

Elements for a new mandate of the Task Force on Quarterly Sector Accounts

I. Background

1. The joint Eurostat/ECB (DG-S) Task Force on Quarterly Sector Accounts (TF QSA) was set up in 2002 with the mandate:
 - to prepare a draft proposal for a European Parliament and Council regulation on quarterly non-financial sector accounts;
 - to support the compilation of annual European accounts for institutional sectors;
 - to examine the consistency of the Rest of the World account with the Balance of Payments;
 - to propose a classification of the European Institutions within the European accounts.

The Task Force comprised, in addition to Eurostat and ECB (DG-S), representatives from NSIs and NCBs. It reported regularly to the CMFB, which gave advice on key issues.

2. The Task Force fulfilled its mandate successfully thanks to the very active participation of Member States, which devoted significant amounts of resources and expertise to the QSA project. The Regulation on quarterly non-financial accounts by institutional sector entered into force in August 2005. Member States have started transmitting quarterly data in January 2006. The first release of annual European sector accounts took place on 31 May. Some progress was reached in the work on the consistency of the RoW and BoP, while Member States are requested to devote more attention to this consistency.
3. In view of the major achievements reached with this approach and the challenges ahead, the CMFB Executive Body supported the continuation of the Task Force with a new mandate.

II. Main elements of a new mandate of the TF QSA

4. The purpose of this paper is to present elements of a new mandate of the TF QSA, which should cover the following main aspects.

Composition

5. As a joint Eurostat/ECB's DG-S Task Force, it should strike a balance in the representation of NCBs and NSIs. It could be co-chaired by Eurostat and the ECB's DG-S.

Main areas of work

6. The TF would provide support on the following themes:
 - Issues related to the methodology and quality of quarterly (and annual) non-financial sector accounts;
 - Consistency and integration of non-financial and financial accounts;
 - Consistency of the rest of the world account and the balance of payments;
 - Co-ordinated revision policies.

7. In view of the variety of the issues to be addressed, the work could be organised as follows:

The TF would be the main technical forum in particular for essential cross-cutting issues. In case specific problems of a larger scale need to be addressed in depth or certain sub-domains are to be targeted, separate groups of specialists would be set up. The Task Force RoW offers an example of such a group.

8. The findings and results of the TF would be presented to the competent working groups, to the NA Directors and to CMFB.

III. Expected outcome

9. **The CMFB is invited:**
 - **to support the continuation of the TF;**
 - **to offer comments on the main elements of a new mandate presented in the paper.**

Taking into account these comments, a draft new mandate will be prepared by Eurostat and the ECB (DG-S).