LATVIJAS BANKA

EIROSISTĒMA

Medium-Term
Statistical Work Programme
of Latvijas Banka for 2018–2020

Terms and abbreviations

Credit institution – a credit institution registered in the Republic of Latvia and a branch registered in the Republic of Latvia of a credit institution registered in another country

CSB – Central Statistical Bureau of Latvia

ECB – European Central Bank

EC – European Commission

ERF – European Reporting Framework

ESCB – European System of Central Banks

ESRB – European Systemic Risk Board

EU – European Union

Eurostat – Statistical Bureau of the EU

FCMC – Financial and Capital Market Commission

IMF – International Monetary Fund

INTS – internet statistical database of Latvijas Banka

ISIN – ISIN (International Securities Identification Number) code

MFI – monetary financial institution

MMF – money market fund

Other financial institutions – other financial intermediaries (excluding insurance corporations and pension funds) financial auxiliaries, captive financial institutions and money lenders

RIAD –Register of Institutions and Affiliates Database of the ECB

SDDS – Special Data Dissemination Standard of the IMF

SDDS Plus – Special Data Dissemination Standard Plus of the IMF

SSM – Single Supervisory Mechanism

I Developing and implementing statistical requirements

1 Implement new requirements for credit and credit risk statistics

Description	Regulation (EU) No 2016/867 of the European Central Bank of 18 May 2016 on the collection of granular credit and credit risk data (ECB/2016/13) will be implemented. A harmonised database containing detailed information on credit granted to legal persons and granular credit risk data will be created in order to enable the Eurosystem, the ESCB and the ESRB to carry out their tasks including monetary policy analysis and monetary policy operations, risk management, financial stability surveillance, as well as macroprudential policy and research. These data will also be used for supervision purposes in the context of the SSM.
Result	The statistical information database of the Eurosystem is significantly improved. The project to upgrade Latvijas Banka's Credit Register is implemented providing options for resource optimisation in relation to the use of the single information system, including additional use of data to fulfil the tasks of Latvijas Banka and the FCMC.
Impact on reporting agents	Broader reporting requirements are applied to Latvijas Banka's Credit Register participants that are credit institutions.
Scheduled for	2018

2 Implement amendments to the requirements for securities holdings statistics

Description	Regulation (EU) No 2015/730 of the European Central Bank of 16 April 2015 amending Regulation (EU) No 1011/2012 concerning statistics on holdings of securities (ECB/2012/24) (ECB/2015/18) which lays down an obligation to provide broader data on securities held by credit institutions and their subsidiaries (i.e., data on securities holders, accounting principles, risks associated with holding of securities, as well as data on issues of securities without ISIN code and on their issuers) will be introduced. The above information is required for the needs of the SSM.
Result	A broader set of data on securities held by credit institutions and their subsidiaries is obtained.
Impact on reporting agents	A number of credit institutions approved by the ECB are subject to broader reporting requirements.
Scheduled for	2018

3 Implement new requirements for money market statistics

Description	Regulation (EU) No 1333/2014 of the European Central Bank of 26 November 2014 concerning statistics on the money markets (ECB/2014/48) will be implemented. Money market statistics will contain data on secured, unsecured and certain derivatives money market transactions, concluded by MFIs, with the exception of central banks and MMFs, with other MFIs, and between MFIs and other financial institutions, the general government or non-financial corporations, but excluding intra-group transactions.
	Such statistical data provide information on the transmission mechanism of monetary policy decisions and will enable the ECB to carry out its supervisory tasks and those in the field of financial stability.
Result	Money market data harmonised at the euro area level are obtained.
Impact on reporting agents	A number of credit institutions approved by the ECB are subject to broader reporting requirements in the field of money market statistics.
Scheduled for	2019

4 Ensure processing and compiling of data of the Third Household Finance and Consumption Survey in compliance with the ECB requirements

Description	The Household Finance and Consumption Survey provides detailed data on the property owned by households, household deposits and investment, household liabilities and other information, including data on employment, income, spending and consumption. This information is necessary for better understanding of households' economic decisions, assessment of the functioning of the monetary transmission mechanism and financial stability analysis.
Result	Data on the real assets of Latvian households and their financing, other liabilities, credit constraints, private business, financial assets, employment, pensions, income, transfers and consumption are obtained. These data can be used for economic analysis in order to determine the economic policy of the euro area.
Impact on reporting agents	None
Scheduled for	2019

5 Implement the proposed amendments to the requirements for payments statistics

Description	Amendments to Regulation (EU) No 1409/2013 of the ECB of 28 November 2013 on payments statistics (ECB/2013/43) will be drafted and implemented. The amendments will specify the range of data necessary for overseeing the operation of payment systems in accordance with Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC, and for more accurate presentation of certain indicators in balance of payments statistics.
Result	A broader set of payments statistics data harmonised at the euro area level is obtained.
Impact on reporting agents	A number of reporting agents approved by the ECB are subject to broader reporting requirements.
Scheduled for	2020

6 Implement new requirements for pension fund statistics

Description	A new ECB regulation in the field of pension fund statistics will be drafted and implemented in order to enable the Eurosystem to perform its tasks.
Result	Pension fund statistics data harmonised at the euro area level are obtained.
Impact on reporting agents	The relevant reporting agents may be subject to additional reporting requirements.
Scheduled for	2020

7 Conduct a study on improvements to direct investment statistics data	
Description	Regulation (EU) No 2016/1013 of the European Parliament and of the Council of 8 June 2016 amending Regulation (EC) No 184/2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment outlines the need for drafting relevant methodology to collect direct investment statistics based on the ultimate ownership concept (in addition to the direct investor's principle) as well as direct investment statistics distinguishing greenfield direct investment transactions from takeovers. In line with the regulation, by 20 July 2018, the Commission (Eurostat) will institute studies to be carried out by the EU countries to establish a methodological framework and assess the costs of the related data collections, the quality of the statistics, as well as the comparability among the countries.
Result	Information on the possibilities of Latvia's reporting agents for submitting broader data on direct investment is obtained.
Impact on reporting agents	A one-off survey of the reporting agents submitting reports in accordance with Regulation No 110 of Latvijas Banka of 11 July 2013 "Regulation for Compiling the 'Quarterly Report on Foreign Assets and Liabilities (1-MB)' ".
Scheduled for	2020

II Improving the organisation of collecting, processing, compiling and submitting data

8 Take over the compilation of annual financial accounts statistics from the CSB

Description	Financial accounts are a part of the national accounts system and are instrumental in assessing both the structure of the economy as a whole and its individual sectors, as well as their development over time. Quarterly financial accounts statistics are compiled by Latvijas Banka, while annual financial accounts statistics are prepared by the CSB. Data are compiled in accordance with the common methodology laid out in Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union.
Result	Quality and consistent time series of annual and quarterly financial accounts are produced.
Impact on reporting agents	None
Scheduled for	2018

9 Take over the survey on financial assets and liabilities of other financial institutions (3-FAP) from the CSB

Description	Data on other financial institutions are collected by the CSB using the survey on financial assets and liabilities of other financial institutions (3-FAP), which covers balance sheet and profit and loss statement data in a breakdown by residents and non-residents. Regarding non-resident financial assets and liabilities, other financial institutions provide similar data both to the CSB and Latvijas Banka. The takeover of the survey by Latvijas Banka will ensure use of harmonised data for the production of financial account statistics, balance of payments statistics and statistics on other financial intermediaries, as well as for the needs of financial stability analysis.
Result	Quality data on other financial institutions, which can be used for producing the balance of payments, international investment position, quarterly financial accounts, statistics on other financial intermediaries and 15 SDDS Plus data categories, are obtained.
Impact on reporting agents	Reporting requirements are reduced.
Scheduled for	2018

10 Carry out the planned revision of time series of quarterly financial accounts

Description	The planned revisions are carried out in order to review data where revised information is received from reporting agents, where more detailed information has become available or where data have to be revised to reflect changes in the methodology or classification system. In accordance with the European revision policy, planned revisions can be carried out in years ending with "4" or "9" with the aim of ensuring more accurate time series of quarterly financial accounts.
Result	Revised time series of quarterly financial accounts are obtained.
Impact on reporting agents	None
Scheduled for	2019

11 Expand the RIAD to include data on non-financial corporations and pension funds

Description	The RIAD will be populated with indicators necessary to compile credit register and pension fund statistics.
Result	A broader range of indicators identifying non-financial corporations and characterising their activity, as well as indicators identifying and characterising pension funds are obtained.
Impact on reporting agents	Latvijas Banka's Credit Register participants that are credit institutions are subject to additional reporting requirements regarding the data identifying non-resident legal persons in accordance with the requirements of Regulation (EU) No 2016/867 of the European Central Bank of 18 May 2016 on the collection of granular credit and credit risk data (ECB/2016/13). Latvijas Banka plans to obtain data on resident legal persons from other national information systems.
Scheduled for	2019

12 Ensure the introduction of the ERF	
Description	The ERF is an important initiative of the ESCB providing for maximum harmonisation of data requirements for the needs of statistics and supervision of credit institutions and ensuring optimal data availability at the level of both granular and aggregated data. The cornerstone of the ERF is obtaining data from and reporting data through information systems of credit institutions by using a single reporting dictionary and standard for data exchange.
Result	Data of credit institutions harmonised at the euro area level make it possible to compile MFI balance sheet statistics and interest rate statistics, credit register statistics, balance sheet statistics, international investment position statistics, financial account statistics and securities holders statistics more effectively, while ensuring the performance of the tasks related to the supervision of credit institutions.
Impact on reporting agents	Credit institutions introduce the ERF, which establishes reporting of harmonised granular data and increases the stability of reporting requirements.
Scheduled for	After 2020

III Expanding the range of published data

13 Commence publishing statistics of investment funds and alternative investment funds in INTS

Description	Latvijas Banka expands the range of data published in INTS on a regular basis, providing user-friendly and adaptable data selection tools and graphic tools.
Result	Balance sheet data of investment funds and alternative investment funds are published in INTS, thereby expanding opportunities to analyse the operations of these funds.
Impact on reporting agents	None
Scheduled for	2018

14 Publish Latvia's data obtained from the Third Household Finance and Consumption Survey

Description	Household Finance and Consumption Survey data provide information on household property, deposits and investment, liabilities and other information including data on employment, income, spending and consumption.
Result	Publishing data on the real assets of households and their financing, other liabilities, credit constraints, private business, financial assets, employment, pensions, income, transfers and consumption, thereby expanding opportunities to analyse the activities of Latvian households.
Impact on reporting agents	None
Scheduled for	2019