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PROGRESS REPORT ON THE OECD FINANCIAL ACCOUNTS DATABASE

This document has been prepared by Michèle Chavoix-Mannato, OECD

WORKING PARTY ON FINANCIAL STATISTICS

To be held on 9-10 October 2006

*Tour Europe - Paris la Défense
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For further information, please contact:
Michèle Chavoix-Mannato
E-mail: michele.chavoix-mannato@oecd.org

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PROGRESS REPORT ON THE OECD FINANCIAL ACCOUNTS DATABASE

I. INTRODUCTION

1. The main objectives of this document are:
 - To inform delegates to the Working Party on Financial Statistics (WPFS) on the situation concerning the Financial Accounts Database since the meeting that was held in October 2005;
 - To present developments and improvements done by the Secretariat as well as by countries since the last meeting in accordance with the conclusions set at that meeting (treatment of specific instruments, quarterly data, non-financial assets, sources and methods using a standardized format);
2. Recommendations are being made to the Member countries in order to help the Secretariat improve the statistics, and to supplement methodological information regarding the financial accounts (flows) and financial balance sheets (stocks).
3. Delegates to the Working Party are being asked questions, the answers to which will help guide future developments to the database. A *tour de table* could be held during the meeting so that all delegates can voice their opinions and state their countries' positions.

II. COLLECTION AND DISSEMINATION OF ANNUAL FINANCIAL ACCOUNTS

II.1 Inventory of information included in the database

4. The Financial Accounts database contains data for twenty-five OECD Member countries both on detailed financial transactions and on detailed financial stocks. Greece, Ireland and Switzerland sent data for the first time in 2006, while Luxembourg, Iceland, Ireland and New Zealand do not provide any data yet. The table 1 summarises the current situation (as of 22 September 2005) with respect to receipt of new updates for flows (Tables 610 and 620) and stocks (Tables 710 and 720).
5. Nevertheless, there are still some exceptions in the transmission of both financial stocks and transactions: Mexico provides data on financial transactions only while Ireland and Switzerland provides only financial stocks. However, these two countries are extending the coverage of their accounts: Mexico is now compiling data relating to the sector of Financial Corporations (S12 and its components), not only for flows but also for stocks, both consolidated and non-consolidated, while Switzerland will be ready to send 2002-2005 non-consolidated flow data in November 2007. As for Turkey, only data for two sub-sectors belonging to "Financial corporations" (Sector S121 -*Central bank*- and Sector S122 -*Other monetary financial institution*) have been transmitted yet.
6. Except the United Kingdom and Ireland, all European Union countries, including the Czech Republic for the first time in 2006, have transmitted financial accounts in both consolidated and non-consolidated forms. Among non-EU countries, Norway and Turkey are the only countries which send both forms of accounts: Canada, Japan, Switzerland and USA have non-consolidated data while Australia and Mexico

send consolidated accounts. It has however to be added that a very limited number of assets/liabilities of the General Government (S13) is consolidated in the US accounts. Moreover, one country – Korea – which used to provide OECD with consolidated data over a long period, has recently changed the base of its national accounts (SNA93 instead of SNA68) and can provide non-consolidated data only and for one/two years only.

Table 1: Financial Accounts data received in 2006 (as on 22 September)

| Table Country | Date of data reception | 610 (transactions) | 620 (transactions) Non- | 710 (stocks) Consolidated | 720 (stocks) Non-consolidated |
|--------------------------------|---|-------------------------------------|--|--|--|
| Australia | 31-08-06 | 2005 | | 2005 | |
| Austria | 20-06-06 | 1996-2005 | 1996-2005 | 1995-2005 | 1995-2005 |
| Belgium | 03-05-06 revised up to 18-07 | 1994-2005 | 1994-2005 | 1994-2005 | 1994-2005 |
| Canada | 22-08-06 | 1970-2005 | | | |
| Czech Rep. | 22-08-06 | | 1995-2004 | | 1995-2004 |
| Denmark | 21-07-06 revised up to 01-08 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Finland | ??-09-06 | | | | |
| France | 07-06-06 revised up to 08-08 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Germany | 04-09-06 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Greece | 20-04-06 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Hungary | 11-04-06 | 1990-2005 | 1990-2005 | 1989-2005 | 1989-2005 |
| Ireland | 22-09-06 | | | | 2001-2004 |
| Italy | 30-06-06 revised up to 19-07 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Japan | 30-05-06 | | 1996-2004 | | 1996-2004 |
| Korea | 04-09-06 | | 2005 | | 2004-2005 |
| Mexico | 13-09-06 | 1993-2003 + 2002-2005 | 2002-2005 (S12) | 2002-2005 (S12) | 2002-2005 (S12) |
| Netherlands | 18-07-06 revised up to 04-08 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Norway | 24-05-06 | 1996-2005 | 1996-2005 | 1995-2005 | 1995-2005 |
| Poland | 07-02-06 | 1995-2004 | 1995-2004 | 1995-2004 | 1995-2004 |
| Portugal | 09-06-06 revised up to 08-08 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Slovak Rep. | 30-06-06 | 1995-2004 | 1995-2005 | | |
| Spain | 27-06-06 | 1990-2005 | 1990-2005 | 1990-2005 | 1990-2005 |
| Sweden | 06-09-06 | 1995-2005 | 1995-2005 | 1995-2005 | 1995-2005 |
| Switzerland | 13-03-06 | | | | 1999-2003 |
| Turkey | 25-08-06 | 2003-2005 | 2003-2005 | 2002-2005 | 2002-2005 |
| U.K. | 30-03-06 revised up to 07-07 | | 1995-2005 | | 1995-2005 |
| United States | 24-03-06 revised up to 19-09 | | 1950-2005 | | 1950-2005 |

7. Generally speaking, there is an improvement in time coverage in comparison with last year: data relating to the year 2005 are still missing all tables of five countries (the Czech Republic, Finland, Ireland, Japan and Poland) and for the Slovak Republic (consolidated transactions). For Mexico and Switzerland, data are missing for 2004 and 2005; however, both of them have announced the impending transmission of 2004 data

8. Comparing with last year inventory, other improvements can be observed:

- New countries: Greece (all four tables - 1995-2005), Ireland (table 720 – 2001-2004) and Switzerland (table 720 - 1999-2003)
- New tables: Slovak Republic (stocks and consolidated transactions - 1995-2004)
- Better time coverage: USA (1950-2005 instead of 1970-2005)

However, we also notice some problems such as in Japan, where there is a break in series between 1995 and 1996 because of the 2000 benchmark revision, and in Korea, where data, now based on SNA93, are available on a very short period (2005 for transactions and 2004-2005 for stocks).

9. Regarding consolidated data, a document is presented under a other item of the present agenda. It contains a summary of the countries' replies to the survey on consolidation launched last summer as well as more details on the true situation based on data by sector. In effect, the level of consolidation varies widely from one country to another and from one sector to another.

II.2 Data collection and management

10. The 2006 questionnaire for collecting 2005 data on countries not belonging to the European Union was sent out on 10 May 2006. The deadline was 31 August 2006. Except Canada and Mexico which have announced a slight delay in sending back their stock data, and Switzerland which sent data for the first time in Spring 2006, all non European countries have transmitted the data on time. The European Union countries forward their financial accounts and financial balance sheets to Eurostat; a system for an automatic transmission to the OECD (Stadium) allows the Secretariat to get the same data at the same time.

11. There has been an agreement between OECD and Eurostat that all Emails from both organisations to national correspondents regarding inconsistencies and errors are shared. Thus the processing of the national data and the checking their quality is more efficient and leads to no duplication of work for EU countries. However, this better co-operation between OECD and Eurostat does not prevent countries, each time they send a new table, to inform both International Organisations of its contents and ascertain how it differs from the tables sent previously. This would save valuable time. Despite constant reminders, only one country, Norway, systematically announces new files and their content.

12. As for non-European countries, a chronic problem remains: some of them do not use the format requested by OECD. Routines to import data into the OECD database have been elaborated to accelerate the process, but each time a country uses a different format, a new routine, or alterations to the existing routine have to be developed, which takes time and adds to the risk of errors.

13. In addition, OECD Member countries are requested to transmit files systematically covering the total period for which data exist in the country, or at least covering all the years for which changes have been

made (even partially), so that, at the time of the process of update, the whole of the revisions carried out over all the period is taken into account.

14. Countries are invited to verify the quality of their files before transmission and to correct themselves their data in order to minimise the number of errors detected by the checks and to reduce the workload of International Organisations which process their data. In particular:

- Countries are asked to avoid the reporting of ‘blanks’ in the files they transmit. A ‘blank’ or missing value is rarely justified and in most cases can be replaced by either zero (0) or not available (n.a.), when appropriate, depending on defined rules. Each time a missing value is found when check tests are carried out, a ‘mistake’ is signalled and conducts to additional verification, exchanges of messages and manipulation in the dataset;
- When appropriate, checks are done on the sum of children data (sub-instruments or sub-sectors) compared with the parent data (instruments or sectors); it happens too frequently that there is no equality between these two values, when there should be one.

15. Lastly, recommendations which have been approved by the delegates and consigned in the summary records of the meeting should be applied in the following transmissions. In particular, it was agreed by the Group that,

- following Eurostat’s rule, the AF.1 asset of sector S1 should not be reported in sector S2, as a counterpart, neither on the asset side (same value, opposite sign), nor on the liability side (same value, same sign); it has however to be noted that, in the framework of the revision of the SNA, SDRs might be recorded on the liability side of sector S2.
- The Secretariat would add an ‘Unallocated sector’ in the Financial Accounts tables so that countries which used to have this sector in their accounts can provide OECD with consistent data.

III. DEVELOPMENTS SINCE LAST OCTOBER

16. For reasons of a lack of resources and of changes in the staff, the Secretariat has not been able to carry out all developments envisaged in the 2006 working programme as settled at the October 2005 WPFS meeting.

III.1 Quarterly financial accounts data

17. In the summary of the last meeting it is recorded that most countries would prefer to submit to OECD the same table on quarterly basis as on annual basis in opposition to the Secretariat’s proposal which was to collect quarterly data for stocks limited to only instruments AF1 to AF7 and for only sectors S13 (Public administrations) and S14-S15 (Households and ISBLSM) It is also recorded that the OECD will further analyse the issue, but that without additional resources, the OECD would not be able to collect the whole set of quarterly financial accounts.

18. Some non-EU countries have quarterly financial account data, like Canada and USA for a long time, Norway from 1995 and Korea from 2005, and are ready to provide OECD with these quarterly financial data as soon as they become available and published, while for some others, like Japan, Mexico, Switzerland and Turkey, they are not available and, because of other priorities, there is no plan to produce complete quarterly financial accounts in the very near future. Australia produce quarterly financial accounts but they have not sent any information regarding their coverage and timeliness.

19. According to the Guideline of the European Central Bank (ECB) of 17 November 2005 on the 'statistical reporting requirements of the ECB', which will enter into force on 1 April 2006, Member States of the Euro area must transmit quarterly financial accounts to the ECB 110 days after the end of the quarter and the ECB publishes quarterly financial accounts (both outstanding amounts and transactions) for the Euro area as a whole only. The transmission from member States should cover:

- both stocks and transactions;
- non-consolidated accounts, except for the General Government sub-sectors (S1311, S1312, S1313, S1314) which are requested on a consolidated basis;
- all institutional sectors (including S2) and the main institutional sub-sectors (S121 and S122 as well as S14 and S15 are not asked separately);
- most assets and liabilities (some aggregated instruments are not requested, such as AF3, AF4 and AF6; on the contrary, some sub-instruments are regrouped such as AF22+AF29 and AF512+AF513);
- the period Q4 1997 and Q1 1998 respectively for outstanding amounts and transactions, except for the General Government sub-sectors for which the period is respectively Q4 1998 and Q1 1999;
- counterpart sector information.

20. A number of derogations, however, have been accorded to countries: it has been agreed that some information (either on the current period or for back data) would be delayed up to fourth quarter 2008 at the latest. However, no national data are published: only aggregations are calculated and shown for the Euro area. In addition, a number of countries, which do not belong yet to the Euro area, have begun to compile quarterly data and to send them to the ECB.

21. Eurostat, for its part, collects and publishes quarterly accounts (transactions and stocks, both consolidated and non-consolidated) for the Government sector (S13): data are available for all EU countries except Luxembourg, Portugal and the Slovak Republic. They begin in Q1 2000 except for the Czech Republic (Q1 2003) and Sweden (Q3 2001). Assets and liabilities are shown at the aggregated levels (F1/AF1 to F7/AF7, including totals and net values).

22. The collection and the publication of quarterly data of the financial accounts are currently not a priority for OECD. However, it might be envisaged to collect annual data on a quarterly frequency basis: in effect, as soon as the fourth quarter of a year is known, it is possible to have preliminary data for the whole year and each time a new quarter is available, the yearly data is revised (either the previous year or the two or three previous years), which makes the data faster and more relevant for the analysts. Therefore, the only possibility to satisfy the growing need for fast data, if additional resources are provided to the Financial Statistics section of the Directorate of Statistics, would be to collect quarterly financial accounts data but to use them to estimate preliminary annual data.

23. According to Table 2, below, quarterly financial accounts are available for most OECD member countries. They are still missing for five or partially missing for a number of countries. Their timeliness is very good for non-European countries and will improve in the future for EU countries. It might be possible to use them to quicker update annual accounts for most OECD countries, either for upper levels of aggregation in a quite short term, or for detailed breakdown only as from 2009, once all derogations are abolished.

Table 2: Availability of quarterly Financial Accounts

| | Availability | Completeness (stocks, flows or full) | Period (beginning quarter) | Timeliness |
|--------------------------------|--|--|-----------------------------------|-------------------|
| Non EU countries | | | | |
| Australia | x | ? | ? | ? |
| Canada | x | full | Q1 1961 | 60 to 75 days |
| Iceland | | | | |
| Japan | | | | |
| Korea | x | full | Q1 2005 | 3 months |
| Mexico | | | | |
| New Zealand | | | | |
| Norway | x | full | Q4 1995 | 1-2 months |
| Switzerland | | | | |
| Turkey | | | | |
| United States | x | full | Q1 1952 | 5 weeks |
| Euro area countries | | | | |
| | | | according to the ECB guideline | |
| Austria | X (derogations, up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Belgium | X (few derogations up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Finland | X (derogations, up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| France | X (derogations, up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Germany | X (derogations, most up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Greece | x | full | Q4 1997-Q1 1998 | 110 days |
| Ireland | full derogation, up to Q4 2006 or to Q4 2008 | full | Q4 1997-Q1 1998 | 110 days |
| Italy | X (few derogations up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Luxembourg | X (derogations, up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Netherlands | X (derogations, up to Q4 2008) | full | Q4 1997-Q1 1998 | 110 days |
| Portugal | X (derogations, up to Q4 2007) | full | Q4 1997-Q1 1998 | 110 days |
| Spain | X (few derogations, up to Q2 2007) | full | Q4 1997-Q1 1998 | 110 days |
| Non-Euro area countries | | | | |
| Czech Republic | | | | |
| Denmark | x | stocks only | Q4 1998 | 3.5 months |
| Hungary | x | full | Q1 1995 | 3 months |
| Poland | | | | |
| Slovak Republic | x | stocks only | Q4 2003 | 3 months |
| Sweden | x | full | Q1 1996 | 3-3.5 months |
| United Kingdom | x | full | Q1 1987 | 3 months |

III.2 Non-financial assets

24. Data on non-financial assets are requested in Table 2600 which is part of the 'Annual National Accounts' questionnaire. However, because of the very few numbers of responses to this Table 2600, and because of the growing interest of Central Banks for a full balance sheet, it was decided to also request this information from financial experts.

25. At the October 2005 WPFS meeting, there was a general support for the OECD collection of information regarding balance sheets (both non-financial and financial) in order to enable the Secretariat as well as external users to have a better knowledge on the wealth of all institutional sectors, to analyse them and to establish international comparisons. Consequently, the summary record of the meeting stated that the Secretariat should address the Table 2600 to its financial network, asking it to co-operate. This table has been transmitted in May 2006 to non-European countries at the same time as the financial accounts questionnaire was sent. EU countries have received the same request in a recent separate mail.

26. Moreover, as households constitute a very important sector for analysts in particular at OECD, two initiatives have been launched by the Secretariat in May 2005: a one-off request for data on non-financial assets of Households and Non-profit Organizations (S14 + S15) addressed to national accounts experts who were asked to transmit data on a voluntary basis and, in addition to the annual Financial Accounts questionnaire, a statistical survey on households assets (Table 7HA) including a limited number of non-financial assets addressed to financial accounts experts.

27. Table 3, below, shows the availability of non-financial assets in OECD countries, based on the replies to the Table 26 (all sectors) and to the Table 7HA (sectors S14 or S14-S15). The information contained in this table 3 is limited to the list of assets common to both surveys (total non-financial assets AN; Dwellings AN1111; Land AN211) and corresponds to either the availability of data or to the transmission of data.

28. According to the replies to Table 26, the asset the most frequently available is AN1111 (dwelling) while less information is available for Total non-financial assets (AN) and Land (AN211). In Table 7HA, the distribution of assets is different.

29. It can be noted that, while this topic becomes more and more relevant at a world level, very few countries have been able to provide such information. A deeper analyse of the data shows that the information provided by the countries is not always consistent: data are the same when the institutional coverage is different or data are different same when the institutional coverage is the same.

Table 3: Stocks of Non-financial assets - Availability of data

legend: .. no data available
no reply

| Table 2600 (Non-financial assets) | | | | | | | Table 7.HA (Households' assets) | | | | | | | |
|--|---------------|-------------|----------|------------------|------------|------------------------|--|---------------|---------|----------|------------------|------------|-----------------------|---------------|
| | Time coverage | Sectors | AN Total | AN1111 Dwellings | AN211 Land | additional information | | Time coverage | Sector | AN Total | AN1111 Dwellings | AN211 Land | Anm Consumer durables | notes/sources |
| Australia | 1989-2005 | S1 to S15 | x | x | x | | Australia | 1989-2005 | S14 | x | x | x | x | x |
| Austria | .. | S1 only | .. | x | .. | no data sent yet | Austria | .. | .. | .. | .. | .. | .. | .. |
| Belgium | | | | | | no reply | Belgium | 1995-2003 | S14 | .. | x | .. | .. | x |
| Canada | 1970-2004 | S1 to S15 | x | x | x | | Canada | 1995-2004 | S14-S15 | x | x | x | x | x |
| Czech Republic | 1995-2004 | S1 to S15 | x | x | x | | Czech Republic | 1995-2003 | S14 | x | x | x | .. | .. |
| Denmark | | | | | | no reply | Denmark | 1995-2000 | S14-S15 | .. | x | .. | .. | x |
| Finland | .. | .. | .. | .. | .. | no data | Finland | .. | .. | .. | .. | .. | .. | .. |
| France | 1978-2005 | S1 to S15 | x | x | x | | France | 1995-2005 | S14 | x | x | x | .. | .. |
| Germany | 1991-2004 | S1 & S14-15 | .. | x | .. | | Germany | 1995-2003 | S14-S15 | x | .. | .. | x | x |
| Greece | | | | | | no reply | Greece | .. | .. | .. | .. | .. | .. | .. |
| Hungary | .. | .. | .. | .. | .. | no data sent yet | Hungary | .. | .. | .. | .. | .. | .. | .. |
| Iceland | | | | | | no reply | Iceland | | | | | | | no reply |
| Ireland | | | | | | no reply | Ireland | | | | | | | no reply |
| Italy | | | | | | no reply | Italy | 1995-2004 | S14-S15 | .. | .. | .. | x | .. |
| Japan | 1980-2004 | S1 to S15 | x | x | x | AN1111: S1 only | Japan | 1995-2003 | S14 | x | .. | x | x | x |
| Korea | .. | .. | .. | .. | .. | no data sent yet | Korea | .. | .. | .. | .. | .. | .. | .. |
| Luxembourg | | | | | | no reply | Luxembourg | | | | | | | no reply |
| Mexico | .. | .. | .. | .. | .. | no data | Mexico | .. | .. | .. | .. | .. | .. | .. |
| Netherlands | 1995-2005 | S1 to S15 | .. | x | .. | | Netherlands | 1995-2003 | S14-S15 | x | x | .. | - | x |
| New Zealand | .. | .. | .. | .. | .. | no data | New Zealand | .. | .. | .. | .. | .. | .. | .. |
| Norway | | | | | | no reply | Norway | 1995-2004 | S14-S15 | x | x | .. | .. | .. |
| Poland | 2000-2004 | S1 to S15 | x | x | .. | | Poland | .. | .. | .. | .. | .. | .. | .. |
| Portugal | | | | | | no reply | Portugal | .. | .. | .. | .. | .. | .. | .. |
| Slovak Republic | 1995-2004 | S1 to S15 | .. | x | .. | except S12 | Slovak Republic | .. | .. | .. | .. | .. | .. | .. |
| Spain | | | | | | no reply | Spain | .. | .. | .. | .. | .. | .. | .. |
| Sweden | .. | .. | .. | .. | .. | no data | Sweden | .. | .. | .. | .. | .. | .. | .. |
| Switzerland | .. | .. | .. | .. | .. | no data | Switzerland | .. | .. | .. | .. | .. | .. | .. |
| Turkey | | | | | | no reply | Turkey | .. | .. | .. | .. | .. | .. | .. |
| United Kingdom | | | | | | no reply | United Kingdom | | | | | | | no reply |
| United States | .. | S1 to S15 | .. | x | .. | no data sent yet | United States | 1995-204 | S14-S15 | x | .. | .. | x | x |

IV. SOURCES AND METHODS

IV.1 Standardized format

30. At the last meeting of the WPFS, non-European countries supported the OECD proposal to use a standard format for the collection of methodological information relating to financial accounts and balance sheets, based on the Eurostat template that EU countries were filling out. The replies from fifteen European countries, including Norway, to the Eurostat questionnaire on the compilation of financial accounts are already available.

31. The framework of the Eurostat survey has been copied to prepare a standard format for the questionnaire to be sent to non-European countries. The replies given by EU countries to some of the questions asked in the Eurostat survey have been largely used to help non-European countries to better fill in the survey, so that the comparability between replies from all OECD countries is facilitated.

32. However, two methodological questions which are part of the EU survey have been either suppressed or simplified from this framework, valuation” and “consolidation”, because they have been the subjects of specific requests. The results of the consolidation survey sent last year and the preliminary results of the valuation survey very recently sent to non-European countries are presented later in the meeting (see below).

33. The OECD methodological survey to be transmitted to non-European countries is shown in the Annex of the present document. It will be addressed to them as soon as possible after the WPFS meeting. At a later date, if needed, EU countries will be asked to complete their reply to the Eurostat survey.

34. The methodological information collected, which is very important for the users of financial accounts, will be summarised in country sheets based on a limited common framework, and, after agreement of the country concerned, and as soon as resources have been made available to the section of financial statistics, will be stored into the new OECD methodological database (*‘Metastore’*) and posted on the OECD.Stat database.

IV.2 Supplementary methodological information

35. In anticipation of this methodological survey, a special questionnaire has been sent to non-European countries in August regarding the valuation of financial assets and liabilities of households and government. The first results of this inquiry will be presented later in the agenda. In agreement with Eurostat, the same survey on valuation of assets and liabilities should reach EU countries before the end of the year.

36. The consolidation is another important aspect of the methods used in countries to compile their financial accounts and balance sheets. Rules have been established for EU countries: however, deviations from the standards are evident when a deeper analysis of the data is carried out. Most of them produce some degrees of consolidated data but not at all levels of consolidation. These differences are still more obvious for non-European countries.

37. It has been decided to clarify the issue of consolidation by creating an electronic discussion group (EDG) where a first paper would be prepared to start the discussion and other papers would propose best practices. Further more, the WPFS agreed to bring this issue to the ISWGNA so that the revised SNA includes some clarification on consolidation. These two developments are presented under a further item of the agenda.

V. CONCLUSIONS

38. The OECD Secretariat, which is fully aware of the difficulties that some countries may meet when they are asked to fill additional questionnaires and to reply to various surveys, thanks the delegates and all financial experts for their work during the past year and for their participation in the improvement of the OECD financial accounts database.

39. The purpose of this document is to insist on the importance that financial accounts are provided by all OECD countries and that a complete and comparable picture of the financial wealth of all institutional sectors in OECD countries is made available to users of financial balance sheets. Non financial wealth data remains however missing and this undermines the use of the data. This paper also insists on the importance that methodological information, well documented and comparable between countries, accompanies statistical data.

40. The OECD will continue to spend time and energy as much as possible so that further improvements can be implemented. This will not be feasible without the cooperation of all Member countries which will be solicited to extend the coverage of their data, in particular for non financial wealth, explain their methods of consolidation and valuation and solve remaining issues.

ANNEX: Survey on Sources and Methods for the compilation of SNA 93 financial accounts

to be sent to non-European countries

The result of this survey will be summarized in country sheets that will be posted on the OECD.STAT database, after agreement of the country. Respondents to this survey have to remember that users are essentially interested when national methods involve a departure from the SNA standards.

A. Institutional arrangements and National sources

Responsibility relating to methodology, production and compilation of data, and dissemination of financial accounts may vary among OECD countries.

In a number of countries, Central Banks have the entire responsibility, while in others, Statistical Offices take in charge either the dissemination or both compilation and dissemination to International Organizations.

It also may occur that data disseminated by the Central Banks differ from those published by the Statistical Offices, most often in detailed coverage.

Please describe your institutional arrangements for the production of financial accounts as well as your policy for the revision of the data (time table and numbers of revisions). The description should be made with respect to institutions involved (Central Banks, Statistical Office, Other Institute to be specified) and their respective responsibility (Methodology; Production of primary data, for all institutional sectors or for a specific sector; Compilation of financial accounts; Dissemination of financial accounts data).

Concerning the dissemination, please indicate clearly the URL (if any) of the main web site used to disseminate your national financial accounts. If there are several, please indicate several URLs.

Please also give the name of publications and websites where financial accounts data as well as methodological information is made available.

Please specify the frequency for updating the supports for the dissemination of the data, in particular the Internet sites.

B. The institutional sector classification

Concepts and definitions of sectors are given in SNA93. It however may occur that for institutional or practical reasons, coverage and definitions of institutional sectors differ from the standard.

- Please list and describe the content of each sub-sector in the financial accounts of your national economy in the terms used in your national economy.
- Are there any borderline cases in the sector classification? If yes, explain the cases.

The following table should be used to show the content of each sector:

| Institutional sectors | Types of institutional units included and their characteristics | Deviations from SNA93 sector classification |
|------------------------------|--|--|
| S121 | - | - |
| S122 | - | - |
| S123 | - | - |
| S124 | - | - |
| S125 | | |
| S1311 | | |
| S1312 | | |
| S1313 | | |
| S1314 | | |

C. The classification of financial assets and liabilities

Institutional sectors are engaged in a number of financial transactions which are classified in categories subdivided into sub-categories, that we call instruments and sub-instruments. Concepts and definitions of instruments are given in SNA93. It however may occur that for institutional or practical reasons, definitions of instruments in your country differ from the standard. Users are also interested in making the bridge between the name used in the SNA (e.g. bonds) and the actual content in the terminology used on financial markets (e.g. Treasury bonds or such and such types).

- Please describe each category of financial assets in the financial accounts of the national economy with the terminology used in your country.
- Indicate deviations from SNA classification. Are there any borderline cases in the classification of financial instruments? If yes, explain the cases.
- When no separate data is available specify the reason (either the instrument or sub-instrument does not exist; or there is no possible record for this instrument or sub-instrument for a specific sector; or its data, while not separately available, is included in its parent instrument).

The following table should show the content of each asset category at the most detailed level of the classification. If data are not available at this level, please add a line above the sub-items for the aggregated item and explain its content.

| | Asset/liability category | Types of financial assets/liabilities included and their characteristics | Deviations from SNA93 sector classification |
|-------|---|--|---|
| F.11 | Monetary gold | - | - |
| F.12 | SDRs | - | - |
| F.21 | Currency | - | - |
| F.22 | Transferable deposits | | |
| F.29 | Other deposits | - | - |
| F.331 | Short-term securities | - | - |
| F.332 | Bonds | - | - |
| F.34 | Derivatives | - | - |
| F.41 | Short-term loans | - | - |
| F.42 | Medium and long-term loans | - | - |
| F.511 | Quoted shares | - | - |
| F.512 | Unquoted shares | - | - |
| F.513 | Other equity | - | - |
| F.52 | Mutual funds shares | - | - |
| F.611 | Net equity of households in life insurance reserves | - | - |
| F612 | Net equity of households in pension funds | - | - |
| F.62 | Prepayments of premiums and reserves against outstanding claims | - | - |
| F.71 | Trade credits and advances | - | - |
| F.79 | Other accounts receivable or payable, except trade credits and advances | - | - |

D. Compilation methods

1. Estimation of flows from balance sheet data and vice versa.

- Please describe the major methods used to derive financial transactions when no direct information is available, with reference to adjustments for revaluation of financial assets quoted on markets in domestic and foreign currencies.

2. Compilation of financial accounts

- Please describe the processes for compiling the financial accounts. In particular, specify the use of counterpart sector information to derive financial accounts from sectors for which there is a lack of direct information and explain the residual calculation of financial accounts of sectors for which information is missing or of unreliable quality (e.g. the household sector).

3. Compilation of accrued interests

- Please describe the applied methods for compiling accrued interests.
- Please specify for which sectors accrued interest are calculated.

5. Other issues

- If relevant, please describe the procedures to reach a reconciled balance between financial assets and liabilities incl. treatment of possible discrepancies within the financial accounts system.
- Please comment any other issues.

E. Consolidation

The information on consolidation methods applied in countries has been asked in the framework of a specific survey. However, you are invited to give a quick answer to the following questions as well as more details regarding the General government sector (S13).

While most countries provide consolidated and non-consolidated tables, the methods of consolidating the financial accounts may differ from one country to another, with the pending problems of data comparability. If you compile consolidated financial accounts:

- What consolidation rules do you apply?
- Which is the level of consolidation?
- To which sectors and/or sub-sectors does this apply?

Specify in particular the consolidation process conducted between the different sub-sectors (S1311, S1312, S1313, S1314) of the general government.

F. Consistency between financial accounts and non-financial accounts

- Are there any significant statistical discrepancies between net lending / net borrowing as calculated in the capital account compared to the financial account. If yes, to which sectors does this pertain and what are the reasons for discrepancies?
- Please describe by sectors the adjustments made to bring consistency between the capital account and the financial account for the net lending / net borrowing, if any. Where do you place the discrepancy in the system of accounts?

G. Consistency between Financial accounts and Balance of payments statistics

- Is the consistency between financial accounts and balance of payments statistics fully acceptable? If not, do you intend to improve it?

Additional question

Sources of information

- Please list sector by sector (if important at the level of sub-sector) the main sources and supplementary information used to compile financial accounts, including various aspects of the data sources such as types of sources used (direct sources or counterpart information), use of the source, frequency of availability of the source (monthly, quarterly, annual)
- Please also list instrument by instrument the main sources of information (direct sources or counterpart information), as well as information on the valuation of financial assets and liabilities in the data sources (market values, book values, nominal values)
- Please give additional information on the coverage (including availability of transactions and/or balance sheet data), the timeliness of the data sources

The following table can additionally be used to reply to the question on direct sources by institutional sector. Some examples are given to help you to fill it: please keep (and complete), delete, or add information according to your own country.

| Institutional sector | Types of direct sources | Types of counterpart sources | Uses in Financial Accounts | Frequency |
|----------------------|--|------------------------------|--|-----------|
| S11 | – Central balance sheet office database – Chambers of commerce balance sheet database | | – Shares and other equity as assets and/or liabilities of non-financial corporations | |
| S121-S122 | – Balance sheet of the Central Bank – Money and banking statistics | | – All financial assets and liabilities | |
| S123 | – Financial institutions' supervisory reports | | – Securities – Mutual funds shares | |
| S124 | | | | |
| S125 | – Balance sheets collected by the supervisor authorities | | – Securities – Shares and other equity – Insurance technical reserves | |
| S1311 | – Various general reports published by the Central Government – Balance sheets of public bodies | | – All financial assets and liabilities | |
| S1312 | – Various general reports published by the State Government – Balance sheets of public bodies | | – All financial assets and liabilities | |
| S1313 | – Various general reports published by the Local Government – Balance sheets of public bodies | | – All financial assets and liabilities | |
| S1314 | – Social Security accounts – Social Security balance sheets | | – All financial assets and liabilities | |
| S2 | | | – All financial assets and liabilities | |

The following table can additionally be used to reply to the question on direct sources by financial instrument. It gives some examples of sources to help you to fill it: please keep (and complete), delete, or add information according to your own country.

| Financial instrument | Total amount outstanding/issued | Information on counterpart sectors | Valuation in the data sources |
|---|---|--|--------------------------------------|
| Monetary gold and SDRs | – Balance sheet of the Central Bank | | |
| Currency and deposits | – Balance sheet of the Central Bank – Banks' supervisory reports | – Banks' supervisory reports – Balance sheets of other financial corporations – Balance sheets of non-financial corporations | |
| Securities other than shares | – Capital market statistics – Balance of payments statistical returns | – Sectors' balance sheets – Banks' supervisory reports – Balance of payments statistical returns | |
| Financial derivatives | – Banks' supervisory reports – Balance of payments statistical returns | – Banks' supervisory reports – Balance of payments statistical returns | |
| Loans | – Supervisory reports – Balance of payments statistical returns | – Supervisory reports – Balance of payments statistical returns | |
| Shares and other equity | – Stock exchange market statistics – Central balance sheet office – Chambers of commerce balance sheet database – Supervisory reports – Balance of payments statistical returns | – Balance sheet of the Central Bank and other financial corporations – Chambers of commerce balance sheet database – Balance of payments statistical returns | |
| Investment fund shares | – Investment funds' balance sheets – Balance of payments statistical returns | – Supervisory reports – Balance of payments statistical returns | |
| Insurance reserves | – Balance sheets collected by the supervisor authority | | |
| Trade credits | – Balance of payments statistical returns – Chambers of commerce balance sheet database | – Balance of payments statistical returns – Chambers of commerce balance sheet database | |
| Other accounts receivable/ payable | | | |