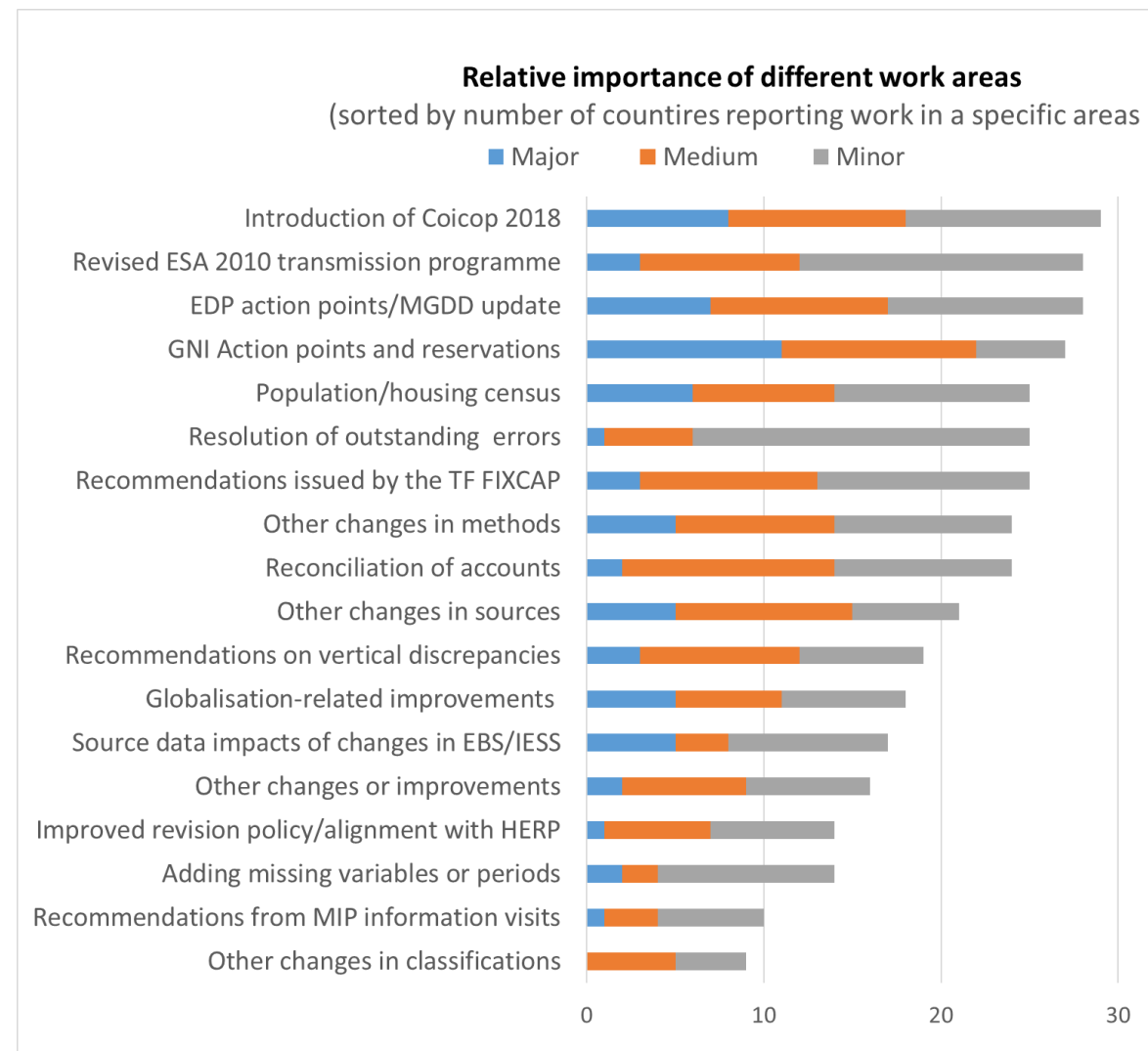
2024 benchmark year and main work areas

Benchmark year = dissemination year

- As 2020 impacted by COVID; most countries use 2019 or 2021 as **implementation year**
- New **reference year** for chain linked volumes is mostly 2020

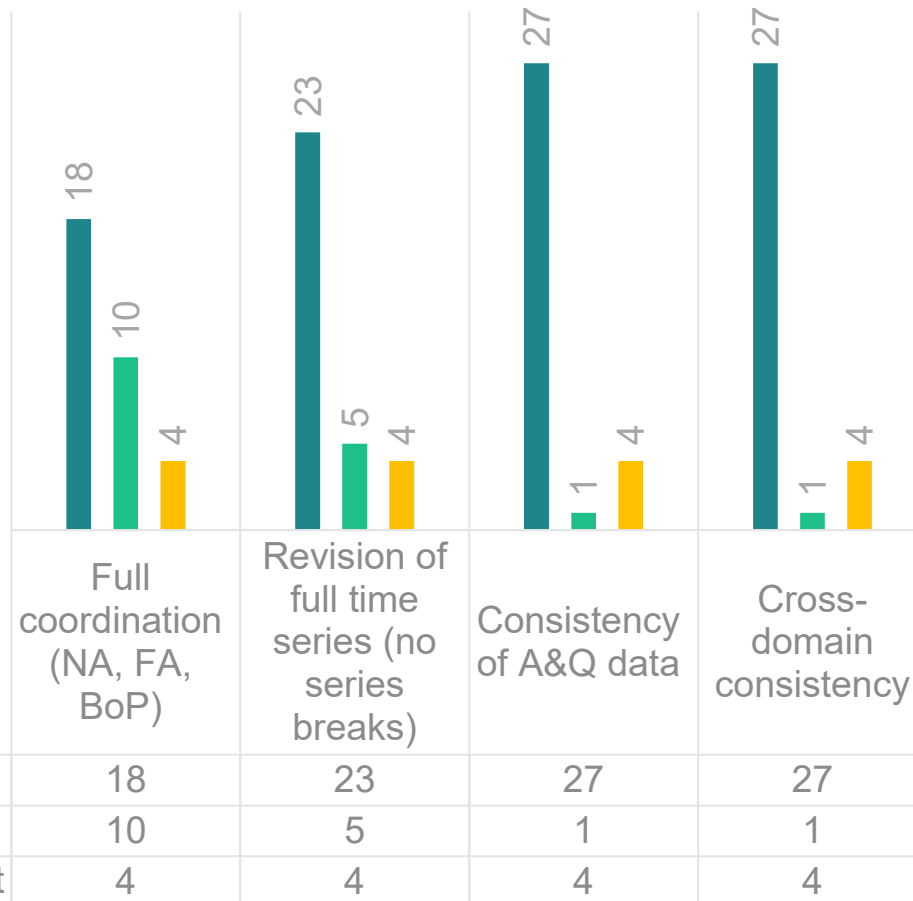
Wide range of work areas

- Nearly all countries work on Coicop/ESA TP changes, EDP&GNI action points, updated government manual (MGGD)
- Many different improvement areas...
- Very few countries can assess impact on GDP yet (only in Spring 2024 or later).

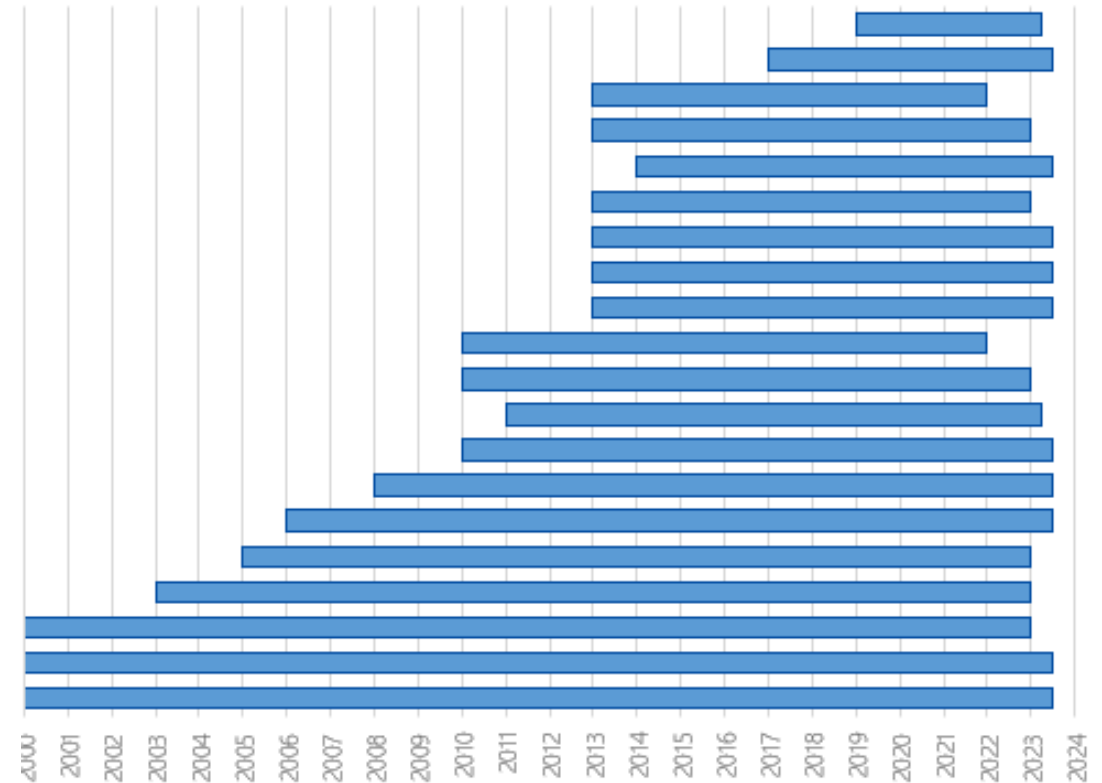


Survey results on HERP recommendations

■ Yes ■ No ■ Not known yet



Time span of BOP benchmark revision



ESS communication on Eurostat website:

- ✓ [Overview - ESA 2010 - Eurostat \(europa.eu\)](#) website recently reviewed.
- ✓ Sub-page on data revision [Data revision - ESA 2010 - Eurostat \(europa.eu\)](#)
- ❑ Information on 2024 BM will be progressively complemented/updated:

Preparations for the **next coordinated benchmark revision** of national accounts and balance in 2024 started. A coordinated communication by the European Statistics System (ESS) on the following aspects is foreseen:

- [Overview on requirements and main expected changes](#)
- Overview on main data release dates and expected overall impact
- Monitoring of national releases and associated metadata

Next: Update & complement information

- **General questionnaire launched end Feb (progressive filling)**
 - Precise transmission/release dates and national announcements
 - For main aggregates (ANA/QNA); if possible by table / transmission deadline
 - Some early releases Q2-2024; most end Q3 with T+9 months deadline
 - Additional details on expected impacts
 - Focus on GDP level shift; information on growth or specific aggregates
 - Mostly only expected mid-2024 or shortly before/with data release
- Additional details on HERP compliance
 - Update of main features (coordination across domains, frequencies)
 - Specific focus on sector accounts & BOP, consistency & revision length
- Joint questionnaires with ECB on BOP and Financial accounts mid-2024

Challenges for 2024 and next BM revision 2029

Preparations for 2024 coordination BM revision of NA & BOP started early and are well advanced; general participation and compliance with HERP expected; but challenges for full coordination/consistency with possible gaps regarding

- Full coordination across countries, domains, time series revision
- Consistency between domains and annual and quarterly data (temporary)

Coordinated implementation of 2024 BM will be monitored and evaluated in view of drawing lessons / updating guidance/planning for next BM in 2029

Full coordination crucial for next planned coordinated benchmark revision of NA & BOP due to expected update of ESA and BPM6:

- More substantial revisions enhance cross-country and domain comparability risks
- Good preparation for next update needed; early reflection on updated ESA TP

Thank you!

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