



**Memorandum of Understanding between the Central
Statistics Office and Department of Finance in relation
to Government Finance Statistics**

List of Abbreviations

| | |
|----------|-------------------------------------------------------|
| CSO | Central Statistics Office |
| CBI | Central Bank of Ireland |
| DoF | Department of Finance |
| ESTAT | Eurostat |
| ECB | European Central Bank |
| EDP | Excessive Deficit Procedure |
| GFS | Government Finance Statistics |
| ESA 2010 | European System of Accounts 2010 |
| EU | European Union |
| OECD | Organisation for Economic Cooperation and Development |
| MGDD | Manual on Government Deficit and Debt |

1. Context/Background

The Central Statistics Office (CSO) and the Department of Finance (DoF), along with the Central Bank of Ireland (CBI) have a joint responsibility for reporting historic and forecast Government Finance Statistics (GFS) and Excessive Deficit Procedure (EDP) data for Ireland. The EU Commission, Eurostat (ESTAT) and the European Central Bank (ECB) are increasing their efforts to assure the quality of GFS, including increased assurance on the robustness of systems and upstream data. In this context, clarity with regard to the roles and responsibilities of key players in the production of GFS is very important. Also of note in this context are:

- Excessive Deficit Procedure Reporting Regulation - Council Regulation (EC) No. 479/2009 as amended by Council Regulation 679/2010 and Commission Regulation (EU) No 220/2014;
- Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics¹ (as amended 2015);
- Statistics Act, 1993;
- Regulation 1173/2011 on the effective surveillance in the Euro area and other “six pack” measures;
- Directive 2011/85/EU on requirements for budgetary frameworks of the Member States;
- S.I. No 508 of 2013 which transposed the Budgetary Frameworks Directive into national law;
- Regulation 679/2010 in relation to the examination of upstream data;
- The Irish Statistical System and the objectives of the National Statistics Board in their Strategy for Statistics²;
- European Statistical System – in particular its quality declaration³; and
- European Statistics Code of Practice, in particular its principle of commitment to quality.⁴

2. Purpose of the Memorandum of Understanding

The purpose of this Memorandum of Understanding (MoU) is to clarify the roles and responsibilities of, as well as the areas of cooperation between, the CSO and DoF with regard to the compilation and transmission of GFS. The agreement is entered into on the understanding that it is subordinate to the relevant legislation governing each body, and is limited in scope to the GFS area only, and does not cover any other areas of co-operation between the CSO and DoF.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:087:0164:0173:en:PDF>

² http://www.nsb.ie/media/nsbie/pdfdocs/NSB_Strategy_2015-2020.pdf

³ <http://ec.europa.eu/eurostat/documents/64157/4392716/ESS-QAF-V1-2final.pdf/bbf5970c-1adf-46c8-afc3-58ce177a0646>

⁴ <http://ec.europa.eu/eurostat/web/products-manuals-and-guidelines/-/KS-32-11-955>

3. Government Finance Statistics (GFS)

The objective of GFS is to measure in a consistent and comparable way the economic activities of government, including:

- government revenue by type,
- government expenditure by type and function,
- government deficit,
- government debt,
- transactions in assets,
- transactions in liabilities,
- other economic flows,
- balance sheets.

European GFS are currently produced in accordance with the European System of Accounts 2010 (ESA 2010), which is the EU manual for national accounts, supplemented by further interpretation and guidance from Eurostat, in particular the Manual on Government Debt and Deficit (MGDD). GFS differ noticeably from the budget or public accounting presentations that are nationally specific as far as scope of units and recording of transactions are concerned. GFS form the basis for fiscal monitoring in Europe, most notably for the statistics related to the EDP.

In Ireland the Central Statistics Office, the Central Bank of Ireland and the Department of Finance are all involved in the compilation and reporting of GFS. A full list of GFS tables and the associated legislation is contained in Appendix A.

4. When are GFS transmitted, by whom and how?

Transmission deadlines are contained in Appendix A. This timetable specifies which agency is responsible for transmitting each GFS table, the transmission deadline and the mode of transmission.

The CSO is responsible for transmitting the following:

- Bi-annual EDP notification (Annex 1), the questionnaire related to the notification (Annex 3) and supplementary tables on government interventions in the financial sector (Annex 5),
- EDP notification on contingent liabilities (annual),
- Annual Non-Financial accounts of general government and sub-sectors (ESA Table 0200),

- Quarterly Non-Financial accounts of general government (ESA Tables 0801 and 2500) at the end of each quarter (t+85 and t+90⁵),
- Quarterly Financial Accounts of General Government (ESA Table 2700) at the end of each quarter (t+85 days),
- Quarterly Government Debt and Inter-Governmental Lending (ESA Table 2800 and 2899) at the end of each quarter (t+3 months),
- Annual Questionnaire on the Structure of Government Debt,
- Annual Questionnaire on government controlled entities classified outside the general government sector,
- Supplement on contingent liabilities and potential obligations to the EDP related questionnaire (annual at end December).

The bi-annual EDP returns transmitted to Eurostat at end-March and end-September sets out the General Government Balance (GGB) and General Government Debt (GGD) for the previous four years as well as a forecast GGB and GGD for the current year.

DoF is responsible for current and future year estimates of general government deficit and debt supplied to Eurostat and other European institutions.

DoF also compiles and publishes technical estimates of receipts and expenditures of general government in the Stability Programme Update (SPU), Medium-Term Fiscal Statement and Budget publications. Since January 2014, in compliance with S.I. No 508 of 2013 which transposed European Council Directive 2011/85 of 8 November 2011 into national law, the Department publishes cash-based fiscal data showing revenue and expenditure for central government (monthly tables) and local government (quarterly tables).

The Department also publishes tables on contingent liabilities with potentially large impacts on public budgets comprising; government guarantees; non-performing loans; off-balance sheet public-private partnerships; liabilities of public corporations; and participation of government in the capital of corporations. DoF prepares the *Supplement on contingent liabilities and potential obligations to the EDP related questionnaire* and related metadata file for transmission by the CSO to Eurostat.

⁵ Under ESA 2010 the legal requirement for reporting of non-financial accounts of general government is included as part of the institutional sector accounts (Table 0801) but Member States continue to report ESA Table 2500 under a gentleman's agreement.

5. Co-operation between CSO and DoF

Data Exchange

DoF relies on data produced by the CSO in the calculation of forecasts in the budgetary process. Good alignment between historic data produced by the CSO and forecast data produced in DoF is possible only when DoF and the CSO produce estimates on the same conceptual basis.

The CSO uses survey data of government bodies compiled by DoF for its early and quarterly estimates of government deficit and debt and their components.

DoF supplies the forecast data for the current year for inclusion in CSO's EDP return to Eurostat twice a year in March and September.

Accordingly, the two agencies continually exchange appropriate data. Appendix B specifies the data to be sent, how it is to be transmitted, when it is required, and for which time periods.

Other data not specified in Appendix B may be exchanged between the two bodies by mutual agreement. The principles in this MoU also apply to such data exchanges.

Data Revision Policy

Each agency will use the most up-to-date and correct data available. An explanation of any necessary revisions made to data from previous periods of reporting will be provided to the other agency at each transmission.

Forum for Cooperation

The Government Finance Statistics Liaison Committee (GFSLC) provides a forum for cooperation between the two agencies. This committee, which is chaired by the CSO, includes representatives from the CBI and DoF and was established with the primary purpose of ensuring that the Irish GFS data compiled and disseminated by the three entities are accurate and comparable. The Committee also meets to discuss ESA 2010 methodological and classification issues affecting Ireland's GFS, including the twice yearly EDP returns.

A number of expert sub-groups of the GFSLC are also in operation, focussed on specific issues including debt, Public Private Partnerships (PPPs) and taxes. As the principal compilers of GFS data in Ireland all three organisations who form the main GFSLC participate in its sub-groups. The current list of subgroups, their membership and terms of reference are published on the CSO website⁶.

⁶ <https://www.cso.ie/en/aboutus/lgdp/cgt/ocg/csogroups/governmentfinancestatisticsliaisoncommittee/>

Furthermore, it is expected that through the above fora for co-operation, general developments regarding Ireland's GFS will be discussed, subject to confidentiality concerns where relevant.

Technical Assistance and Methodological Advice

The CSO will provide, on request from DoF, technical assistance and methodological advice to DoF in relation to the classification of government decisions (e.g. financial transactions, creation of new bodies) which may have an impact on the level of government debt and deficit.

DoF acknowledges that the provision by the CSO of such advice is contingent on the provision by DoF of the necessary background information regarding the proposed transaction or new body.

The formal mechanism for the communication of requests for technical assistance and methodological advice between DoF and CSO is via the DoF Statistical Queries Form (see Appendix C). The procedure for the provision of classification advice by the CSO will be governed by its forthcoming *Guidelines on the provision of methodological advice on statistical classifications concerning Government Finance Statistics and the Excessive Deficit Procedure*.

There is also informal contact between the DoF Statistics Unit and the CSO on an on-going basis, governed by the general principles of cooperation and confidentiality.

Responsibilities

Each agency is responsible for the quality of the data it produces and transmits. The two agencies review and improve the quality of their data on a continuous basis.

Regulation (EC) No 223/2009 on European Statistics⁷ as amended by Regulation (EU) 2015/759⁸ establishes the role of the CSO in its capacity of National Statistical Institute as the contact point with Eurostat on statistical matters. The CSO has responsibility for ensuring that the data transmitted in the EDP returns and under the ESA 2010 transmission programme are compiled in accordance with the accounting rules set down in the ESA 2010 manual and in the MGDD.

Both CSO and DoF cooperate with Eurostat as required and in particular in the context of the EDP Dialogue visits which are currently undertaken every two years. Both agencies will also co-operate in the conduct of any future upstream visits undertaken by Eurostat.

⁷ <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32009R0223&from=EN>

⁸ <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32015R0759&from=EN>

The CSO will make available all non-confidential source material relating to GFS to DoF so that it can fully understand the aggregates produced by CSO for GFS purposes. The CSO will discuss with DoF any issues relating to data that may be of practical use in better reporting by the DoF. Specifically, the CSO will immediately notify DoF if it becomes aware of any possible errors, inaccuracies or issues of any nature regarding any data transmitted by DoF to the CSO. DoF will notify the CSO if it becomes aware of any possible errors, inaccuracies or issues of any nature regarding any data transmitted by the CSO to DoF.

In order to ensure Ireland's compliance with the requirements of EDP and ESA regulations, the DoF has a responsibility to inform the CSO, as quickly as possible, of the occurrence of any event which may have an impact on the compilation of GFS. Such events may include but are not confined to: transactions, legislative changes, changes to the structure of existing bodies or establishment of new bodies.

Data Confidentiality

The two bodies are responsible for maintaining data confidentiality. Each body will treat as confidential the data it receives from the other body.

Data ownership

Each organisation owns the data that it produces. Each undertakes not to pass on to third parties any data received from the other organisation without prior permission from that organisation, except if required under legislation or equivalent obligation.

Where data or other information is supplied by the DoF to the CSO for the purposes of technical assistance and methodological advice in relation to the classification of government decisions, and where such advice is being sought **before** an event or operation takes place (*'ex-ante'* advice), the CSO shall not communicate the data or other information to any other body without the agreement of DoF.

Where data or information is supplied by DoF to the CSO for the purposes of technical assistance and methodological advice in relation to the classification of government decisions, and where such advice is being sought **after** an event or operation takes place (*'ex-post'* advice), the CSO shall not communicate the data or other information to any other body without the agreement of DoF except as necessary to comply with its legal reporting requirements in relation to the event.

6. Duration and Review

This MoU will be reviewed biennially by the Government Finance Statistics Liaison Committee but may be reviewed at any time at the request of either party. The MoU comes into force on the date of signing and shall remain in force until replaced by a new version, agreed and signed by both organisations.

The data exchange schedules (see Appendices) may be amended as required by working arrangements or new data reporting requirements. This shall not necessitate an update to the main body of the MoU.

Signed:



John McCarthy
Chief Economist
Department of Finance

Date:

28/6/22

Signed:



Jennifer Banim
Assistant Director General
Central Statistics Office

Date:

28/07/22

| Table No. | Description |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| | T 9.3 Guarantees as reported in EDP table 2 |
| | T 9.4 Standardised guarantees |
| Table 10 | T 10.1 Capital injections, superdividends and privatisations |
| | T 10.2 Capital injections, superdividends and privatisations (detail) |
| Table 11 | T 11.1 Public-Private Partnerships (PPPs): Financial data and national accounts information |
| | T 11.1(m) PPPs: Memo items: Types of guarantees for largest PPPs recorded off-government balance sheet |
| | T 11.2 PPPs: Financial data on government payments in PPPs, other than unitary charge payments |
| Table 12 | Sale and leaseback operations |
| Table 13 | Transactions re-routed through government accounts impacting government deficit and debt |
| Annex 5 Supplementary table for reporting government interventions to support financial institutions | |
| Supplement on contingent liabilities and potential obligations to the EDP related questionnaire (Annual transmission) | |

ESA 2010 Transmission Programme

Annual Non-Financial Accounts of General Government

Agency Responsible for Transmission: CSO

Mode of Transmission: SDMX and eDamis

Transmission Deadlines: See table below

Legislation: Commission Regulation (EC) No 264/2000 and Regulation (EC) No 1221/2002 of the European Parliament and of the Council.

| Table No. | Description | Deadline |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| ESA 2010 Table 0200: | Main Aggregates of General Government – Annual (includes subsectors) | T+3 months, T+9 months |
| ESA 2010 Questionnaire 0900 and 0999 | Detailed tax and social contribution receipts by type of tax or social contribution and receiving sub-sector and National Tax List | T+9 months |
| ESA 2010 Questionnaire 1100 | General government expenditure by function (includes subsectors) | T+12 months |

Quarterly Non-Financial Government Accounts

Agency Responsible for Transmission: CSO

Mode of Transmission: SDMX and eDamis

Transmission Deadlines: See table below

Legislation: Regulation (EC) No 264/2000 and Regulation (EC) No 1221/2002 of the European Parliament and of the Council.

| Table No. | Description | Deadline |
|---------------------|---------------------------------------------------------|-----------------|
| ESA 2010 Table 0801 | Non-financial accounts by sector - quarterly | T+85 days |
| ESA 2010 Table 2500 | Quarterly non-financial accounts of general government* | T+3months |

***Provided under gentleman's agreement – legal requirement is met by Table 0801.**

Quarterly Financial Accounts of General Government

Agency Responsible for Transmission: CSO

Mode of Transmission: SDMX and EDAMIS

Transmission Deadlines: See table below

Legislation: Regulation 501/2004 for QFAGG and Legislation: Regulation 1222/2004 for QGD

| Table No. | Description | Deadline |
|----------------------------|--------------------------------------------------------------------------------------------|-------------|
| ESA 2010 Tables 0610, 0620 | Consolidated and non-consolidated financial transactions by institutional sector | T+9 months |
| ESA 2010 Tables 0611, 0621 | Consolidated and non-consolidated holding gains and losses by institutional sector | T+9 months |
| ESA 2010 Tables 0612, 0622 | Consolidated and non-consolidated other changes in volume by institutional sector | T+9 months |
| ESA 2010 Tables 0710, 0720 | Consolidated and non-consolidated end-year balance-sheet positions by institutional sector | T+9 months |
| ESA 2010 Table 2700 | Financial accounts of general government - quarterly (QFAGG) | T+85 days |
| ESA 2010 Table 2800 | Government debt - quarterly | T+ 3 months |
| ESA 2010 Table 2899_S13 | Quarterly Intergovernmental lending by counter-party government | T+ 3 months |

Appendix B: List of Data Exchanged by CSO and DoF

B1: Contingent Liability data produced by CSO and sent to DoF

| Data Name | Use | Format | Transmission method | Deadline | Years |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|---------------|----------------------------|-----------------|------------------|
| Participation of Government in the capital of corporations | Contingent Liabilities Update publications | Excel | Email | 30 November | Years n-1 to n-4 |
| Eurostat questionnaire on government controlled units classified outside general government (produced by Classifications Division) | Contingent Liabilities Update publications | Excel | Email | Mid December | Latest year |

B2: General government deficit data produced by CSO and sent to DoF

| Data Name | Use | Format | Transmission method | Deadline | Years |
|---------------------------------------------------------------------------|-------------------------------------------------|---------------|----------------------------|-------------------------------------------|------------------------------------|
| File linking DPER schedule ID with ESA coding on annual voted expenditure | Consistent classification between CSO and DoF | Excel | Email | 10 working days before EDP transmission | Latest year |
| ESA 2010 T0200 | GGB | Excel | Email | 1 week in advance of SPU/Budget | Latest year |
| EU transfer accruals | GGB | Excel | Email | 20 working days before EDP transmission | For year n-1 to n-4 for EDP return |
| HSE Data Input | GGB | Excel | Email | 10 working days before EDP transmission | For year n-1 to n-4 for EDP return |
| Interest accrual | GGB | Excel | Email | 10 working days before EDP transmission) | For year n-1 to n-4 for EDP return |
| LA GGB return as analysed by CSO | GGB | Excel | Email | (10 working days before EDP transmission) | For year n-1 to n-4 for EDP return |
| UMTS calculation | GGB | Excel | Email | 1 week before EDP transmission | Full time series |
| Gross Fixed Capital Formation of General Government | Fiscal space calculation/fiscal rule compliance | Excel | Email | 31 Mar; 30 Sept | n-1 to n-4 |

B3: General government debt data produced by CSO and Sent to DoF

| Name | Use | Format | Transmission method | Deadline | Years |
|--------------------------------------------------|------------------------|---------------|----------------------------|---------------------------------------------------------------------|--------------|
| Breakdown of GGD by component and consolidation | GGD | Excel | Email | 14-Mar; 14-Sept | n - 1 |
| GGD by government body [shared at GG Debt group] | GGD forecast | Excel | Email | 14-Mar; 14-Sept | n- 1 |
| Composition of GGD by instrument | Forecast & Publication | Excel | Email | 31-Mar; 30 Sept | n – 1 |
| “Walk” from National Debt to GG Debt | GGD forecast | Excel | Email | 1 week before EDP transmission for first estimate – may be updated. | n-1 to n-4 |

B.4: DoF data sent to CSO

| Name | Use | Format | Transmission method | Deadline | Years |
|--------------------------------------------------------------------------|---------------------------------------------|---------------|----------------------------|---------------------|--------------------------------------------------|
| Exchequer Statement of Deposits - quarterly | QFAGG | Excel | Email | t+1 month | Current quarter (t) |
| Survey of assets and liabilities of NMPCs | QFAGG/GGD | Excel | Email | t+53 days | Current quarter (t) plus amendments as required. |
| Farm Waste Management Scheme receipts and expenditure | QFAGG | Email | Email | t+53 days | Current quarter (t) plus amendments if required. |
| EU budget payments data | Taxes | Email | Email | t+53 days | Current quarter (t) |
| Quarterly survey of EBFs and NMPCs – detailed returns and summary sheets | Quarterly revenue and expenditure estimates | Excel | Email | t+1 month | Current quarter (t) |
| Quarterly LG returns | Quarterly revenue and expenditure estimates | Excel | Email | t+3 months | Current quarter (t) |
| Quarterly SIF Balance-Sheet data | QFAGG | Excel | Email | t+3 months | Current quarter (t) |
| NAMA Quarterly Balance-Sheet data | QFAGG | Excel | Email | t+3 months | Current quarter (t) |
| Bi-annual survey of EBFs, NMPCs and regulators | Annual revenue and expenditure | Excel | Email | End March, End Sept | n-1 and n |

| | | | | | |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------|-------|------------------------------------|--------------|
| Bi-annual LG returns | Annual revenue and expenditure CSO to amend use...is this being used for GFS compilation | Excel | Email | End March, End Sept | n and n+1 |
| Financial transactions file (loan and equity transactions of Exchequer) | EDP and QFAGG | Excel | Email | 20 days before transmission of EDP | n-1 |
| Forecast GG receipt & expenditure data for inclusion in EDP transmission | EDP | Excel | Email | One week prior to EDP transmission | Current Year |
| Finance Accounts – Statement 1.11 | EDP Annexes 3 and 5 | Excel | Email | 1 month before EDP transmission | n-1 |
| Carbon credits data and calculation | EDP and taxes | Excel | Email | 1 month before EDP transmission | n-1 |
| Capital carry over data | EDP | Excel | Email | 1 month before EDP transmission | n-1 |
| Data on guarantees, PPPs and non-performing loans | Eurostat Supplement on contingent liabilities and potential obligations to the EDP related questionnaire | Excel | Email | Mid December | n-1 to n-4 |

Appendix C: Department of Finance Statistical Queries Form



An Roinn Airgeadais
Department of Finance

Statistical Queries Form

Instructions:

This form is to be used to obtain a formal opinion from the Statistics Unit on matters relating to Statistical classification. Please complete and send to the Statistics Unit at Statistics.unit@finance.gov.ie.

Some complex queries may also require CSO review. This form caters for that also.

Note that Eurostat are the final arbiter in relation to statistical classification matters.

Informal verbal guidance from the Statistical Unit will continue to be available.

| Query | |
|----------------------|--|
| Query/Project title: | |
| Department: | |
| Name: Email: | |
| Date: | |

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Date response requested by: | |
| <p>Details of query. Please include a description of the proposed transaction/new body including information on:</p> <ul style="list-style-type: none"> • How is the funding being provided and by what body? • Is there a capital injection by Government; What are the terms of the capital injection; Are private investors involved? • Is there a transfer of ownership of assets; If so what type of asset and what are the conditions of the transfer of ownership? • Is there borrowing involved? • Is there a commercial return for the investment? • Where is the risk being borne? • Where are the rewards? • What is the policy purpose of the transaction? • What body/bodies have control legally/economically? Who appoints the board/directors? <p>Note that even minor changes to the above may have significant effects on the statistical classification result.</p> | |
| <p>Are the following available (please attach)?</p> <ul style="list-style-type: none"> • Business plan • Draft bill • Any other documents as necessary. | |
| Statistical classification proposed by requestor, including rationale: | |

| | |
|---------------------------------------------------------------------------------------|--|
| | |
| Response | |
| Analysis by Statistics Unit including reference to technical guidance, precedent etc: | |
| Any key uncertainties highlighted by the Statistics Unit: | |
| Any other comments: | |

| | |
|-----------------------------------------|--|
| | |
| Signed by Statistical Unit Date: | |
| To be agreed with CSO (Y/N) | |
| Agreed by CSO (Y/N) | |
| Comments from CSO | |
| Signed by CSO Date: | |

