



Council of the
European Union

Brussels, 9 October 2020
(OR. en)

11705/20

ECOFIN 897
STATIS 42
UEM 318

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	8 October 2020
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union

No. Cion doc.:	C(2020) 6802 final
Subject:	COMMISSION DELEGATED REGULATION (EU) .../... of 8.10.2020 supplementing Regulation (EU) 2019/516 of the European Parliament and of the Council by defining the list of issues to be addressed in every verification cycle

Delegations will find attached document C(2020) 6802 final.

Encl.: C(2020) 6802 final



Brussels, 8.10.2020
C(2020) 6802 final

COMMISSION DELEGATED REGULATION (EU) .../...

of 8.10.2020

supplementing Regulation (EU) 2019/516 of the European Parliament and of the Council by defining the list of issues to be addressed in every verification cycle

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

Article 5(2) of Regulation (EU) 2019/516 of the European Parliament and of the Council of 19 March 2019 on the harmonisation of gross national income at market prices and repealing Council Directive 89/130/EEC, Euratom and Council Regulation (EC, Euratom) No 1287/2003 (GNI Regulation)¹ empowers the Commission to adopt delegated acts defining the list of issues to be addressed in every verification cycle to ensure the reliability, exhaustiveness and highest possible degree of comparability of GNI data, in line with ESA 2010.

Based on the list of issues, the Commission will subsequently establish, by means of implementing acts, the specific measures aimed at improving the comparability, reliability and exhaustiveness of Member States' GNI data, in line with Article 5(3) of the GNI Regulation.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

In preparing this delegated act, the Commission has conducted appropriate consultations. The Commission Expert Group on Gross National Income (GNIG) was consulted in accordance with Article 2(e) of Commission Decision C/2019/3651². The Commission has also consulted the Directors of macroeconomic statistics (DMES) and the Expert Group National Statistical Institutes of the European Statistical System.

Finally, it has kept the European Parliament and the Council informed of the consultations.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

The purpose of this delegated act is to define the list of issues to be addressed in every verification cycle.

The delegated act concerns a matter relating to the European Economic Area (EEA), and its application therefore covers the EEA.

The delegated act has no implications for the EU budget.

¹ OJ L 91, 29.3.2019, p. 19.

² OJ C 174, 21.5.2019, p. 5.

COMMISSION DELEGATED REGULATION (EU) .../...

of 8.10.2020

supplementing Regulation (EU) 2019/516 of the European Parliament and of the Council by defining the list of issues to be addressed in every verification cycle

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2019/516 of the European Parliament and of the Council of 19 March 2019 on the harmonisation of gross national income at market prices and repealing Council Directive 89/130/EEC, Euratom and Council Regulation (EC, Euratom) No 1287/2003 (GNI Regulation)³, and in particular Article 5(2) thereof,

Whereas:

- (1) Gross national income at market prices (GNI) data should be reliable, exhaustive and comparable and appropriate measures should be established for this purpose.
- (2) In accordance with Article 5(1) of the GNI Regulation and in order to verify the sources, their uses and the methods used to produce GNI aggregates and their components, the Commission draws up a verification model in close cooperation with the GNI Expert Group. This model should take into account the list of issues established in the present Delegated Regulation.
- (3) Based on the process of verifying GNI data, the lessons learned from the previous verification cycles and the feedback from national accounts experts from the Member States, the Commission has identified the issues to ensure the reliability, exhaustiveness and comparability of the GNI data,

HAS ADOPTED THIS REGULATION:

Article 1

The list of issues to ensure the reliability, exhaustiveness and comparability of the GNI data to be addressed in every verification cycle shall include the following subjects:

- definition of geographic territory,
- principles of estimating dwelling services,

³ OJ L 91, 29.3.2019, p. 19–24.

- treatment of repayments of VAT,
- measures on exhaustiveness,
- treatment of non-collected VAT.

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 8.10.2020

For the Commission
The President
Ursula VON DER LEYEN