

# **Quality report 2018**

## **Slovak Republic**

### **Part 1: General information**

#### **1.0: Summary of the main changes in each country's data and methods compared to the 2016 GNI transmission**

Compared to the GNI Questionnaire 2017 the Slovak GNI estimate was not influenced by the revisions related to GNI reservations due to the fact that all GNI reservations were lifted by the Commission (official letter BUDG B4/LP/Ares(2015) dated on 22/12/2015, Ref. Ares(2015) 5992543). Table 1 is therefore not provided because the years 2002-2009 have been closed for GNI own resource purposes.

Compared to the GNI Questionnaire 2017, the Slovak GNI estimate was adjusted due to the revisions caused by routine (current) revisions based on updated information from both, the statistical and administrative data sources. The overall impact is shown in the Table 2.

**Table 2**  
**Revisions to Slovakia's GNI (ESA95 based) for 2010-2013 and Slovakia's GNI (ESA 2010 based) for 2014 and 2016**  
**(As percentage of GNI (ESA95 based) from the 2017 Questionnaire)**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Total revision to GNI</b>	0.0	0.0	0.0	0.0	0.0	-0.4	-0.4
<b>'of which':</b>							
<b>Total revision caused by GNI reservations</b>	0.0	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	0.0
<b>Total revision caused by routine (current) revisions</b>	0.0	0.0	0.0	0.0	0.0	-0.4	-0.4

Following the Final Findings from EDP standard dialogue visit to Slovakia in 2017, Action Point 12, requested sectoral reclassification of two institutional units due to the application of the qualitative criteria of ESA2010 methodology from the sector of financial corporation S.12 to the general government sector S.13 was undertaken. It should be noted that the influence of this change is negligible, therefore the Table 3 remains unchanged. The detailed information altogether with quantification of the impact on GNI for years 2010-2013 is provided in part 2.

Table 3, given below, provides the total impact of the implementation of ESA2010 methodology on the GNI estimates.

**Table 3**  
**Total impact of ESA2010 Implementation on Slovakia's GNI (ESA95 based) for 2010-2013**  
**(As percentage of GNI (ESA95 based) from the 2018 Questionnaire)**

	2010	2011	2012	2013
<b>Total impact of ESA2010 implementation</b>	2.2	1.9	1.8	1.8

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

The Statistical Office of the Slovak Republic (SO SR) in comparison with the previous GNI Questionnaire 2017 had carried out routine (current) revision for the years 2015 and 2016 due to the updated information and more precise data from both, the statistical and administrative data sources related to all sectors. For 2015, the new BoP data for export and import of services, as well as revised data for dividends and reinvested earnings obtained from the National Bank of Slovakia, were incorporated. Based on the preliminary information from colleagues of National Bank of Slovakia, the export and import of services and the dividends were adjusted also in the year 2016. The data for GDP in 2017 is still preliminary.

## 1.2 Changes in the revision policy and timetable for finalising the estimates; (domestic) publication date of the submitted numbers

There is no change in the revision policy and the timetable for finalising the estimates. Revision policy for national accounts is published on our website in line with the valid timetable for publishing of data of SO SR. Data will be published on the website of the SOSR as of 22 October 2018.

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

In 2017, the data for small enterprises based on comparison with administrative data sources are available for preliminary estimate of annual account (2017) for the sector of non-financial corporations. We perceive this as an improvement compared to previous period where the sum of quarters was used for small enterprises estimate.

Data related to Property income (D.4) for 2015 were significantly changed due to the updated data for dividends and reinvested earnings taken from the National Bank of Slovakia. Data for 2016 and 2017 are still preliminary, and will be updated after obtaining final revised data according to the revision policy of the National Bank of Slovakia.

## 1.4 Description of developments in major sources

As regards exhaustiveness of main data sources for the sector of non-financial corporations we can state that the response rate for group of enterprises with the number of employees more than 20 slightly decreased in comparison with the previous year (from 95.2 % to 94.8 %). On the other side, as for small enterprises (number of employees less than 20) are concerned, the response rate slightly increased compared to the previous year (from 64.5% to 65.5%). In case of financial corporations, the response rate also increased in comparison with previous year (from 90.6% to 94.6%) and for insurance companies the response rate is the same 97.7%.

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

Since the beginning of ESA2010 verification cycle, 20 action points A and, 8 action points B were opened for the Slovakia. According to the information obtained from Eurostat in relation to state of play on this issue in March 2018, 6 action points are closed and 2 action points are ready for implementation.

The result of work carried out on action point A2 was validated and closed 23/11/17 and incorporated into the GNI Questionnaire 2017, the implementation of partial work undertaken on AP4 was also incorporated in the GNI Questionnaire 2017. In addition, as of September 2018, according to Action point 12 from 2017 EDP dialogue mission to Slovakia Final findings, the reclassification of the Statutory Deposit Guarantee Fund (FOV) and the Investment Guarantee Fund (GFI) inside government was undertaken. The figures before and after revision altogether with quantified impact on GDP are shown in the table below. As the impact is negligible, it is visible only in the Table 2 in GNI questionnaire 2018, not in Table 3 of Quality report.

in mill. Euro

<b>Item 6 - Government, public and private sector classification</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
The values in GNI Questionnaire 2017 (Table 2)	267.404	255.113	157.034	143.848
Adjustment of FOV and GFI	0.405	0.477	0.46	0.416
The values in GNI Questionnaire 2018	267.809	255.59	157.494	144.264
<b>The impact on GNI (as percentage of GNI (ESA95 based for 2010-2013) from the 2017 Questionnaire)</b>	<b>-0.001</b>	<b>-0.001</b>	<b>-0.001</b>	<b>-0.001</b>

The discussions on action points A13, B1, B6, B7 and B8 was also closed during the year 2018 with implementation results expected within the benchmark revision in September 2019, and full description within 2019 GNI reporting.

As far as the pending work on other action points A and B, some of action points will be also discussed during the 2nd GNI visit in Slovakia planned for October 2018. The implementation of results of work on these action points will be also incorporated

within the benchmark revision 2019, GNI Questionnaire 2019 and described in Quality report 2019.

### **Part 3: Revisions to years 2010 to 2016**

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

##### **In 2015:**

After incorporation of updated and more precise data from business surveys, administrative data sources, the overall effect of revision on output was in amount of -124.138 mill. Euro and on intermediate consumption in amount of -365.937 mill. Euro. **The overall impact on GDP was 241.799 mill. Euro.**

Output was updated by the amount of -296.481 mill. Euro due to the change in volume for export and import entered and by amount of 172.343 due to more precise data administrative data sources.

The intermediate consumption was updated due to the changes in volume for export and import in amount of -214.619 mill. Euro, and due to more precise data from administrative data source by amount -151.318 mill Euro.

Gross fixed capital formation was changed by 323.143 mill. Euro due to the more precise data from administrative data sources.

Based on the finalised data obtained from Foreign Trade Statistics, the exports of goods and services was adjusted by -296.481 mill. Euro and imports of goods and services by -214.619 mill. Euro.

The total change of the item property income D.4 amounted to -554.871 mill. Euro. This value consists of the adjusted data for interests, dividends and reinvested earnings. The revised values presented in the table below were obtained from the National Bank of Slovakia (BoP Department) as a final data for year 2015.

##### ***Change of property income in 2015***

in mill. Euro

Code	Item	Uses	Resources
		2015	2015
D.41	Interests	13.386	6.576
D.421	Dividends	8.859	434.316
D.43	Reinvested earnings from FDI	137.287	273.511
D.44	Other property income	0	0
	<b>Change of D.4 total</b>	159.532	714.403

### **In 2016:**

After incorporation of updated and more precise data from business surveys, administrative data sources, the overall effect of revision on output was in amount of -1 622.357 mill. Euro and on intermediate consumption in amount of -1 696.714 mill. Euro. The impact on gross value added B1g was 74.357 mill. Euro. GDP was also influenced by more precise data for taxes on products from administrative data sources in amount of -2.250 mill. Euro. The overall impact on GDP was 72.107 mill. Euro.

Output was updated by the amount of -282.389 mill. Euro due to the change in volume for export and import entered. Other adjustments are related to more precise data from business surveys, administrative data sources, and amounted to -1 339.968 mill. Euro, of which the main change was caused by grossing up of the sample statistical survey for small companies.

The intermediate consumption was updated due to the changes in export and import in amount of -338.480 mill. Euro and other adjustments amounted to -1 358.234 mill. Euro are related to more precise data from business surveys and administrative data sources, of which the main change was caused by grossing up of the sample statistical survey for small companies.

Gross capital formation was changed due to updating of gross fixed capital formation in amount of 15.676 mill. Euro and changes in inventories in amount of 333.838 mill. Euro. There was also one correction in recording of standing timber in amount of 67.900 mill. Euro (movement from P.51 to P.52).

Export and import of goods and services were changed based on the semi-definitive information obtained from Foreign Trade Statistics and on more precise data for services from administrative data sources. The exports of goods and services was adjusted by -842.389 mill, of which the change according to new information from BoP is in amount of -241.458 Euro, and imports of goods and services was revised by -448.480 mill. Euro, of which the change according to new information from BoP is in amount of -297.549. Updating of data on export/import of services is foreseen next year on the basis of new information from the BoP statistics.

Compensation of employees paid to the rest of the world were changed in amount of 38.467 due to the more precise data obtained from administrative data sources regarding the number of non-residents working in the Slovakia.

Taxes on production and imports paid to the institutions of the EU world were changed in amount of -2.250 due to the more precise related to import duties obtained from administrative data sources.

The total change of the item property income D.4 amounted to -340.000 mill. Euro. This value consists of the adjusted data for interests and dividends.

***Change of property income in 2016***

in mill. Euro

Code	Item	Uses	Resources
		2016	2016
D.41	Interests	0	0
D.421	Dividends	0	400.000
D.43	Reinvested earnings from FDI	60.000	0
D.44	Other property income	0	0
	<b>Change of D.4 total</b>	60.000	400.000

### 3.2 Revisions related to the work on reservations

Up to now, no new specific reservations were raised for the Slovak Republic. As far as transversal issues are concerned, we currently provide Eurostat with information needed for cross country comparisons.

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

In 2016, there is a change in levels of output and intermediate consumption. It is caused due to the change in approach to grossing up of data obtained from statistical sample survey Roč 2-01 (for small companies), described in more detail in previous GNI questionnaire.

The overall impact in output was in amount of -1 336.027 mill. Euro and in intermediate consumption in amount of -1 366.839 mill. Euro. However, the impact on GDP was only 30.812 mill. Euro.

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

Change caused by reclassification of units according to ESA 2010 methodology - Item 6 - Government, public and private sector classification was incorporated in GNI questionnaire 2018 and GNI Quality report 2018. The impact on GDP and GNI is negligible and it is more described in Part 2 of this Quality report.

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

This part of the GNI Quality report 2018 is not relevant for the Slovak Republic as it was mentioned in the part 1.0.