COMMISSION REGULATION (EC) No 1670/2003

of 1 September 2003

implementing Council Regulation (EC, Euratom) No 58/97 with regard to the definitions of characteristics for structural business statistics and amending Regulation (EC) No 2700/98 concerning the definitions of characteristics for structural business statistics

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning structural business statistics [1], as last amended by Commission Regulation (EC) No 1669/2003 [2], and in particular Article 12 (iii) thereof,

Whereas:

(1) Regulation (EC, Euratom) No 58/97 established a common framework for the production of Community statistics on the structure, activity, performance and competitiveness of businesses in the Community.

(2) Commission Regulation (EC) No 2700/98 of 17 December 1998 concerning the definitions of characteristics for structural business statistics [3], as amended by Regulation (EC) No 1614/2002 [4], included the definitions of the structural business statistics characteristics listed in the common module and the detailed modules for industry, distributive trades and construction of Regulation (EC, Euratom) No 58/97 concerning structural business statistics. Council Regulation (EC) No 2056/2002 [5] introduced a new set of characteristics for credit institutions and pension funds as well as new characteristics on environmental expenditure, for which common definitions are necessary. Moreover, it is also necessary to amend existing definitions for the characteristics on number of enterprises, turnover, production value, value added at factor cost and total purchases of goods and services, as the definitions set out in Regulation (EC) No 2700/98 cannot be used for the calculation of the value of these characteristics for insurance services, credit institutions, pension funds and central banking activities.

(3) It is necessary to implement a set of definitions for structural business characteristics for the insurance services, credit institutions and pension funds in order to ensure that the statistical data provided to the Commission is comparable, harmonised and of good quality.

(4) 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 definitions of the characteristics 12 12 0 and 12 15 0 of Regulation (EC) No 2700/98 necessary for the activities covered in the Annexes 5, 6 and 7 to Regulation (EC, Euratom) No 58/97 as well as for the activities of NACE rev. 1, class 65.11 are amended as set out in Annex I, sections 3 and 4 to this Regulation.

The definition of characteristic 11 11 0 for the activities covered in Annex 7, the definition of characteristic 12 11 0 for the activities covered in Annexes 5 and 7 and the definition of the characteristic 13 11 0 for the activities of Annexes 5 and 6 are amended as set out in Annex I, sections 1, 2 and 5 to this Regulation.

Article 2

The amended definition of the characteristic 21 11 0 of Regulation (EC) No 2700/98 and the definitions of characteristics 21 12 0 and 21 14 0 are specified in Annex II to this Regulation.

Article 3

The definitions of the characteristics listed in section 4 of Annex 6 to Regulation (EC, Euratom) No 58/97 are specified in Annex III to this Regulation.

Article 4

The definitions of the characteristics listed in section 4 of Annex 7 to Regulation (EC, Euratom) No 58/97 are specified in Annex IV to this Regulation.

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[1] OJ L 14, 17.1.1997, p. 1.
[2] See page 57 of this Official Journal.
[3] OJ L 344, 18.12.1998, p. 49.
[4] OJ L 244, 12.9.2002, p. 7.
[5] OJ L 317, 21.11.2002, p. 1.

Article 5

Member States shall apply the amendments of the definitions of the characteristics 12 12 0, 12 15 0 and 13 11 0 of section 4 of Annex 1 for the activities of NACE rev. 1 group 65.1 and for the credit institutions classified under NACE rev. 1, class 65.22 for the reference year 2001 and subsequent years.

For the activities of NACE rev. 1, class 66.02, Member States shall apply the definitions of the characteristics 11 11 0, 12 11 0, 12 12 0 and 12 15 0 for the reference year 2002 and subsequent reference years.

Member States shall apply the amended definition of the characteristic 21 11 0 and the definitions of characteristics 21 12 0 and 21 14 0 of section 4 of Annex 2 for the reference year 2001 and subsequent reference years.

Member States shall apply the definitions for the characteristics listed in section 4 of Annex 6 to Regulation (EC, Euratom) No 58/97 for the reference year 2001 and subsequent years.

They shall apply the definitions for the characteristics listed in section 4 of Annex 7 to Regulation (EC, Euratom) No 58/97 for the reference year 2002 and subsequent years.

Article 6

This Regulation shall enter into force on the 20th 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, 1 September 2003.

For the Commission

Pedro SOLBES MIRA

Member of the Commission

ANNEX I

Amendments of definitions of Regulation (EC) No 2700/98 for insurance services, credit institutions, pension funds and NACE rev. 1 class 65.11

The Annex to Regulation (EC) No 2700/98 is amended as follows:

Section 1

Number of enterprises

1. In the *definition* of code 11 11 0 (title: Number of enterprises), the following is added:

'For the enterprises defined in section 3 of Annex 7 to Regulation (EC, Euratom) No 58/97 this characteristic shall also comprise pension funds that do not employ personnel. It shall also include pension funds which are not established as legal entities and which are managed by pension fund management companies, insurance enterprises or other financial institutions (without however being covered by the annual accounts of these institutions). This characteristic shall however not include the number of pension funds which are not established separately from the sponsoring undertaking or trade (i.e. the non-autonomous pension funds or the book reserve system normally managed as an ancillary activity by the employer).'

Section 2

Turnover

1. In the *definition* of code 12 11 0 (title: Turnover) the sentence 'For NACE rev. 1, classes 66.01 and 66.03, the corresponding title of this characteristic is "Gross premiums written"' is replaced with:

'For the enterprises defined in section 3 of Annex 5 to Regulation (EC, Euratom) No 58/97, the corresponding title of this characteristic is "Gross premiums written". This characteristic is defined in Article 35 of Directive 91/674/EEC.

For the enterprises defined in section 3 of Annex 7 to Regulation (EC, Euratom) No 58/97, the corresponding title of this characteristic is "Total pension contributions". This characteristic shall comprise all pension contributions due during the financial year in respect of pension contracts, such as all mandatory contributions, other regular contributions, voluntary additional contributions, incoming transfers, other contributions.'

2. In the *link to other variables* of code 12 11 0 (title: Turnover), the following is added:

'For the enterprises defined in section 3 of Annex 5 to Regulation (EC, Euratom) No 58/97, "Gross premiums written" (12 11 0) is calculated as follows:

Gross direct premiums written (12 11 1),

+ Gross reinsurance premiums accepted, written premiums (12 11 2).

"Gross premiums written" is used in the calculation of "Gross premiums earned" (32 11 0) and other aggregates and balances.

For the enterprises defined in section 3 of Annex 7 to Regulation (EC, Euratom) No 58/97, "Turnover" (Total pension contributions) is calculated as follows:

Pension contributions receivable from members (48 00 1),

+ Pension contributions receivable from employers (48 00 2),

+ Incoming transfers (48 00 3),

+ Other pension contributions (48 00 4);

or:

Pension contributions to defined benefit schemes (48 00 5),

+ Pension contributions to defined contribution schemes (48 00 6),

+ Pension contributions to hybrid schemes (48 00 7).'

Section 3

Production value

1. In the *definition* of code 12 12 0 (title: Production value) the sentence 'Specific calculation methods are needed for NACE rev. 1, classes 66.01 and 66.03' is replaced with:

'For the enterprises defined in section 3 of Annex 5 to Regulation (EC, Euratom) No 58/97, the production value is defined as gross premiums earned, plus total portfolio investment income, plus other services produced, minus gross claims incurred, excluding claims management expenses, plus capital gains and provisions.

For the enterprises defined in section 3 of Annex 6 to Regulation (EC, Euratom) No 58/97, the production value is defined as interest receivable and similar income, less interest payable and similar charges, plus commissions receivable, plus income from shares and other variable-yield securities, plus net profit or net loss on financial operations, plus other operating income.

For the enterprises defined in section 3 of Annex 7 to Regulation (EC, Euratom) No 58/97, the production value is defined as turnover less insurance premiums payable, plus investment income, plus other income, plus insurance claims receivable, less total expenditure on pensions, less net change in technical provisions.

For the enterprises of the NACE class 65.11, the production value is defined as interest receivable and similar income, less interest payable and similar charges, plus commissions receivable, plus income from shares and other variable-yield securities, plus net profit or net loss on financial operations, plus other operating income.'

2. In the *link to other variables* of code 12 12 0 (title: Production value), the following sentence is added:

'For the enterprises defined in section 3 of Annex 5 to Regulation (EC, Euratom) No 58/97, the production value is calculated as follows:

For life insurance:

Gross premiums written (12 11 0),

+ Gross change in the provision for unearned premiums (32 11 2),

+ Investment income (32 22 0),

- Value readjustments on investments (32 71 5),

- Gains on the realisation on investments (32 71 6),

- Income from participating interests (32 71 1),

+ ((Total gross technical provisions (37 30 0) - Total net technical provisions (37 30 1))/Total net technical provisions (37 30 1)) x (Investment income (32 22 0) - Value readjustments on investments (32 71 5) - Gains on the realisation of investments (32 71 6) - Income from participating interests (32 71 1)),

+ Other technical income, net amount (32 16 1),

+ Other income (32 46 0),

- Gross claims payments (32 13 1),

- Gross change in the provision for outstanding claims (32 13 4),

+ External and internal claims management expenses (32 61 5),

+ Gains on the realisation on investments (32 71 6),

+ Unrealised gains on investments (32 23 0),

- Losses on the realisation on investments (32 72 3),

- Unrealised losses on investments (32 28 0),

- Gross change in life insurance provision (32 25 0),

- Bonuses and rebates, net amount (32 16 3),

- Change in fund for future appropriations (part of 32 29 0),

- Net changes in other technical provisions, not shown under other headings (32 16 2).

For non-life insurance and reinsurance:

Gross premiums written (12 11 0),

+ Gross change in the provision for unearned premiums (32 11 2),

+ Investment income (32 42 0),

- Value readjustments on investments (32 71 5),

- Gains on the realisation on investments (32 71 6),

- Income from participating interests (32 71 1),

+ ((Total gross technical provisions (37 30 0) - Total net technical provisions (37 30 1))/Total net technical provisions (37 30 1)) x (Investment income (32 42 0) - Value re-adjustments on investments (32 71 5) - Gains on the realisation of investments (32 71 6) - Income from participating interests (32 71 1)),

+ Other technical income, net amount (32 16 1),

+ Other income (32 46 0),

- Gross claims payments (32 13 1),

- Gross change in the provision for outstanding claims (32 13 4),

+ External and internal claims management expenses (32 61 5),

+ Gains on the realisation on investments (32 71 6),

- Losses on the realisation on investments (32 72 3),

- Bonuses and rebates, net amount (32 16 3),

- Change in the equalisation provision (32 15 0),

- Net changes in other technical provisions, not shown under other headings (32 16 2).

For the enterprises defined in section 3 of Annex 6 to Regulation (EC, Euratom) No 58/97, the production value is calculated as:

Interest receivable and similar income (42 11 0),

- Interest payable and similar charges (42 12 0),

+ Commissions receivable (42 14 0),

+ Income from shares and other variable-yield securities (42 13 1),