



INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

Revision Policy of Portuguese National and Regional Accounts, Rev.1

Benchmark-year 2016

National Accounts Department

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1. Introduction

The revision policy is an integral part of the statistical production process, the purpose of which is to provide the most up-to-date and accurate information. It is an element of a gradual improvement in the quality and accuracy of data along with the improvement of the availability of data sources or estimation methods. Revision policy of Portuguese national and regional accounts is based on the recommendations of the Harmonized European Revision Policy (HERP)¹, at the same time considering the specificity and schedule of surveys conducted in Statistics Portugal.

The HERP contains a series of recommendations established under the European Statistical System (ESS) and the European System of Central Banks (ESCB) to obtain a consistent and comparable set of data, both at national and European Union level. The need to introduce and apply the HERP principles in national accounts results from the Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics², Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European System of National and Regional Accounts in the European Union (ESA2010)³ and the European Statistics Code of Practice⁴.

Although the HERP revision policy does not cover the full scope of reporting requirements specified in the ESA 2010 Transmission programme of data (ESA 2010 TP)⁵, the national revision policy covers all domains of national accounts developed at Statistics Portugal, i.e., national accounts main aggregates, non-financial sector accounts, supply and use tables, non-financial accounts for the general government sector and regional accounts.

2. Revision policy of national and regional accounts

Revisions are an essential part of a high quality quarterly and annual National Accounts (NA) compilation practice as well as compilation of Government finance statistics / Excessive deficit procedure (GFS/EDP) statistics. They enable statisticians to provide users with data that are as timely and accurate as possible. These statistics are produced from a large variety of data sources.

Data sources used to estimate macroeconomic aggregates are provided with varying degrees of timeliness, taking up to 21 months to be integrated into final annual results in the case of structural sources. Besides the national publication and uses of the NA and GFS/EDP data, this data is transmitted to Eurostat under the ESA 2010 TP and has several administrative uses in the European Union, notably concerning the application of the Protocol on the excessive deficit procedure (Council Regulation (EC) No 479/2009 of 25 May 2009) and of the regulation on the harmonisation of gross national income at market prices (Regulation (EU) 2019/516 of 19 March 2019), used for EU own resources purposes.

¹ Detailed information on the dates, frequency, scope and depth of revisions in national accounts in accordance with HERP are provided in the Eurostat *Practical guidelines for revising ESA 2010 data, 2019 edition*. The guideline is available on the website [Practical guidelines for revising ESA 2010 data - 2019 edition](#).

² The full text of the regulation is available on the website [Regulation \(EC\) No 223/2009 of the European Parliament and of the Council of 11 March 2009](#)

³ The full text of the regulation is available on the website [Regulation \(EU\) No 549/2013 of the European Parliament and of the Council of 21 May 2013](#)

⁴ The full text of the European Statistics Code of Practice is available on the website [EUROPEAN STATISTICS CODE OF PRACTICE](#)

⁵ Number of transmission tables according to [ESA 2010 TP](#) not covered by HERP: T3, T5, T10, T11, T12, T13, T15, T16, T17, T20, T22, T26, T29.

A major advantage of National Accounts data is their internal consistency, i.e., consistency between tables of the same frequency (quarterly or annual) within the same set of accounts (main aggregates, financial or non-financial sector accounts), consistency between variables with the same concept and definition across the accounts. Consistency between national accounts data used for administrative purposes and data transmitted to Eurostat as part of the ESA 2010 Transmission programme of data is also fundamental.

Moreover, consistency with other domains such as Financial accounts and Balance of payments (BoP) statistics is also an important feature. In Portugal, the compilation of both the Financial accounts and BoP statistics is a responsibility of the Portuguese Central Bank (Banco de Portugal), which requires a high level of cooperation and coordination between Statistics Portugal and Banco de Portugal.

The revision policy of the Portuguese National Accounts covers all quarterly and annual series produced by Statistics Portugal:

- GDP and main aggregates – quarterly data
- GDP and main aggregates – annual data and detailed annual tables (e.g. industry breakdowns)
- Non-financial accounts by sector – quarterly data
- Non-financial accounts by sector – annual data
- Excessive deficit procedure data – annual data
- Main aggregates of the general government – quarterly data
- Main aggregates of the general government – annual data, including detailed and COFOG⁶ data
- Supply and Use tables and Input - Output tables
- Regional annual accounts (tables by industry)

Due to the type of changes introduced in annual and quarterly accounts, the Revision policy of Portuguese national and regional accounts includes two main types of revisions: **routine** and **major revisions**.

Routine revisions include all changes that have occurred from the preliminary to the final estimate for a given reporting period. These changes, as a rule, result from the availability of new data sources, regular analysis of institutional units, allowing for the ongoing updating of the subjective scope of institutional sectors (in accordance with the ESA 2010 criteria), and the dates of data publication (in accordance with the provisions of the Statistical surveys program of official statistics (PBSSP) and the ESA 2010 transmission programme of data).

Major revisions are related to projects carried out under the European Statistical System (ESS), such as the implementation of new international methodological standards for the system of national accounts, balance of payments and international investment position and ESS classifications. A specific feature of the major revisions are benchmark revisions, in which

⁶ COFOG – Classification of the functions of government

national accounts statistics are updated in line with the use of improved data compilation methods and the use of new or more detailed data sources. Benchmark revisions are performed in national accounts every five years.

| | Major revisions | |
|--------------------|---|--|
| | Major ad-hoc revisions | Major regular revisions, so-called benchmark revisions |
| Description | As a result of major methodological changes or new classifications (e.g., introduction of new NACE, ESA) or changes of euro area. | As a result of changes in basic data sources and/or new estimation methods, usually every 5 years. |
| Depth | Entire time series (or as far back as possible) | |
| Timetable | Agreed timetable to be applicable across all statistical domains. | Benchmark years ending with "0" and "5" (or close), with implementation years ending with "4" and "9", unless this is integrated in a European wide major occasional revision in another year. |

In addition, non-scheduled revisions may also take place, caused by events that were not possible to predict, such as, for example, significant unforeseen changes in the data sources due to revisions/modification of data or errors detected in previously submitted data. When this occurs, the revised data should be disseminated as soon as possible and the reasons for such a revision should be clarified. Normal revisions in data sources should, of course, be part of the regular revision process.

In general terms, Portuguese National Accounts revise preliminary or provisional estimates, in each compilation round, when new or updated data sources are available. In practice, the Revision policy of Portuguese national and regional accounts is based on the recommendations of the HERP, although it is more restrictive concerning the number of revised years/quarters in each compilation round (revision window or depth of revisions). Considering the specific needs for the compilation of the EDP notification, the revision window is enlarged in the releases occurring in March and in September, each year. The September compilation round includes the compilation of final and provisional annual results, where alignment between all domains is ensured.

The following table summarizes the depth of regular revisions, usually applied in the Portuguese National Accounts quarterly and annual releases⁷:

| | Publication date | | | |
|--|------------------|----------------|---------------|----------------|
| | First quarter | Second quarter | Third quarter | Fourth quarter |
| Depth of annual revisions, excluding the year reported for the first time (number of years) | 1 | 1 | 2 | 0 |
| Depth of quarterly revisions, excluding the quarter reported for the first time (number of quarters) | 7 | 4 | 13 | 2 |

Whenever revisions are carried out, data is published in the Statistics Portugal website ([thematic folder on National Accounts](#)). Data users are provided with the information on introduced changes in the relevant press releases.

2.1. GDP and main aggregates – quarterly and annual data

The frequency of revisions depends on the frequency of compilation and publication of data, both quarterly and annual. Considering that the compilation of quarterly results for GDP and main components use different data sources and procedures compared to the compilation of detailed annual results, the September compilation round implies that quarterly results are benchmarked to annual results, determining the need to revise previous quarters.

2.1.1. Quarterly data

Quarterly GDP estimates are published on the following dates:

- flash GDP estimates (volume GDP only) – 30 days after the reference period
- preliminary GDP estimates, with breakdowns by activity – 60 days after the reference period
- preliminary GDP estimates, with breakdowns by institutional sector – 85 days after the reference period.

Routine revisions

Factors contributing to revisions of quarterly national accounts include:

- availability of new or revised data sources
- availability of provisional and final annual estimates – benchmarking to annual estimates

Regarding revisions of seasonally adjusted data, with the use of projected seasonal factors, the seasonal factors are kept fixed along one year and revisions are linked to regular and occasional revisions of quarterly raw and annual data. In the process of the benchmark revisions, the seasonal factors are re-estimated and updated.

⁷ Due to the use of benchmarking techniques, data for the quarters of the last unrevised year may also be revised in the third quarter (September).

2.1.2. Annual data

Annual GDP estimates, are published on the following compilation rounds:

- preliminary GDP estimate corresponds to the annual result of the quarterly compilation
- provisional GDP estimates, with intermediate breakdowns by activity – 9 months after the reference year
- final GDP estimates, with maximum breakdowns by activity – 21 months after the reference quarter

Routine revisions

The annual preliminary estimates of GDP are revised in line with the revision process applied to quarterly data.

Subsequently, the following revisions are carried out:

- the provisional annual GDP estimate, 9 months after the reference year – compiled based on annual data from statistical reports and administrative sources (notably, Simplified Business Information – SBI), reports of external institutions, data for the general government sector.
- the final annual GDP estimate, 21 months after the reference year – compiled based on annual data from statistical reports and administrative sources (notably, SBI and tax data), reports of external institutions and final data for the general government sector. The compilation process is based on detailed (433 products x 125 industries) Supply and Use Tables, at current and previous year prices.

Whenever the revision is carried out the revised data are published in Statistics Portugal website. Data users are provided with information on revisions and possible methodological changes in the national accounts press releases.

2.2. Sector accounts, including GFS/EDP

Routine revisions

The schedule for the compilation of quarterly and annual sector accounts (respectively 85 days and 9 months after the reference period) results from the provisions of the ESA 2010 Regulation and associated transmission deadlines. The routine revision of quarterly data is directly related to the update of the main aggregates in national accounts (annual and quarterly GDP data), quarterly and annual accounts of general government sector and quarterly and annual data from the. Data is published in March and September on Statistics Portugal website.

General government data is routinely revised twice a year during the preparation of the Excessive Deficit Procedure (EDP) notifications, in March and in September. In line with the general revision policy, revisions usually are performed for the last two years, although the EDP notification regulation defines the possibility to revise up to 4 years.

2.3. Regional data

Routine revisions

In regional accounts, routine revisions are carried out once a year.

In accordance with ESA 2010 Regulation, provisional estimates of gross domestic product (GDP) and total gross value added (GVA) at the NUTS 2 and NUTS 3 level are compiled for the year N-1, consistent with provisional annual national GDP. Final estimates of gross domestic product (GDP) and total gross value added (GVA) at the NUTS 2 and NUTS 3 level are compiled for the year N-2, consistent with final annual national GDP, both national values published in September.

Subsequently, with the compilation of final data for the year N-2 concerning GDP and GVA by NACE sections at the NUTS 2 and NUTS 3 level, provisional estimates published in December of previous year are revised due to availability of more complete data source (administrative sources, reports of external institutions, final data for general government sector) and by benchmarking with final annual national accounts (data publication: final data for the year N-2 and provisional data for the year N-1 are published in the press release on gross domestic product and gross value added by regional breakdown NUTS and transmitted to Eurostat – December).

2.4. Supply and use tables and input-output table

Supply and use, and input-output tables are usually not revised.

The tables are compiled with the following frequency:

- supply and use tables – annually, 21 months after the reference period
- input-output table – every 5 years for years ending with 0 and 5, 24 months after the reference period

3. Informing users about planned revisions of national accounts

The schedule of planned revisions of statistical data is available on the Statistics Portugal website ([methodological information on National Accounts](#)). The schedule contains a list of all revisions planned for a given year, including revisions of national accounts data, and the date of the data being available. In addition, information on significant planned revisions resulting from changes to classifications, standards, methodology and definitions is provided in dedicated information notes on the press releases. On the date of publication of the revised data, Statistics Portugal also provides detailed information on the reasons for changes and their impact on the main aggregates of national accounts.