Commission Regulation (EC) No 215/2007 of 28 February 2007 on implementing Regulation (EC) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions (EU-SILC) as regards the list of target secondary variables relating to over-indebtedness and financial exclusion (Text with EEA relevance)

COMMISSION REGULATION (EC) No 215/2007

of 28 February 2007

on implementing Regulation (EC) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions (EU-SILC) as regards the list of target secondary variables relating to over-indebtedness and financial exclusion

(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 1177/2003 of the European Parliament and the Council of 16 June 2003 concerning Community statistics on income and living conditions (EU-SILC)[(1)], and in particular Article 15(2)(f) thereof,

Whereas:

(1) Regulation (EC) No 1177/2003 established a common framework for the systematic production of Community statistics on income and living conditions, encompassing comparable and timely cross-sectional and longitudinal data on income, and on the level and composition of poverty and social exclusion at national and European Union levels.

(2) Under Article 15(2)(f) of Regulation (EC) No 1177/2003, implementing measures are necessary for the list of target secondary areas and variables to be included every year in the cross-sectional component of EU-SILC. For the year 2008, the list of target secondary variables included in the module on over-indebtedness and financial exclusion should be laid down. This should be accompanied by the provision of variable codes and definitions.

(3) The measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee,

HAS ADOPTED THIS REGULATION:

Article 1

The list of target secondary variables, the variable codes, and the definitions for the 2008 module on over-indebtedness and financial exclusion to be included in the cross-sectional component of Community statistics on income and living conditions (EU-SILC) shall be as laid down in the Annex.

Changes to legislation: Commission Regulation (EC) No 215/2007 is up to date with all changes known to be in force on or before 27 December 2020. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Article 2

This Regulation shall enter into force on the 20th day following 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, 28 February 2007.

For the Commission

Joaquín ALMUNIA

Member of the Commission

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ANNEX

For the purposes of this Regulation, the following units, modes of data collection, reference periods and definitions shall apply.

1. Units

The target variables relate exclusively to the household. Where dealing with financial services, the household should be understood as any member of the household.

2. Modes of data collection

For all target variables the mode of data collection is personal interview with the household respondent or extraction from registers.

3. Reference periods

The target variables relate to four types of reference periods:

— last 12 months (*Arrears*),

— next 12 months (*Future expectations*),

— last three months (*Uncleared balance credit/store card*),

— current (*All other variables*).

4. Definitions

(1) Amounts

(a) Variables for collecting amounts: the amount is to be collected according to a harmonised discrete scale to be established by the Working Group on Living Conditions.

(2) Bank account

(a) Bank current account: deposit account offering day-to-day money management facilities such as various flexible payment methods to allow customers to distribute money directly to others. Standard services offered by current accounts include a cheque book, the facility to arrange standing orders, direct debits and payment via a debit card. A savings account is not a current account where no such facilities are available.

(b) Bank account overdraft: the household is currently maintaining a negative balance on one of its bank accounts because of financial difficulties (urgent need of money, output higher than input, etc.). Interest is charged on the amount owed. The bank account does not need to be a current account.

(3) Credit/store cards

(a) Credit cards (Visa, Amex, MasterCard, Diners, etc.) provide a specific credit facility: money is lent to people between the time they purchase goods and the time of full repayment of the amount; interest is to be paid on any balance that is not cleared at the end of the month. There are monthly statements for the money spent specifying the minimum amount to be paid. Credit cards are not bank debit cards, where the money spent on the card is immediately deducted from a linked bank account.

(b) Store cards are credit cards issued by a single company/store and can only be used for payments to that company/store.

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(c) Uncleared balance: the household has not paid in full at the 'end of the month' the amount spent or owed with credit/store cards for at least the last three months because of financial difficulties.

(4) Source of credit and loans

(a) Credit and loans encompasses any commercial credit or loans with planned and scheduled repayments, except mortgage loans for the main dwelling. Overdraft facilities, credit or store cards for which repayments are not planned are not included. Borrowing from friends and relatives (informal credit) is not included either.

(5) Arrears

(a) Arrears: amount owed (bills, rent, credit/mortgage repayment, etc.) not paid on schedule during the last 12 months for financial reasons; same concept as used for HS010, HS020 and HS030.

(b) Total amount currently in arrears: the sum of the amounts the household currently owes that could not be paid on schedule.

(c) Housing-related bills/payments: rent and mortgage repayment for the main dwelling and utility bills (water, electricity, gas, heating, etc.). Should correspond to the coverage of variables HS010 and HS020.

(d) Other loans and credit repayment: cash loans (other than mortgage repayment for the main dwelling) or hire purchase instalments and the like (e.g. mail order catalogues, car finance, etc.). Minimum credit/store card repayments are also included. Should correspond to the coverage of variable HS030.

(e) Other non-housing household bills: education, health, any other bills not covered by housing-related bills.

(6) Drop in income

(a) Income: gross total income of the household.

(7) Financial exclusion

(a) Reasons why the household does not have a current bank account and needs one: several reasons can be mentioned and will be reported though indicators variables MI111-MI114. Questions are filtered: households that do have a bank current account or do not need one should not be asked the questions.

(b) Reasons why the household does not have commercial credit and needs it: several reasons can be mentioned and will be reported though indicators variables MI122-MI125. Commercial credit: overdraft facilities, credit or store cards, mortgages and other loans or credit linked to purchases. Borrowing from friends and relatives is not included. Questions are filtered: households that do have commercial credit or do not need it should not be asked the questions. Households having borrowed only from family and friends should be asked the questions.

5. Transmission of data to Eurostat

The target secondary variables on 'over-indebtedness and financial exclusion' will be sent to Eurostat in the household data file (H) after the target primary variables.

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AREAS AND LIST OF TARGET VARIABLES

Variable name	Module 2008	Over-indebtedness and financial exclusion
	Code	**Target variable**
Bank accounts and overdraft		
MI010		**Household has a bank current account**
	1	Yes
	2	No
MI010_F	*1*	Variable is filled
	-1	Missing
MI020		**Household is overdrawn on one of its bank accounts**
	1	Yes
	2	No
MI020_F	*1*	Variable is filled
	-1	Missing
	-2	N/A (no bank account)
MI025		**Estimated total amount unbalanced on household's banks accounts in classes**
	1-9	Class
MI025_F	*1*	Variable is filled
	-1	Missing
	-2	N/A (no overdraft: MI020=2)
Credit/store cards		
MI030		**Household has credit card(s) and/or store card(s)**
	1	Yes
	2	No
MI030_F	*1*	Variable is filled
	-1	Missing
MI040		**Household has credit card(s) and/or store card(s) with uncleared balances**
	1	Yes
	2	No
MI040_F	*1*	Variable is filled