

# Quality Report GNI Questionnaire 2017

The Netherlands

22 September 2017

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## **Part 1: General information**

### **1.0 Summary of the main changes and methods compared to the 2016 GNI transmission**

No revisions to GNI are made for the years 2002-2009, as for the Netherlands all GNI reservations 2002-2009 were lifted. Therefore, Table 1 is not provided.

For the years 2010-2015, routine revisions are made only for 2015. There are no changes stemming from GNI reservations, nor from changes in methods and sources. Table 2 provides an overview.

**Table 2**  
**Revisions to The Netherlands GNI for 2010-2013 (ESA95 Based) and 2014 and 2015**  
**(ESA 2010 based)**  
**(As percentage of GNI from the 2016 Questionnaire)**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Total revision to GNI</b>	0.0	0.0	0.0	0.0	0.0	0.8
<i>'of which':</i>						
<b>Total revision caused by GNI reservations</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total revision caused by changes in methods and sources (excl. ESA2010 implementation)</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total revision caused by routine (current) revisions</b>	0.0	0.0	0.0	0.0	0.0	0.8

The routine (current) revisions for 2015 are the result of updates of annual sources. GDP is revised upward (1.0 per cent points of GNI) and the balance of primary income downward (-0.2 per cent points).

Table 3 provides an overview of the (unrevised) total impact of the implementation of ESA2010 methodology on the GNI estimates.

**Table 3**  
**Total impact of ESA2010 Implementation on "country's" GNI (ESA95 based) for 2010-2013**  
**(As percentage of GNI (ESA95 based) from the 2016 Questionnaire)**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Total impact of ESA2010 implementation</b>	1.9	1.8	2.0	2.0

## 1.1 Major changes and improvements to sources and methods of national accounts

From **September 2014** onwards, all member states of the European Union (EU) are obliged to deliver national accounts (NA) data in conformity with the European System of Accounts 2010 (ESA2010). In the Netherlands a benchmark revision was carried out simultaneously leading to the incorporation of new sources and methods which caused significant upward level shifts in GNI as reported in the September 2014 dataset. For the **September 2015** dataset, two kinds of revisions were relevant. First, routine revisions originating from the gradual increasing availability of annual data sources are used in updates of semi-final (y-1) and final estimates (y-2). Second, additional revisions were made in response to improvements in sources and methods underlying the property income transactions. For the **September 2016** dataset, all revisions of GNI figures for semi-final (y-1) and final estimates (y-2) are solely due to routine revisions, as for the Netherlands all GNI reservations are closed and no changes in methods and sources were made.

For the **September 2017** dataset, all revisions of GNI figures for the final estimate (y-2) are solely due to routine revisions, as for the Netherlands all GNI reservations are closed and no changes in methods and sources are made. The routine revisions are the result of the update of annual sources. The change in revision policy is addressed in paragraph 1.2.

Furthermore, the actions points stemming from the GNI mission to the Netherlands are expected to lead to revised figures in the **September 2018** dataset. In addition, the Netherlands are currently conducting a benchmark revision of which the results will also be included in the GNIQ September 2018.

## 1.2 Changes in the revision policy and timetable for finalising the estimates

Statistics Netherlands (CBS) recently implemented a new revision policy and timetable. This new revision policy entails a reduction of the number of annual estimates from three to two. As a consequence, the estimate for y-2 (e.g. reporting year 2014 in the GNIQ2016) is no longer a semi-final estimate, but a final estimate which is not revised in the GNIQ 2017. Revisions are not to be expected until the next benchmark or methodological revision, for which the result is scheduled for release in the GNIQ 2018.

The implementation of this new revision policy required two actions. First, a number of source statistics including the Structural Business Statistics (SBS) became available sooner (see section 1.4). Second, the supply and use tables (the SUT) compilation process, and therefore the GDP calculation method, were redesigned. In previous years, the SUT process started after the main data sources became available. Under the new policy, the SUT process starts already with provisional figures obtained from a number of data sources including the SBS. In a subsequent stage the final figures from these data sources are incorporated into the SUT process. In this way, the timetable allows for final estimates to be published at y-2.

On the 23<sup>rd</sup> of June 2017, the national accounts final estimates were published for 2015, and semi-final figures for 2016 in StatLine, the CBS electronic database.

On the 10th of July 2017 the ‘Nationale rekeningen 2016’ (National Accounts 2016) was published on the CBS website ([www.cbs.nl](http://www.cbs.nl) PDF format). The English edition ‘National accounts of the Netherlands 2016’ was released on the same day.

### **1.3 Results of any investigations on the quality of GNI and its components**

#### ***Revision analysis***

For some time now, revisions of Dutch macro-economic estimates, from flash to final estimates, have been mapped systematically. Both changes in size and sign are systematically reviewed. The aim of this exercise is to gain a better understanding of the main causes of the revisions and to improve future (semi-final) estimates. Although the analysis of revisions mainly relates to volume data such as economic growth, it is expected that also current price estimates will benefit from this research. The successive estimates of Dutch national accounts variables are presented on the CBS website ([www.cbs.nl](http://www.cbs.nl)) under: Thema’s - Macro-economie - Methoden - Bijstellingen (in Dutch only).

#### ***Process tables***

As part of the GNI inventory 2010, process tables were produced for the annual estimates of the supply and use tables including industries and final expenditure categories. This process table systematically describes the compilation process of GNI figures 2010 from sources to final estimates.

From the 2010 benchmark revision onwards process tables are being compiled for all final annual supply-use tables, including most industries (excluding health care and general government) and final expenditure categories (excluding general government final consumption expenditure). These process tables systematically describe the compilation process of national accounts figures from source data input to balanced estimates.

From 2014 onwards process tables also are available for the compilation process of the institutional sector accounts. This further enhances the quality and transparency of the Dutch national accounts compilations.

#### ***Improving the recording of transactions with the Rest of the World***

As a result of the joint investigations conducted by CBS and DNB at the beginning of 2015, harmonisation of the recording of property income in National Accounts and Balance of Payments has taken significant steps forwards. As a result of this collaboration, the differences between the balance of property income in BoP and NA have become relatively small for the final and semi-final estimates.

Furthermore, Balance of Payments release in June contains an update of reports improving data quality. In close cooperation with DNB, CBS solved the time constraints in the National Accounts process to incorporate this second Balance of Payments release in the preliminary annual GNI estimate of 2016. Expectedly, this will reduce future revisions of the reporting year 2016 and subsequently all future preliminary annual estimates.

In addition, investigating revisions between quarterly and final estimates for cross border property income flows of non-financial institutions drew the attention to the current grossing up method for the quarterly figures. A project was started to examine the relation between the revisions and the grossing up method, and to suggest improvements where possible. Research showed that there is no structural bias between the grossing up method and final figures.

However, we will continue monitoring revisions between the quarterly and final estimates with the purpose of detecting possible biases in preliminary estimates.

## 1.4 Description of developments in major sources

Starting with the 2010 benchmark revision, a new five-year benchmark revision policy is introduced with the purpose of keeping level estimates of gross national income up to date. The revised estimates of 2010 keep track of all recent developments in major data sources such as VAT and employment register data. For more information on the sources and methods used, reference is made to previous GNI Quality reports<sup>1</sup>, our 2010 benchmark revision publication<sup>2</sup> and the GNI inventory 2010 as submitted to Eurostat and published on the CBS and Circa websites.

From 6 to 8 December 2016 a GNI information visit of Eurostat to Statistics Netherlands (CBS) was held. The resulting mission report was discussed at the April 2017 GNIC-meeting. Fourteen action points "A" were opened for possible improvement of the methodology and calculations. A progress reports on these action points was submitted to Eurostat by 31 August 2017. The aim of Statistics Netherlands is to incorporate improvements resulting from these action points in the 2015 benchmark revision. Also, a number of action points "B" were opened to improve the GNI Inventory and Process Tables and to provide additional information. CBS submitted a revised GNI Inventory and corrected Process Tables for the year 2010 by the end of March 2017. Following Eurostat's approval of these B-action points the GNI inventory 2010 was published on [www.cbs.nl](http://www.cbs.nl) and on the public part of Eurostats circabc-website.

In 2014 a joined CBS-DNB project was started aiming at a full integration of the national accounts and balance of payments. In subsequent steps the underlying data collections will be further aligned as well. This will affect GNI compilation methods. In addition to a fully harmonised data collection framework, this project will also lead to a common revision and publication policy. One important achievement in 2018 will be full consistency between the national accounts and balance of payments.

As mentioned in section 1.2, an important precondition for implementing the new revision policy and timetable was that data sources (e.g. Structural Business Statistics, investment, and R&D surveys) would become available one to four months sooner in order to be incorporated in the y-2 instead of y-3 estimates. This has been achieved by prioritizing the work activities of the involved personnel, by increasing the number of personnel for some data sources, and by advancing non-response policies.

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<sup>1</sup> From 2014 onwards, CBS published the GNI quality report on its [website](#) (only in Dutch).

<sup>2</sup> The publication is available on the website in [Dutch](#)

## **Part 2: Changes to sources and methods for the final estimates**

This section should explain changes in sources and methods compared to the ESA2010 GNI Inventory. As a new verification cycle has just started, based on the new 2010 GNI inventory, no information is reported in part 2 of the 2016 Quality Report.

### Part 3: Revisions to years 2010 to 2015

Part 3 explains the main revisions to GNI for the “open” years, as given in table R1b – of the 2017 GNI Questionnaire. Revision items which significantly contribute to the overall revision of GNI are briefly explained.

Table 4 provides a breakdown of revisions to 2014-2015 estimates in millions of euros. No revisions are made for 2010-2014.

**Table 4**  
**Breakdown of Revisions to The Netherlands GNI for 2014 and 2015 (ESA2010 based)**  
**(Million euros and as percentage of GNIQ 2016)**

		2014	2015
<b>GNIQ 2017</b>		661287	679610
Total revision to GNI	(a)+(b)+(c)-(d)	0	5531
(as percentage of GNIQ2016)			(0.8)
'of which':			
(a) Total revision caused by GNI reservations			0
(b) Total revision caused by changes in methods and sources (excl. ESA2010 implementation)			0
(c) Total revision caused by routine (current) revisions		0	5531
'of which':			
	GDP (as percentage of GNIQ2016)	0	6.926 (1.0)
	Balance of property income (as percentage of GNIQ2016)	0	-1.395 (-0.2)
(d) ESA2010 to ESA95 Transition items		0	0
(as percentage of GNIQ2016)			
<b>GNIQ 2016</b>		661287	674079

#### **3.1 Routine (current) revisions**

According to the new revision policy for National Accounts, no routine current revisions are made for 2014 (y-3).

##### **Revisions of 2015**

The 2015 GDP figure in current prices was revised upwards by 1.0 per cent. The main revisions at industry level are insurance and pension funding (0.3 per cent), wholesale trade



(0.2 per cent), manufacture of coke and petroleum (0.2 per cent) and manufacture of food, beverages and tobacco (0.1 per cent).

The balance of property income was revised downward by 0.2 per cent. This adjustment is quite small in comparison to previous y-1 estimates. This is the result of the process change (see paragraph 1.3), which allows to take on board more information in the provisional annual estimate.

Total upward routine (current) revision of GNI 2015 is 0.8 per cent.

### **3.2 Revisions related to the work on reservations**

There are no revisions stemming from work on reservations. Therefore no revisions are made for 2010-2014.

### **3.3 Other revisions due to changes in methods and sources**

Since 2014, the processing of source statistics in the national accounts and balance of payments was harmonised in several ways. In addition to the focus point of aligning the balance of property income in both statistics, CBS and DNB in 2016 have addressed two additional issues. First, specific attention was given to eliminating effects of holding gains/losses of assets from profits (impairments). As mentioned this has led to downward revisions in 2013 and 2014. The second issue refers to the grossing up method of cross border property income mentioned in Section 1.3.

### **3.4 Revisions due to the transition from ESA 95 to ESA 2010**

There are no revisions for the 2010-2013 ESA95 to ESA2010 transition items.

## **Part 4: Revisions related to GNI reservations (2002-2010)**

There are no revisions for 2002-2010 due to GNI reservations.