

VI. DEVELOPMENTS IN STATISTICS

During ten years Eesti Pank has built up from scratch a well-functioning, modern, flexible, sustainable and internationally compatible system for collecting, processing and disseminating financial and balance of payments statistics. Although the volume of data collected has increased several times, the time allocated to collection, verification and dissemination has decreased. The comprehensive and regularly updated statistics page on Eesti Pank's web site provides a visual idea of the volume of the work done.

An essential objective of the central banks' statistical work is to inform international public about national economy. To ensure comparability of the data it is important to take into account requirements agreed on and established by international institutions. In the globalising world this aspect of statistics is becoming increasingly more important and therefore **international cooperation in Eesti Pank on statistics** has become more intensive.

In 1995, the International Monetary Fund launched the introduction of international Special Data Dissemination Standard (SDDS), with the aim to improve the access to operational and comparable statistics in states operating in international money markets. The SDDS establishes requirements for data coverage, periodicity, timeliness and availability. 52 countries have joined the standard, including Estonia in 1998. The statistics from these countries is considered to be of high quality. Both the IMF and the ECB have stated this in their missions and reports.

BANKING AND OTHER FINANCIAL STATISTICS

Ongoing Alignment of Collection and Compilation of Statistics with ECB Requirements

The ECB has defined its Monetary Financial Institution¹ concept for analytical and statistical purposes. On 20 December 2001, the European Central Bank issued Regulation **concerning statistics on interest rates applied by monetary financial institutions to deposits and loans vis-à-vis households and non-financial**

¹ Monetary Financial Institutions (MFI) – resident credit institutions as defined in the Credit Institutions Act, as well as all other resident financial institutions, which deal with involving deposits and/or deposit-like instruments from non-MFIs and crediting and/or investing in securities. MFIs in Estonia include Eest Pank, credit institutions, savings and loan associations and money market funds, which are in compliance with the EU criteria. The list of Estonian MFIs is available in the Internet at: <http://www.ecb.int/mfi/pdf/mfiac-es.pdf>.

corporations². Pursuant to this regulation Eesti Pank has amended credit institutions' reporting requirements and as of March 2003 Eesti Pank will get data on interest rates as provided in the regulation.

Another statistics-related amendment in ECB regulations concerned **drafting of a report to collect statistics on financial flows other than transactions**. The reporting requirement was established in updated Regulation of the European Central Bank concerning the consolidated balance sheet of the monetary financial institutions sector³. Financial flows other than transactions reflect changes in balance sheet data in respect of revaluations, write-offs/write-downs, reclassification, reporting errors, etc.

In order to involve all savings and loan associations, in autumn 2002 negotiations with the Society of Estonian Savings and Loan Associations were launched to collect data from all its members. **Beginning from December all active member associations started to send their balance sheet data to the central bank on a monthly basis.**

The largest change in Eesti Pank's statistics output in 2002 was related to the **introduction of new monetary aggregates calculation principles**. The aim was to harmonise the contents of the monetary aggregates used in Estonia with the ECB indicators and make the monetary policy analysis more transparent and data internationally comparable. Previously used time-series were also recalculated pursuant to the new definitions.

Role of Financial Statistics in Improving Quality of Analysis

A sufficient amount of high-quality data is necessary to analyse the financial system adequately. In 2002, the bank continued development work at creating new analytical time-series. New ways were looked for to diversify the data set disseminated to the public.

As of September 2002, the central bank in cooperation with Estonian Leasing Association started to publish regularly leasing companies' consolidated data. As leasing (primarily based on mediating the resources of parent banks) is responsible for a significant part in financing enterprises and private persons (44 and 23% of the total debt, respectively), this step has allowed the public to have a much better overview of the real-sector debt burden and bank-related financial intermediation processes.

In order to get a better overview of the financial performance, the Statistical Office of Estonia has initiated and the central bank participates in compilation of **annual financial accounts** within national accounts – tables compiled according to international methodology, which provide an overview of financial assets and liabilities and transactions thereof by institutional sectors. The Statistical Office published the first financial accounts, prepared in cooperation, on the year 2000, in summer 2002.

Cooperation with European Central Bank

January 2002 marked the beginning of a new phase in the relations between accession countries' central banks and the ECB – regular monthly data exchange was launched with the ECB. Both parties continued to learn each other's statistics compilation methods and practice. While a year ago the ECB was mainly interested in monetary and banking statistics, in 2002 the emphasis was on financial statistics on a broader scale. Accession countries' descriptions of the principles of compilation and publication of statistics

² ECB/2001/18.

³ Regulation (EC) No 2423/2001 of the European Central Bank of 22 November 2001 concerning the consolidated balance sheet of the monetary financial institution sector (ECB/2001/13).

on financial institutions' interest rates, other financial intermediaries, securities' issues, derivatives and financial market will be published on the ECB's web page in early spring 2003.

Another significant field of interest for the ECB in 2002 was accession countries' bond market and long-term interest rates. The data collected and analyses were published in an ECB publication *Bond Market and Long-term Interest Rates in European Union Accession Countries* in June.

BALANCE OF PAYMENTS STATISTICS

As of 2002, Eesti Pank compiles besides quarterly and annual balance of payments, also a **quick balance of payments estimate (monthly balance of payments)**, which comprises key entries. The monthly balance of payments derives from international payments' declared through credit institutions, administrative information and various statistical-econometrical models. Estimates of monthly balance of payments' key indicators are updated when compiling quarterly balance of payments, ensuring, thus, compliance between monthly, quarterly and yearly balance of payments.

Eesti Pank's constant more significant cooperation partners in balance of payments' **international cooperation and joint projects** are the International Monetary Fund, the European Central Bank and the European Commission, more specifically Eurostat. In 2002, Eesti Pank participated in an international IMF-coordinated Portfolio Investment Survey, which aimed at the promotion of statistics of the sector in order to solve growing asymmetry related to portfolio investments. At the end of 2002, another project launched by the IMF and OECD, Survey of Implementation of Methodological Standards for Direct Investments, came to an end. Eesti Pank participated as well. The outcome of both projects is published on the IMF web page⁴.

In 2003, **international convergence of balance of payments' output** will continue. Several changes have been drafted, the most important being an introduction of a regional dimension, a more detailed presentation of the financial account and national external debt report according to the IMF SDDS.

In respect of the above objectives, Eesti Pank drafted a new **procedure for the declaration of international payments and submission of data for balance-of-payments statistics**, converging the minimum declared payment with EU standard (12,500 euro), reducing, thus, statistics load (currently the threshold was 100,000 kroons). The list of transaction codes was amended as well. A new credit institutions' transaction flow report, upgrading of surveys for undertakings and preparations to introduce integrated balance of payments compilation information system are also contributing to renewed output.

⁴ <http://www.imf.org>