

## Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the provision and quality of statistics for the macroeconomic imbalances procedure COM(2013) 342 final

<b>Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the provision and quality of statistics for the macroeconomic imbalances procedure</b>  <b>COM(2013) 342 final, 2013/0181 (COD)</b>		
<b>Procedure</b>	<ul style="list-style-type: none"> <li>• Legal Basis: Treaty of the Functioning of the EU TFEU 338</li> <li>• Ordinary Legislative Procedure: Council and EP</li> </ul>	
<b>Stages in the procedure</b>	Commission	<ul style="list-style-type: none"> <li>• Commission adoption: 07.06.2013</li> </ul>
	Council	<ul style="list-style-type: none"> <li>• Proposal Received: 07.06.2013</li> <li>• Council Working Party Meetings: 13.09.2013, 10.10.2013, 08.11.2013, 11.12.2013 (AOB) 20.01.2014, 27.02.2014, 28.03.2014, 28.05.2014, 19.06.2014, 12.09.2014, 16.10.2014, 31.10.2014, 10.12.2014</li> <li>• COREPER: to be announced</li> <li>• Council of the EU: to be announced</li> </ul>
	European Parliament	<ul style="list-style-type: none"> <li>• Proposal Received: 07.06.2013</li> <li>• Committee responsible: Economic and Monetary Affairs (ECON)                             <ul style="list-style-type: none"> <li>○ Rapporteur: JAN Derk EPPINK (ECR)</li> <li>○ Committee referral announced in Parliament, 1<sup>st</sup> reading/single reading: 13.06.2013</li> <li>○ Committee draft report: 07.11.2013, PE522.929</li> <li>○ Amendments tabled in Committee: 13.12.2013, PE523.047</li> <li>○ Vote in ECON Committee: 13.02.2014</li> <li>○ Committee for opinion: Employment and Social Affairs (EMPL), Rapp.: Pervenche Beres Committee draft opinion: 04.02.2014, PE524.535 Regional Development (REGI), Rapp.: Ivars Godmanis Committee draft opinion: 27.01.2014, PE523.104</li> </ul> </li> <li>• EP Plenary: 11.03.2014 (partial vote)</li> <li>• Trilogues: to be announced</li> </ul>
	European Central Bank	<ul style="list-style-type: none"> <li>• ECB opinion: 10.10.2013</li> </ul>

### Summary

The aim of this proposal is to develop a robust quality monitoring procedure in order to ensure the highest quality of the MIP relevant data. The approach set out in the draft Regulation is largely modelled on the well-functioning

statistical procedures already used for Excessive Deficit Procedure (EDP). Member States would be required to provide Eurostat with the relevant macroeconomic statistics in line with common quality criteria set down in the Regulation on European Statistics. They should also inform Eurostat of the sources and methods used to compile this data. Eurostat would examine Member States' statistics, ensure that they are reported in a timely manner, and communicate them for the purposes of MIP.

LT Presidency opened the written hearing on 3 July with the deadline as of 25 July and started general discussions at the September 13 CWPS meeting. The outcome of the consultation showed that the majority of the MS support the intentions of the proposal. However, a number of MS considered other effective ways to achieve this objective existed. A significant number of the opinions showed that a substantial overall redrafting of the text was necessary.

During the 10 October CWPS meeting, the CLS presented the written opinion on legality of certain aspects, the ECB made an oral intervention and the Commission presented its Non-paper on MIP.

An article-by-article examination was started from Chapter I at the 8 November CWPS meeting. Examination concentrated on the terminology and the scope; the Commission was invited and agreed to table a redraft of Art. I par. 1. MS also expressed their support for the inclusion of the annex as regards MIP relevant data in the regulation.

As agreed at the 8 November 2013 CWPS, the Lithuanian Presidency waited for additional suggestions by the Commission either on the scope or on a new modified draft until mid-December, in order to develop a new joint Presidency proposal and joint consultations with Member States to continue examination of the dossier. However, the Commission did not provide any inputs for the LT Presidency to proceed with examination of the file.

The Greek Presidency presented a new alternative proposal for this regulation, with a view to giving impetus to the process, allowing for an article-by-article examination. The Presidency proposals have been drafted with the aim of finding solutions to the often serious concerns of MS, utilising helpful drafting proposals offered by a number of MS, while at the same time retaining and building upon the strong elements of the text of the Commission proposal.

This proposal was discussed during the CWPS meetings of 20 January and 27 February 2014, during which the article-by-article discussion of the Presidency compromise proposal was concluded. On the basis of the views and comments expressed by the delegations, the Presidency prepared and presented to the CWPS of 28 March 2014 a new version of the compromise proposal. This proposal was assessed by most Member States as an important step in the right direction, which, with additional work in certain specific areas, could form the basis for broad agreement within the CWPS. Moreover, there was a call for cooperation among the legal services of the Council, the Commission, the Parliament and the ECB to provide their collective views regarding the cooperation envisaged in the Presidency text between Eurostat (Commission) and the ECB and the NCBs, respectively.

Following the CWPS meeting, the Presidency initiated a written hearing procedure in order to collect specific comments and drafting suggestions by Member States with a view to formulating a text on which a broad agreement could be reached. The results of this hearing and the feedback from the consultation among the legal services were taken into account in the formulation of the new Presidency compromise text that was discussed in the 28 May 2014 CWPS meeting.

During the CWPS meeting of 28 May 2014, significant progress was made, with agreement reached in the majority of the articles discussed. The text of the Presidency proposal was further updated reflecting the changes agreed and concerns expressed by delegations. It was circulated for discussion in the CWPS meeting of 19 June 2014 and agreement was reached on some additional articles. Articles related to quality reports and inventories, to the scope of the regulation, as well as to the cooperation between the ECB and the NCBs with the Commission (Eurostat) and NSIs were discussed and progress was made towards the clarification of the issues involved, but further discussion is required in order to reach agreement.

The European Parliament partially voted on this dossier during its 11 March 2014 plenary session.

During the CWPS meeting of 12 September 2014, the Italian Presidency presented a Revised Proposal (doc. 12678/14). With the aim to reach an agreement on still controversial issues, significant amendments were made on the basis of the comments previously expressed by delegations as regards: subject matter and cooperation between the ESS and the ESBC in the areas of common responsibility (art 1 and 15); quality reports and Quality Assessment (art. 3 and 5); dialogue visits (art. 7). The discussion took place article by article and stopped at art. 8. Although the proposal was assessed by most Member States as a step forward in the right direction, several delegations entered reservations on the redrafted Article 1 (subject matter).

During the CWPS meeting of 16 October 2014 the discussion mainly focused on technical aspects of the articles put forward by the Italian Presidency in a revised proposal (doc. 13974/14). MSs supported several of them, giving at the same time useful suggestions aimed at contributing to revise those articles in need of being better clarified.

At the CWPS meeting of the 31 October 2014, on the one hand MSs acknowledged the Italian Presidency's work and strong commitment in taking on board their suggestions. The aim of the revised proposal (doc. 14672/14) was to add clarity as regard the provisions on Quality reports and Quality assessment. On the other hand, delegations remarked the need for a definition of the scope of the regulation (art 1) before continuing the discussion on other articles. Finally, several delegations called for a period of reflection aimed at evaluating if a regulation is the most appropriate tool to ensure quality of MIP statistics.

At the CWPS meeting of the 10 December 2014, the discussion started from the Recital 9, which was revised in order to underline the importance of a close cooperation between the two systems, to be defined through practical ad hoc arrangements. Articles 1 and 15 were amended accordingly. Articles 3 and 5 on Quality reports and quality assessments were revised making reference to Article 1a, which clarifies the role of relevant sectoral legislation for quality assessment. In general, delegations appreciated the new wordings but reiterated their opposition to the whole regulation. The Presidency decided to stop the discussion.