

# Standardized quality report (generic template for level 3 report) for Balance of Payments and the International Investment Position Statistics as provided by Belgium (National Bank of Belgium)

## 1 INSTITUTIONAL ENVIRONMENT

### 1.1 COP1 PROFESSIONAL INDEPENDENCE / PC1 PROFESSIONAL INDEPENDENCE

#### 1.1.1 LEGAL BASIS

The National Bank of Belgium acts as an independent data collecting, compiling and dissemination agency.

The independence of the Bank with regard to the Belgian State is guaranteed at both national (Article 12 of the organic law of the National Bank of Belgium of 22 February 1998 itself referring to article 130 of the EU Treaty) and European level.

This independence consists of several aspects, specifically: institutional (no instructions in the execution of its tasks), operating (principal objective of price stability), personal (protection against dismissal and minimum term of directors) and financial independence.

The independence of the National Bank of Belgium, in its capacity as a member of the ESCB, is further organized by Article 130 of the EU Treaty and Article 7 of the Statute of the ESCB and of the ECB, which stipulate that *“when exercising the powers and carrying out the tasks and duties conferred upon them..., neither the ECB nor a national central bank nor any member of their decision making bodies shall seek or take instructions from Community institutions or bodies, from any government of a Member State or from any other body. The Community institutions and bodies and governments of the Member States undertake to respect this principle and not to seek to influence the members of the decision making bodies of the ECB or of the national central banks in the performance of their tasks.”*

#### 1.1.2 STATISTICS WORK PROGRAMME

Statistics Belgium, the National Statistics Institute, is in charge of the official statistics in Belgium. The Statistic Coordination Committee, established at Statistics Belgium, coordinates the statistical programmes and monitors these programmes in order to improve efficiency and quality, to alleviate the overall response burden and to comply with European and international obligations within prevailing deadlines. The statistical work programme of the Coordination Committee is available (only in French or Dutch) at: [Statistical Work Programme](#).

### 1.2 COP2 MANDATE FOR DATA COLLECTION/PC2 MANDATE FOR DATA COLLECTION

#### 1.2.1 ALLOCATION OF RESPONSIBILITIES

Under the intergovernmental agreement, dated 23 November 1998, between Belgium and Luxembourg, the Belgian-Luxembourg Exchange Institute was in charge of the collection of data from the Belgian-Luxembourg Economic Union (BLEU) until December 2001. The National Bank of Belgium was in charge of the compilation of the BLEU balance of payments and international investment position statistics, covering data until 2001, and has been responsible for the Belgian balance of payments and international investment position statistics since January 2002.

### 1.2.2 LEGAL BASIS

The balance of payments statistics and the international investment position statistics are collected, compiled and disseminated by the National Bank of Belgium under a specific law, dated 28 February 2002.

This law has been amended in May 2006, in the scope of a comprehensive reform of the Belgian collection, compilation and dissemination system in external statistics, linked to international developments. The new provisions provide for the recourse to data collection surveys. Further implementation measures have been enacted by a Royal Decree dated 7 February 2007. Under this Royal Decree, the National Bank of Belgium is entitled to determine specific regulations, which have to be enacted by ministerial order.

The law of 28 February 2002 regulates also the confidentiality regime of the data that guaranties that the statistics disseminated will not enable the direct or indirect identification of data for any individual person or legal entity.

Further, the collected information cannot be used for any other purposes than the compilation of the BoP, IIP and the by the law defined related statistics. Nevertheless, these data may also be used by the National Bank of Belgium in the compilation process of other macroeconomic statistics it produces by law and may be transmitted under restrictive conditions to the supervisory authorities. Finally the statistical information collected in the scope of BoP or IIP cannot be used for taxation purposes. Nevertheless, statistical information may be used for anti-money laundering purposes.

## 1.3 COP6 IMPARTIALITY AND OBJECTIVITY / PC6 IMPARTIALITY AND OBJECTIVITY

### 1.3.1 ADVANCE RELEASE CALENDAR

The National Bank of Belgium publishes on its website an advanced release calendar ([link to publication calendar](#)). The BoP and the IIP statistics are published quarterly.

### 1.3.2 REVISION POLICY

BoP and IIP data are subject to regular revisions, in accordance with the revision calendar for data transmissions to the ECB/Eurostat.

Monthly data (BoP) are revised with the next quarterly data production cycle.

Quarterly data (BoP/IIP) are revised with the next quarterly data production cycle.

Yearly data (BoP/IIP) are revised for three years in the BoP/IIP yearly revision cycle in September.

The final version of the data for all periods of year N is published in September N+3. The revision of a year or a quarter involves the revision of every month concerned.

Changes in methodology are explained on the website of the National Bank of Belgium.

## 2 STATISTICAL PROCESSES

### 2.1 COP7 SOUND METHODOLOGY / PC7 SOUND METHODOLOGY

#### 2.1.1 GENERAL REMARKS

BoP and IIP statistics for Belgium follow the BPM6 methodology and the European legal framework applicable for BoP/IIP statistics (Council and European Parliament Regulations 184/2005 amended by Regulation 555/2012 and ECB Guideline 2011/23).

BPM6 back data starting in 2008 are published on the website of the National Bank of Belgium. Information about the sources and methodology used for the Belgian BoP and IIP is available in the [ECB BoP book](#) (updated in 2016), and also in the IMF's Balance of Payments Statistics Yearbook (BOPSY) as well as within the metadata description of the IMF's SDDS and on the website of the National Bank of Belgium ([link to methodology](#)).

#### 2.1.2 RESIDENCY

The application of residence principles in practice is in line with BPM6.

#### 2.1.3 INSTITUTIONAL UNIT DEFINITION

Data collection and compilation are based on institutional units as defined in BPM6.

#### 2.1.4 SECTORISATION & SECTOR DEFINITION AND DELIMITATION

Institutional sectors' definition and delimitation follow the practice of BPM6 and Belgian national and financial accounts.

#### 2.1.5 VALUATION

The compilation system is based on the collection of actual transactions/positions which mostly are reported at market price.

Nominal valuation is used for positions in non-negotiable instruments, namely loans, deposits and other accounts receivable/payable. For direct investment positions listed equity stocks are valued at market prices and unlisted equity stocks are valued at book value.

#### 2.1.6 TIME OF RECORDING (ACCRUAL ACCOUNTING)

Interest income is recorded mainly on accruals basis as prescribed by BPM6. The interests on FDI loans and other capital component are however still based on the recorded transactions. For this FDI component the recording of accruals by respondents still has too many quality issues.

#### 2.1.7 COVERAGE GAPS & DEVIATIONS

- No data are collected directly from resident households. Data on households assets held abroad are estimated with some delay using mirror data, notably the Bank of International Settlements statistics on the liabilities of non-resident banks vis-à-vis Belgian residents.
- Registration of financial lease: any registration of the related financial assets / liabilities is made neither in the BoP financial account nor in the IIP.
- Trade credits in FDI: no trade credits are computed separately for the other capital component of FDI; the concerned amounts are included in the trade credits component of other investment. In 2021 the FDI surveys will be adapted in order to obtain the FDI trade credits separately.
- Long term constructions and mobile equipment operated in another economy: no registration is made in the FDI components for the value of long term construction contracts and for mobile equipment operated in another economy for more than 1 year. However, it is assumed that important contracts lead to the creation of an affiliate and thus are in fact registered in the FDI component
- Debt securities are valued without accrued interest. Efforts are undertaken to fully convert to accruals basis in 2021.

## 2.2 COP8 APPROPRIATE STATISTICAL PROCEDURES / PC8 APPROPRIATE STATISTICAL PROCEDURES

### 2.2.1 MAIN FEATURES

BoP and IIP statistics rely mostly on actual collected data (monthly, quarterly, yearly), supplemented with statistical processes for non-response or late response and grossing-up processes for non-surveyed companies.

In 2006, the National Bank of Belgium implemented this new data collection system to replace the former settlement-based international transaction reporting system (ITRS). The new system is based on a combination of different surveys conducted by the National Bank of Belgium covering trade in services, foreign direct investment (FDI), other investment and portfolio investment. The data provided by these surveys are supplemented by foreign trade in goods statistics and data from a variety of external and administrative sources.

Since 2007, BoP and IIP are fully compiled on basis of data collected according the new system.

### 2.2.2 COUNTRY SPECIFIC ASPECTS

A description of the collection methods for BoP/IIP data and of the different surveys is available on the website of the National Bank of Belgium ([link to BoP/IIP collection methods](#)).

## 3 STATISTICAL OUTPUT

### 3.1 COP11 RELEVANCE / PC11 RELEVANCE

BoP/IIP is transmitted to the ECB and Eurostat for the compilation of Euro Area and European Union aggregated statistics as national statistics both are also provided by the IMF and the OECD. They are also disseminated at international level in accordance with SDDS, used for the purposes of IMF Article IV reviews, and for the EU MIP scoreboard.

At national level they are used notably as input for the compilation of National Accounts and Financial Accounts.

### 3.2 COP12 ACCURACY AND RELIABILITY / PC12 ACCURACY AND RELIABILITY (INCLUDING STABILITY)

Quality controls are applied at both disaggregated and aggregated level. Data are checked at the level of the data collection tool for syntax (codification), consistency and completeness. Further controls consist, inter alia, in performing cross-checks with other data sources as VAT declarations and plausibility checks. In the monthly production process, top-down quality controls are carried out. In the quarterly and yearly production cycle, bottom-up procedures are applied. Consistency checks between flows and stock data are also performed.

Specific tools are developed to identify abnormal values/profiles and to monitor further investigation. Similar procedures are applied to the aggregates. Comparisons are made with other statistics and consistency analyses are performed.

#### 3.2.1 REVISIONS

Primary Income data recorded in the BoP can be subject to substantial revisions, especially direct investment income. The primary income component is estimated by taking previous year's figures whereas the actual accounting data become available only at a later stage.

Revisions are also significant on other investment assets because data related to households are included at a later stage, based on a comparison with the BIS mirror statistics.

### 3.2.2 ERRORS AND OMISSIONS AND INTEGRITY RULES

Full consistency is observed between monthly and quarterly datasets, as well as also between quarterly and annual ITS figures as well as with yearly FDI statistics.

Internal consistency is checked through the evolution of the “net errors and omissions” item. This element is also a part of the regular quality reports realized by international organizations.

Monthly BoP and quarterly revaluations datasets are fully consistent with the integrity rules defined in the Eurostat BoP Vademecum, and few inconsistencies were noticed in other deliveries.

## 3.3 COP13 TIMELINESS AND PUNCTUALITY / PC13 TIMELINESS (INCLUDING PUNCTUALITY)

### 3.3.1 NATIONAL REQUIREMENTS

#### BoP

The monthly BoP is published quarterly on the website of the National Bank of Belgium and in the Quarterly Statistical Bulletin on the last working day of the quarter after the end of the reference quarter.

#### IIP

The IIP is published quarterly on the website of the National Bank of Belgium with a time lag of 3 months.

### 3.3.2 EU AND OTHER INTERNATIONAL REQUIREMENTS

The National Bank of Belgium sends data to the ECB, Eurostat IMF, OECD and BIS following internationally agreed deadlines.

## 3.4 COP14 COHERENCE AND COMPARABILITY / PC14 CONSISTENCY AND COMPARABILITY

### 3.4.1 BILATERAL ASYMMETRIES

Large asymmetries observed both on ITS and FDI data are discussed in international working groups (OECD and Eurostat) and bilateral contacts.

Asymmetries in FDI data are followed up, notably through the FDI network.

### 3.4.2 CONSISTENCY WITH RELATED STATISTICS

External consistency with trade data is assured, on a monthly basis. The discrepancies between trade data and BoP Goods have methodological reasons.

Regarding National Accounts, consistency efforts have been made for the changeover to BPM6 / ESA 2010. However, differences may subsist due to differing data sources, different methods of compilation and revision timetables. Efforts were made to ensure consistency between annual national accounts and BOP from 2015 onwards. Moderate discrepancies were encountered for specific items of the current primary income account credits, particularly in primary income. These discrepancies are not visible in the aggregate as they are counterbalanced by other items of the income account

Consistency with financial statistics is also considered, although there may be remaining differences for methodological reasons or due to the use of different data sources. Efforts are started to harmonise these methodologies and the use of data sources. Portfolio investment and Securities Holding Statistics rely on the same data collection and are by definition generally consistent (except for possible differences in revision timetables).

### 3.4.3 TIME AND BACK DATA CONSISTENCY

Back data in BPM6 are available from 2008 onwards for BoP and IIP.

### 3.4.4 CONSISTENCY ACROSS FREQUENCIES

Consistency across frequencies is ensured by the revision of monthly data whenever quarterly data are produced or revised and the revision of monthly and quarterly data whenever annual data are produced.

## 3.5 COP15 ACCESSIBILITY AND CLARITY / PC15 ACCESSIBILITY AND CLARITY

### 3.5.1 DATA

Time series, both for BoP and IIP, are made available at the time of publication. They can be consulted on and downloaded from the website of the National Bank of Belgium ([link to BoP and IIP data](#)).

The National Bank of Belgium Quarterly Statistical Bulletin is available online ([link](#)).

### 3.5.2 METADATA

Methodological notes are provided in the quarterly "Quarterly Statistical Bulletin" and on the website of the National Bank of Belgium.