

Assessment of the Balance of Payments, International Trade in Services and Foreign Direct Investment Quality Report 2017

NETHERLANDS

1. Relevance

Complete datasets as required by the Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 and amended by the Commission Regulation (EU) No 555/2012 of 22 June 2012¹ have been provided to Eurostat by the Netherlands for monthly and quarterly BOP data, quarterly IIP and revaluations, as well as annual ITSS data and FDI stocks (t+9) and (t+21) and only few minor items were missing for FDI flows and income. As far as confidentiality is concerned, all monthly BOP data have been flagged with N flags, while quarterly BOP and quarterly IIP and revaluations have been made fully available to the users. FDI data and ITSS have been also made available to the users to a great extent with minor use of confidentiality flagging.

2. Accuracy

Higher revisions in quarterly statistics occurred for direct investment in the current and financial account. The relatively large SFI sector plays a significant role in the size and volatility of these revisions. The Netherlands provided detailed clarifications about these revisions, which were due to various reasons, such as the annual reports sent by the reporting entities, FISIM compilation corrections and improvements to BOP-ROW consistency. Monthly statistics has been subject to higher revisions, which lies in the nature of high-frequency statistics.

The directional reliability showed good results; nevertheless some values were below the EU median. The Netherlands explained that for goods initial monthly data are based on available source information; which are then revised when quarterly information from NA is available. For the financial account the presence of a relatively large (and characteristically volatile) SFI-sector adds to the size (and volatility) of revisions. No misclassifications or coverage errors have been identified.

3. Timeliness and Punctuality

The Netherlands have transmitted all required data in a timely manner, with exceptions in the transmission of FDI flows/income and FDI stocks, which were a few days late. Timeliness and punctuality are satisfactory.

4. Accessibility and Clarity

Monthly and quarterly BOP, quarterly IIP and revaluations as well as annual ITS and FDI data are disseminated at national level, with no differences compared to what is published by Eurostat. Corresponding metadata are also nationally published for the FDI and ITS domains. There is a comprehensive length of QBOP and QIIP time series available to users, starting from 2nd quarter 2003.

5. Comparability

Bilateral ITSS asymmetries with other EU partners for services are a concern by the compiler, and appear concentrated around only a few EU partner countries. Major asymmetries in transport and other business services were measured with United Kingdom, Belgium and France. Significant steps have been introduced to improve the exchange of information bilaterally, the exchange of individual enterprises data however prove difficult due to confidentiality constrains.

¹ OJ L 35, 8.2.2005, p. 23–55 and OJ L 166, 27.6.2012, p. 22–66.

Eurostat appreciates the active participation of the Netherlands in the international asymmetry workshops so far, which proved instrumental as the Netherlands appear as a major trade partner with other EU countries. However, bilateral reconciliation of ITSS proved difficult as it is usually limited by confidentiality restraints in the counterpart countries, while the active participation in the FDI network has been proven beneficial especially for the reconciliation of transactions. Eurostat also appreciates the Netherlands' intention to try to find secondary sources (such as VAT data) for the geographical differentiation of SMEs which is one of the reasons for the observed asymmetries.

6. Coherence

The consistency with the integrity rules and between quarterly/annual and quarterly/monthly data is excellent. Consistency between BOP and IIP is well supported; errors and omissions generally have been kept at low levels. The analysis of the external consistency provides good and well explained results. Discrepancies between ITGS and BOP (including directional consistency) are in the nature of different concepts and revision frequencies applicable to both statistics. Net transactions in the primary income account are reasonably well consistent; however discrepancies between BOP and NA apply significantly on gross transactions. This is to a large extent due to the separate reporting frameworks for the nonfinancial corporation sector applying currently to both statistics. From 2019 onwards, the Netherlands will have a single, integrated reporting framework for nonfinancial corporations. Otherwise, the current account can be regarded as highly consistent, which is a result of the introduction of integrated production processes to BOP and NA. The latter has brought substantial progress towards consistent BOP and NA statistics since the introduction of BPM6. Eurostat appreciates the proactive role which the Netherlands have assumed in the international debate of consistency issues, and its contributions towards a constructive way forward.

7. Overall assessment

This report focuses primarily on the factual requirements of Member States to compile and transmit BOP data and their compliance with the legal obligations. In addition, it provides information relevant for assessing the quality of the BOP data, with particular emphasis on total aggregates and major components needed to compile the aggregates.

The overall quality of the BOP, IIP, ITSS and FDI data transmitted to Eurostat is in line with the EU requirements. Eurostat appreciates the re-establishment of timely delivery of data in all domains and that national ITSS data transmitted to Eurostat are now also published nationally (with no difference in detail), including metadata. Eurostat also appreciates the various improvements in all the domains, the enhancement of consistency across domains and the measures taken by the Netherlands on detected challenges. Eurostat encourages the Netherlands to maintain and intensify their efforts, mainly for the full alignment of BOP and NA data by mid-2018 and to remain an active member of the FDI network.