



EUROPEAN COMMISSION
EUROSTAT



Statistical Accounting Consequences of the Financial Turmoil
Eurostat Financial Turmoil Webpage

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Eurostat Financial Turmoil Webpage

1. Eurostat webpage on the financial turmoil

The webpage is currently available on the Eurostat website (to access the page click [here](#))¹.

2. Background

In response to the global financial turmoil and to its consequences, the European Statistical system (ESS) has set up an ESS Action Plan to deliver an urgent and coherent reaction that ensures consistency across time and across countries of the statistical treatment of bank and other market support operations by public authorities.

The third pillar of the Action Plan refers to communication. In order to strengthen communication on the statistical consequences of the financial turmoil, Eurostat set up a Communication Strategy. One action foreseen in the communication strategy is the opening of a section of the Eurostat website dedicated to the financial turmoil.

The target of the Eurostat Financial Turmoil Webpage is the general public and its contents correspond to public available information (EU and national plans, ESS action plan and actions, links to national and international websites, link to Eurostat's statistical dissemination databases).

The following paragraphs illustrate the contents of the webpage.

¹ http://epp.eurostat.ec.europa.eu/portal/page?_pageid=3273,75548807&_dad=portal&_schema=PORTAL

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Background

Given the autumn 2008 turmoil in world financial markets, its consequences on the real economy, and major public interventions worldwide to secure the stability of the financial system and individual banks and to boost the economy, statistics available to public policymakers and the general public assume a significant importance, notably macroeconomic indicators and government finance statistics.

In this context, Eurostat - the Statistical Office of the European Union - has recognised the need to ensure a coordinated approach across European countries, and to work closely with international partners on the statistical accounting consequences of the financial turmoil.

European Action and Economic Recovery Plans


European Action Plan

Links to: [European Action Plan](#) / [EU Guidance \(State Aid\)](#) / [National Plans](#) / [EU Economic Recovery Plan](#)

On 12 October 2008, the Summit of euro area countries in Paris made a declaration on a concerted [European Action Plan](#) of the euro area countries, confirming the commitment of the euro area countries to act together in a decisive and comprehensive way in order to restore confidence and proper functioning of the financial system, and aiming at restoring appropriate and efficient financing conditions for the economy. The Summit also stressed, in the current exceptional circumstances, the need for the Commission to continue to act quickly and apply flexibility in state aid decisions, continuing to uphold the principles of the single market and of the state aid regime ([Commission guidance](#)).

The European Action Plan has been endorsed by all EU Member States and several countries specified the details of the European Action Plan at national level ([Germany](#), [Denmark](#), [Ireland](#), [Greece](#), [Spain](#), [France](#), [Italy](#), [Latvia](#), [Netherlands](#), [Austria](#), [Portugal](#), [Slovenia](#), [Finland](#), [Sweden](#), [United Kingdom](#)).

European Economic Recovery Plan

On 11-12 December 2008, the European Council endorsed a European economic recovery plan and responses to the financial turmoil ( [European Economic Recovery Plan](#)).

Financial turmoil and statistics

The impact of the financial turmoil on statistics is twofold:

- direct impact on statistical indicators, financial and non-financial;
- statistical accounting consequences of the bank and other market support operations by public authorities.

Eurostat offers information on a number of key indicators to monitor the effects of the financial turmoil direct impact on financial markets and indirect impact on the real economy. Financial and non-financial indicators are available on the [data section](#) of the website of Eurostat. In particular, the [Principal European Economic Indicators \(PEEIs\)](#) collection provides an overview of key short-term macroeconomic indicators for the euro area, European Union, Member States and main economic partners, including:

-  [Gross Domestic Product](#)
-  [Private consumption](#)
-  [Unemployment](#)
-  [Industrial Production Index](#)
-  [Government deficit and debt](#)

-  [Inflation - Harmonised Index of Consumer Prices \(HICP\)](#)
-  [Investments](#)
-  [Employment](#)
-  [Interest rates](#)
-  [Economic Sentiment Indicator](#)

Data: Key short term indicators (GDP, HICP, private consumption, investments, unemployment, employment, IPI, interest rates, government deficit and debt, economic sentiment indicator).
Regularly updated (euro area, EU, EU Member States, main economic partners)
Tables, graphs, metadata

Methodology

- ESA
- link to Government Finance Statistics
- link to Stability and Growth Pact

Statistical accounting of bank and other market support operations

The statistical accounting consequences of the bank and other market support operations by public authorities assume particular importance in the area of [government finance statistics](#), in relation to the [stability and growth pact](#).


Eurostat plays a major role in the European Statistical System in terms of methodological development, coordination and monitoring of government finance statistics, notably in relation to the stability and growth pact.

In response to the financial turmoil, European public authorities have adopted a range of approaches to assuring the stability of financial markets and individual financial institutions. In the early stages of the financial turmoil these approaches largely involved the ad-hoc rescue of individual institutions. However a more coordinated approach to public interventions has emerged, comprising of general liquidity operations by Central Banks, recapitalisation of financial institutions, purchase of quality assets, the ring-fencing of impaired assets, loans, and guarantees on both deposits and the debts of financial institutions. In some cases this involves the creation of new public bodies to manage one or a number of these interventions.

Some of the operations undertaken have been particularly complex in accounting terms and have reflected the institutional features involved (national legislation, characteristics of the financial institutions involved, the situation of the institutions – types of liabilities, etc).

In order to ensure consistency across time and across countries of the statistical treatment of these bank and other support operations in full respect of the [European System of Accounts \(ESA95\)](#) rules the European Statistical System set up a ESS Action Plan on the accounting consequences of the financial turmoil.

ESS Action Plan

The  [ESS Action Plan on the accounting consequences of the financial turmoil](#) is aimed to ensure that statisticians provide a swift response when called upon and develop harmonised recording approaches to the statistical treatment of bank and other market support operations. The ESS Action Plan focuses on the coordination of the different actors in the ESS, on the implementation of appropriate procedures and methodology to handle the statistical accounting consequences of the financial turmoil and on communication aspects. In particular, given the importance of the topic, the Committee on Monetary, Financial and Balance of Payments statistics has established a specific task force of statistical experts, from National Statistical Institutes and Central Banks to deal with methodological aspects and procedures.

Financial turmoil worldwide

The effects of the financial turmoil are worldwide. On 15 November 2008, the Leaders of the Group of Twenty (G20) held a Summit on financial markets and the world economy to enhance the cooperation and work to restore global growth and achieve needed reforms in the world's financial systems. They confirmed the commitment to continue the efforts to support the global economy and stabilize financial markets and to lay the foundation for reform to help to ensure that a global crisis does not happen again ([declaration](#)).

Eurostat is actively cooperating with major International Institutions (IMF, OECD, United Nations, European Central Bank) on the statistical accounting consequences of the financial turmoil.

Contacts

For any questions related to statistical accounting consequences of the financial turmoil, please contact estat-financial-turmoil@ec.europa.eu.

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ESS Action Plan

Links to worldwide initiatives

Short-term key indicators (Principal European Economic Indicators – PEEI) – Example: GDP

- Data by country
- Comparable figures
- Continuous updates

Table▼ Graph▼ Map▼

Online support Legal Notice

Gross domestic product - volumes - Percentage change t/t-1 - SA

Gross domestic product (GDP) at market prices is the final result of the production activi ... [more](#)

Footnotes Codes Labels Codes & L

| geo | time | 2006q01 | 2006q02 | 2006q03 | 2006q04 | 2007q01 | 2007q02 | 2007q03 | 2007q04 | 2008q01 | 2008q02 | 2008q03 | 2008q04 |
|--------------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Euro area | | 0.8 | 1.1 | 0.5 | 0.8 | 0.7 | 0.5 | 0.6 | 0.3 | 0.7 | -0.2 | -0.2 | -1.5 |
| Euro area (16 countries) | | 0.8 | 1.1 | 0.6 | 0.8 | 0.7 | 0.5 | 0.6 | 0.3 | 0.7 | -0.2 | -0.2 | -1.5 |
| Euro area (15 countries) | | 0.8 | 1.1 | 0.5 | 0.8 | 0.7 | 0.5 | 0.6 | 0.3 | 0.7 | -0.2 | -0.2 | -1.5 |
| Euro area (13 countries) | | 0.8 | 1.1 | 0.5 | 0.8 | 0.7 | 0.5 | 0.6 | 0.3 | 0.7 | -0.2 | -0.2 | -1.5 |
| Euro area (12 countries) | | 0.8 | 1.1 | 0.5 | 0.8 | 0.7 | 0.4 | 0.6 | 0.3 | 0.7 | -0.2 | -0.2 | -1.5 |
| EU (27 countries) | | 1.0 | 1.1 | 0.6 | 0.8 | 0.8 | 0.6 | 0.7 | 0.4 | 0.6 | -0.0 | -0.2 | -1.5 |
| EU (25 countries) | | 0.9 | 1.1 | 0.6 | 0.8 | 0.8 | 0.6 | 0.7 | 0.4 | 0.6 | -0.1 | -0.2 | -1.5 |
| EU (15 countries) | | 0.9 | 1.0 | 0.5 | 0.8 | 0.7 | 0.5 | 0.7 | 0.4 | 0.6 | -0.1 | -0.3 | -1.5 |
| Belgium | | 0.9 | 0.7 | 0.6 | 0.8 | 0.8 | 0.3 | 0.7 | 0.4 | 0.4 | 0.3 | 0.1 | : |
| Czech Republic | | 1.7 | 1.7 | 1.6 | 1.5 | 1.6 | 1.3 | 1.3 | 1.2 | 1.0 | 1.0 | 0.9 | : |
| Denmark | | 1.4 | 2.1 | -0.5 | -0.1 | 1.4 | -0.9 | 1.6 | -0.2 | -1.2 | 0.4 | -0.4 | : |
| Germany | | 0.8 | 1.5 | 0.7 | 1.1 | 0.4 | 0.4 | 0.6 | 0.3 | 1.5 | -0.5 | -0.5 | -2.1 |
| Estonia | | 2.3 | 2.9 | 2.7 | 1.4 | 1.8 | 0.9 | 1.4 | -0.1 | -1.2 | -1.5 | -0.9 | : |
| Ireland | | 2.3 | 1.2 | 2.4 | -1.8 | 6.6 | -1.1 | 0.4 | -0.2 | -0.3 | -0.6 | 1.2 | : |
| Greece | | 1.1 | 1.2 | 0.9 | 1.2 | 1.1 | 0.7 | 1.0 | 0.6 | 0.9 | 1.1 | 0.4 | : |
| Spain | | 0.9 | 1.1 | 0.9 | 0.9 | 1.0 | 1.0 | 0.6 | 0.6 | 0.4 | 0.1 | -0.3 | -1.0 |
| France | | 0.6 | 1.0 | 0.0 | 0.6 | 0.5 | 0.6 | 0.7 | 0.4 | 0.4 | -0.3 | 0.1 | -1.2 |
| Italy | | 0.7 | 0.5 | 0.3 | 1.1 | 0.2 | 0.1 | 0.1 | -0.3 | 0.4 | -0.6 | -0.6 | -1.8 |
| Cyprus | | 1.0 | 1.1 | 0.9 | 1.2 | 1.3 | 0.9 | 1.1 | 1.1 | 1.0 | 0.8 | 0.6 | 0.6 |
| Latvia | | 3.6 | 2.3 | 2.5 | 3.0 | 1.9 | 2.7 | 2.9 | 1.5 | -7.4 | 1.3 | 1.1 | : |
| Lithuania | | 1.9 | 1.8 | 1.3 | 2.6 | 1.7 | 2.7 | 2.7 | 1.8 | -0.3 | 1.0 | 0.3 | -2.4 |
| Luxembourg | | 1.7 | 1.3 | 1.5 | 1.8 | 2.1 | -0.1 | 1.0 | 0.7 | -0.8 | 1.5 | -1.4 | : |
| Hungary | | 1.1 | 1.0 | 0.7 | 0.6 | -0.3 | -0.1 | 0.4 | 0.5 | 0.5 | -0.0 | -0.5 | -1.0 |
| Malta | | 0.7 | 0.9 | 0.5 | 0.7 | 1.7 | 0.4 | 1.2 | 1.2 | 0.2 | 1.0 | 0.1 | : |
| Netherlands | | 0.7 | 1.4 | 0.4 | 0.9 | 0.7 | 0.6 | 1.3 | 1.6 | 0.5 | -0.1 | -0.3 | -0.9 |
| Austria | | 0.8 | 0.8 | 0.9 | 0.9 | 0.7 | 0.6 | 0.7 | 0.7 | 0.5 | 0.2 | 0.0 | -0.2 |
| Poland | | 1.6 | 1.6 | 1.9 | 1.4 | 1.7 | 1.6 | 1.5 | 1.7 | 1.2 | 1.3 | 1.2 | : |
| Portugal | | 0.3 | 0.7 | 0.1 | 0.4 | 0.8 | 0.5 | 0.0 | 0.6 | -0.2 | 0.3 | -0.1 | : |
| Slovenia | | 0.9 | 2.3 | 1.6 | 2.2 | 1.4 | 1.6 | 1.9 | 0.4 | 1.9 | 0.5 | 0.7 | : |
| Slovakia | | 2.4 | 2.3 | 2.4 | 1.8 | 3.2 | 2.3 | 2.5 | 3.0 | 1.1 | 1.8 | 1.5 | : |
| Finland | | 1.6 | 1.2 | 0.8 | 1.1 | 1.5 | 0.9 | 0.8 | 0.6 | 0.2 | 0.5 | 0.1 | : |