

Quality report 2016

Slovak Republic

Part 1: General information

1.0: Summary of the main changes in each country's data and methods compared to the 2015 GNI transmission

Compared to the GNI Questionnaire 2015, 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). All changes resulting from the GNI reservations were incorporated into the figures presented in previous SK Quality report 2015.

Table 1
Revisions to Slovakia's GNI (ESA95 based) resulting from GNI reservations for 2002-2009
(As percentage of ESA95 GNI (excl. the allocation of FISIM) from the 2015 Questionnaire)

	2002	2003	2004	2005	2006	2007	2008	2009
Total revision from reservations	-	-	-	-	-	-	-	-

Compared to the GNI Questionnaire 2015, the Slovak GNI estimate was adjusted due to the revisions caused by both, the changes in methods and sources and routine revisions. The overall impact is shown in the Table 2.

Table 2
Revisions to Slovakia's GNI for 2010-2013 (ESA95 Based) and for 2014 (ESA 2010 based)
(As percentage of GNI (ESA95 based) from the 2015 Questionnaire)

	2010	2011	2012	2013	2014
Total revision to GNI	0.1	0.0	0.2	0.9	2.0
'of which':					
Total revision caused by GNI reservations	0.0	0.0	0.0	0.0	0.0

Total revision caused by changes in methods and sources (excl. ESA2010 implementation)	0.1	0.0	0.2	0.1	-0.6
Total revision caused by routine (current) revisions	0.0	0.0	0.0	0.8	2.6

Revision due to changes in sources was incorporated in the final household consumption expenditure for the years 2014-2015 where the new data source for COICOP 06 - Health was used. The new allocation of the liabilities in S.12 to the non-resident part with the impact on GNI (in %) is incorporated in the whole time series 2010-2015.

Routine (current) revisions were carried out due to availability of additional information from both, the statistical and administrative data sources. For 2013 the new BoP data, for export and import of services and also revised data for dividends and reinvested earnings from the National Bank of Slovakia, were incorporated. Based on the preliminary information from National Bank of Slovakia, the reinvested earnings were adjusted also in years 2014 and 2015.

In Slovakia, the changes or adjustments related to ESA2010 implementation were caused by reclassification of units (the most important were ZSSK and JAVYS) and small adjustments in the output of non-life insurance services. The impact of these changes performed in 2016 was between 0,3% to 0,5% in the period 2010-2013 (see part 3.4).

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 “country’s” GNI (ESA95 based) for 2010-2013
(As percentage of GNI (ESA95 based) from the 2016 Questionnaire)

	2010	2011	2012	2013
Total impact of ESA2010 implementation	2.5	2.2	2.2	2.3

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 2015 had carried out standard revision due to the new information and implementation of ESA2010 methodology. These revisions have affected the time series 2005-2015. The most important impact on GNI in 2013 and 2014 was caused by the new data from BoP statistics (National Bank of Slovakia). The GDP compiled in 2013 and 2014 was adjusted on the basis of ESA2010 methodology new information, and more precise data. The GDP in 2015 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 21 October 2016.

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

In 2015, the number of working non-residents in Slovakia slightly increased as compared to 2014. Based on current information for the first two quarters of 2016, we expect a slow increase in the number of working non-residents in Slovakia. On the basis of the Statistical Office's estimate, compensation of employees (D.1) paid to the RoW amounted in 2015 to 147,165 mill. Euro, which is a decrease in comparison with 2014. This was caused by more precise information from the administrative data source.

The number of working residents abroad significantly increased in 2015 as compared to 2014 (app. by 25 000 workers), and based on current data for the first two quarters of 2016, we expect also a slow increase.

Taxes on production and imports (D.2) paid to the EU institutions, which consist of payments of own resources, decreased in 2015 to 118,547 mill. Euro. Data related to Property income (D.4) for 2013 were significantly changed due to the updated data

for dividends and reinvested earnings from the National Bank of Slovakia. Data for 2014 and 2015 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 increased in comparison with the previous year (from 92,8 % to 94,0 %). As far as small enterprises (number of employees less than 20) are concerned, the response rate also increased compared to the previous year (from 46,3% to 56,98%). The response rate increased in comparison with previous year for both, financial companies (from 67,4% to 89,5%) and insurance companies (from 64,8% to 81,5%).

Part 2: Changes to sources and methods to final estimates

There is nothing to report this year.

Part 3: Revisions to years 2010 to 2014

3.1 Routine (current) revisions

In 2010:

Output was changed by -37,463 mill. Euro and D.31 by -228,114 mill. Euro after reclassification of unit from S.11 into S.13. This reclassification had an effect on general government final consumption expenditure in amount of 190,651 mill. Euro.

The other small change was related to reclassification of hospital revenues to the production and amounted to -0,505 mill. Euro.

The dividends were softly adjusted by 1,365 mill. Euro.

In 2011:

Output was changed by 116,494 mill. Euro and D.31 by -67,516 mill. Euro after reclassification of the units from S.11 into S.13. This reclassification had an effect on general government final consumption expenditure in amount of 184,010 mill. Euro.

The other small change was related to reclassification of hospital revenues to the production and amounted to -0,321 mill. Euro.

The dividends were softly adjusted by -0,804 mill. Euro.

In 2012:

Output was changed by 84,528 mill. Euro and D.31 by -199,342 mill. Euro after reclassification of units from S.11 into S.13. The reclassification of units had an effect on general government final consumption expenditure in amount of 242,681 mill. Euro and on the gross fixed capital formation in amount of 41,189 mill. Euro.

The other small change was related to reclassification of hospital revenues to the production and amounted to -0,360 mill. Euro.

The dividends were softly adjusted by 3,597 mill. Euro.

In 2013:

Due to the reclassification of units, the output was changed by 136,274 mill. Euro, and the item D.31 was changed by -197,559 mill. Euro. The reclassification of the units had an impact on general government final consumption expenditure in amount of 251,532 mill. Euro and on gross fixed capital formation in amount of 82,301 mill. Euro.

The recording of new data for non-life insurance (claims due to the catastrophes) affected the output by 1,974 mill. Euro. The change in volume for export and import entered the output in amount of 298,843 mill. Euro. The value of adjustments in recording of taxes was 23,756 mill. Euro.

The other small change was related to reclassification of hospital revenues to the production and amounted to -0,036 mill. Euro.

The change of the total value of intermediate consumption is 323,585 mill. Euro, and was caused by the recording of taxes in amount of 23,756 mill. Euro, changes in

export and import 298,843 mill. Euro and the allocation of non-life insurance 0,986 mill. Euro.

The household final consumption expenditure was changed by 0,986 mill. Euro due to the allocation of non-life insurance services.

Exports of goods and services (P.6) and Imports of goods and services (P.7) were changed by the same value 298,843 mill. Euro due to updated data obtained from Foreign Trade Statistics.

The total impact of Property income D.4 in volume was -617,759 mill. Euro. This value consists of the adjusted data for interests, dividends, reinvested earnings and other property income. The most significant influence on this value was caused by the recording of new data for reinvested earnings from the National Bank of Slovakia.

Change of property income in 2013

Code	Item	Uses	Resources
		2013	2013
D.41	Interests	-84.568	56.365
D.421	Dividends	54.489	330.594
D.43	Reinvested earnings from FDI	38.0200	-945.075
D.44	Other property income	0	-51.702
	Change of D.4 total	7.941	-609.818

In 2014:

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 1 432,234 mill. Euro and on intermediate consumption in amount of 1 243,891 mill. Euro. The overall impact on GDP was 188,343 mill. Euro.

Output was changed by 177,792 mill. Euro due to the reclassification of units. The recording of new data for non-life insurance (claims due to the catastrophes) affected the output by 16,109 mill. Euro. The change in volume for export and import entered the output in amount of 316,434 mill. Euro. The value of adjustments in recording of

taxes was 28, 834 mill. Euro. The other small change was related to reclassification of hospital revenues to the production and amounted to -92,879 mill. Euro. Other revisions related to the new updated data were 985,944 mill. Euro.

The intermediate consumption was changed due to the recording of taxes of 28,834 mill. Euro, changes in export and import in amount of 364,766 mill. Euro, allocation of non-life insurance 7,172 mill. Euro and other revisions related to the new updated data in amount of 843,119 mill. Euro.

D.31 was changed by -197,559 mill. Euro due to the reclassification of units.

The government final consumption expenditure was changed by 179,166 mill. Euro; of which the reclassification units amounted to 272,203 mill. Euro and the others adjustments were -93,037 (reclassification of hospitals revenues to the production and change in insurance services).

Gross fixed capital formation was changed by -270,653 mill. Euro; of which reclassification of units was 103,148 mill. Euro and other revisions due to the updated data amounted to -373,801 mill. Euro.

The adjustment of data for household final consumption expenditure was in amount of 413,935 mill. Euro based on incorporation of new data source for estimation of item COICOP 06 – Health. The allocation of non-life insurance services affected the total figure of 8,882 mill. Euro.

The item changes in inventories was revised by 914,561 mill. Euro due to the updated data obtained from the statistical survey.

Based on the finalised data obtained from Foreign Trade Statistics, the exports of goods was adjusted by 316,434 mill. Euro and imports of goods by 364,766 mill. Euro. Updating of data on export/import of services is foreseen next year on the basis of new information from the BoP statistics.

The total change of the item property income amounted to -1 104,159 mill. Euro. This value consists of the adjusted data for dividends, reinvested earnings and other property income. The recording of new data for reinvested earnings obtained from the National bank of Slovakia had the most significant influence on this value. It is necessary to point out that data on reinvested earnings are only preliminary.

Change of property income in 2014

Code	Item	Uses	Resources
		2014	2014
D.41	Interests	0	0
D.421	Dividends	0	-202.972
D.43	Reinvested earnings from FDI	0	-800.000
D.44	Other property income	0	-101.187
	Change of D.4 total	0	-1 104.159

3.2 Revisions related to the work on reservations

This part of the GNI quality report 2016 is not relevant for the Slovak Republic due to the fact that the SO SR finished all work on GNI reservations during the last year 2015 and all changes were already incorporated into the Slovak national accounts.

3.3 Other revisions due to changes in methods and sources

The first revision is related to using the new data source for estimation of final household consumption expenditure (COICOP 06- Health) for years 2014-2015. For this category of COICOP, an information obtained from the administrative data source - NHIC (National Health Information Centre) was used. This new data source was verified by the research study carried out by the Infostat (Institute of Informatics and Statistics) in March 2016. It was found out that the new data from this administrative source are more accurate and relevant for estimating the health expenditures (COICOP 06) in comparison with data from retail trade statistics, which have been used so far. According to the agreement with the NHIC, the data will be available on the annual basis.

The second revision is related to the changes in methods of recording of allocation of the values for interest and dividends received by mutual funds from investments. Based on the recent TF QSA observations (where the implicit rates related to other property income (D.44) were calculated and compared between Members states), the total value of liabilities in S.12 was incorrectly allocated between the resident and non-resident part. Information from the financial stocks in item F.52 was the basis for new allocation of this value.

The third revision is related to small changes resulting from reclassification of hospital revenues from D.421 to the output P.11.

The impact of changes in methods and sources

as % on GNI	2010	2011	2012	2013	2014
Total revision caused by changes in methods and sources (excl. ESA2010 implementation)	0.1	0.0	0.2	0.1	-0.6
of which:					
New allocation of liabilities in S.12	0.1	0.0	0.2	0.1	0.1
The reclassification of hospital revenues to the output and small changes related to dividends	0.0	0.0	0.0	0.0	-0.1
New data source for HFCE (Health)	0.0	0.0	0.0	0.0	-0.6

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

Item 3 of The Manual on the Changes between ESA 95 and ESA 2010 – Non-life insurance (Output, claims due to catastrophes, and reinsurance) and item 6 - Government, public and private sector classification are relevant points for the revision due to the transition from ESA95 to ESA2010.

As regards the part of non-life insurance services, the data were slightly adjusted on the basis of new information from the statistical surveys. The SOSR started collecting the information on claims due to catastrophes since 2013.

In accordance with the rules of the ESA 2010, we reviewed the sectoral classification of units in non-financial sector and reclassified some units into the general government sector.

Impact of revisions due to the transition from ESA95 to ESA 2010

as % on GNI	2010	2011	2012	2013
Total impact of revisions	0.29	0.27	0.40	0.46
Of which				
Non-life insurance	-	-	-	0.00
Sectoral reclassification	0.29	0.27	0.40	0.46

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

This part of the GNI Quality report 2016 is not relevant for the Slovak Republic as it was mentioned in the parts 1.0 and 3.2.