



Luxembourg, 13.11.2013

## **Technical and Upstream Dialogue Visits to Spain, 24 May, 18-22 June and 11-14 September 2012**

### **Main conclusions and recommendations**

#### *Preamble*

Eurostat publishes today a slightly amended version of its report on the visits to Spain of 24 May, 18-22 June and 11-14 September 2012. Compared with the previous version one sentence has been removed, in the fifth paragraph of section 3, and consequently from the summary in the introduction. The original version had a sentence concerning compliance with the accruals principle of accounting, which further exchanges with the Spanish authorities have shown was too general. No other changes have been made to the report.

*This report repeals and replaces chapters 2, 3 and 4 of the report dated 14.08.2012 (annexed to letter reference 1098001) in order to take account of the additional progress, results and conclusions of the follow-up Upstream Dialogue Visit (UDV) to Spain which took place 11 to 14 September 2012.*

#### **0. Introduction**

Eurostat carried out a technical visit to INE on 24 May 2012 and an Upstream Dialogue Visit (UDV) to Spain from 18-22 June 2012 to clarify in particular the issue of previously unreported arrears by Autonomous Communities (AC) and local governments. A further follow-up UDV took place between 11-14 September 2012.

Eurostat met representatives of *Instituto Nacional de Estadística* (INE), *Intervención General de la Administración del Estado* (IGAE), *Banco de España* (BdE), *Tribunal de Cuentas* (Supreme Audit Office), regional Courts of Audit, ACs, Municipalities, *Instituto Nacional de la Seguridad Social* (National Social Security Institute), *Intervención General de la Seguridad Social* (Inspectorate General of Social Security), Ministry of Development and Infra-structure (*Ministerio del Fomento*), health care entities and the *Consejo de Política fiscal y Financiera de las Comunidades Autónomas* (Fiscal and Financial Policy Council –FFPC). Eurostat received full cooperation from all these authorities.

The objectives of this second UDV mission were as follows:

- The first objective was to follow-up the review of the reporting of expenditure by

ACs and municipalities and the system of public accounts at national, regional and municipal levels in the context of the earlier UDV, and discuss the necessity for further improvements of these systems in order to avoid for 2012 and future years what happened for 2011.

- The second objective was to follow-up the review of the capacity of the Spanish statistical authorities to ensure the quality of the statistical reporting by ACs and local authorities.
- The follow-up visit of 11-14 September 2012 aimed to both complete the review of the quality of the EDP reporting system, in particular the primary public accounting data sources and the underlying processes, as well as to review progress on the action points since the 18-22 June 2012 visit.

The present report is organised in line with these objectives.

Eurostat concluded that some expenditure which took place in 2011 and in prior years was not reported at the time it was incurred and consequently was not correctly recorded according to the accrual principle. Eurostat considers that this reflects serious weaknesses of the statistical reporting chain.

Eurostat considers that the follow-up UDV of 11-14 September 2012 substantiated the findings of the first report.

Eurostat considers that significant improvements are necessary in order to achieve a robust statistical reporting system.

Eurostat acknowledges the short period of time since the report of the June 2012 UDV, especially in consideration of the date of issuance of 14 August 2012. However, Eurostat notes the lack of initiative and preparedness to follow up the recommendations and noted that the report dated 14/8/2012 had not been made available by INE to all parties concerned. During the UDV visit of September 2012, it was apparent that the institutions attending the follow-up meetings had not been consulted on the report. The Court of Auditors had seen the report on Eurostat's website.

Eurostat also notes the lack of response of the Municipality of Valencia to provide the requested information in advance of the 12/9/2012 visit, although information was provided on the day.

The findings of this follow-up UDV confirmed and underscored the potential risk to the quality of EDP statistics covering the period between the closure of the Supplier Payment Mechanism (31 December 2011) and the point when the EDP reporting system will have been fully revised to make it permanently more robust, in line with the recommendations of this report. This is unlikely to be before the second half of 2013. Eurostat therefore emphasises that actions that will permanently prevent such problems in future need to be implemented as soon as possible (as they need time to take effect).

The financial crisis and the Supplier Payment Mechanism (SPM) have revealed serious weaknesses in the Spanish accounting, as well as the budgetary and statistical reporting systems at AC and municipality level. The significance of these weaknesses has been established, in particular for EDP purposes. During this interim period (Jan 2012 – 2nd

half 2013) the EDP reporting system will continue to be covered by and rely on the old budgetary reporting system, which has been shown not to meet EDP reporting obligations.

Despite measures taken by different levels of government, the EDP reporting system continues to rely on the national budgetary reporting system that is based on expenditure booked in the accounts on the cut-off reporting date. This system in turn relies on public sector accounting standards.

Thus Eurostat stresses that short-term special actions, to address concerns over reported data up to the period when the new system will take effect such as short-term external audits covering in principle, all subsectors of General Government, need to be undertaken.

### **1. Recent revisions to the Spanish general government deficit**

See first report dated 14.08.2012. This section of the report is unchanged.

### **2. Unreported Arrears and corresponding measures needed to ensure the integrity of the statistical reporting system**

Eurostat concluded that substantial improvements to public accounting and statistical reporting, for both ACs and Municipalities, are needed to ensure this situation or similar issues will not arise in 2012 or later years. The Spanish Central Government and ACs have already designed and begun implementing a series of improvements, which must be followed by other initiatives in order to achieve a robust statistical reporting system.

At the central level, the Organic Law 2/2012 of 27 April 2012, Financial Stability and Sustainability Budget (LOEP), whose scope is the general government sector according to ESA, provides for a series of improvements in the provision of information and transparency.

Moreover the law on the State Budget for 2012 requires government departments and managing bodies and the common services of social security to ascertain, by audit techniques, that the data and information provided with economic importance fairly reflect the operations arising from their activity.

In the area of the ACs, the FFPC plans to adopt an agreement to ensure that the governments of the ACs enact the policy measures necessary to include that the internal auditors of the financial and economic management carry out annual controls to entities not otherwise subject to accounting audits, allowing to check any obligations or expenditures for goods and services received which have not been covered in budget allocations.

Further improvement actions planned from 2013 include the continuation of the initiatives on transparency, on reinforced reporting requirements and on measures to be applied in the case of infringements.

The Spanish statistical authorities as well as the Autonomous Communities (Madrid, Valencia and some other ACs) explained that measures were already being taken to improve the current system. These include a new budgetary law, compulsory quarterly auditing of the accounts (including the extra-budgetary accounts such as Account 409, 411, 413), a single point of registration of all the bills at the level of the Autonomous Communities. These improvements are being prepared by the central government and are foreseen to be applied from 2013 onwards or earlier where possible.

Within the ACs a series of initiatives were reported, including the following taking effect in 2012 onwards:

**Autonomous Community of Madrid:** A resolution from the *Interventor General de la Comunidad de Madrid*, concerning instructions for the handling of evidence of expenditure, was approved by June 2012. All documents are to be received through a general register (in the E-REG system) and no more than a week should elapse between registration and the issuance of the "justifying document for the expense" in the system. Also an Instruction of the *Interventor General de la Comunidad de Madrid* was being prepared and planned to enter in force in July 2012 to control expenditure not charged to the budget. These controls will provide reinforced quality and exhaustiveness of the data as well as a strict application of accrual principles.

In addition a new financial accounting IT system is being implemented progressively, starting with some health care institutions. The system was first brought in at the end of June 2012 and became operational in August. The few problems that exist with this new system are expected to be resolved by Q4 2012 at the latest.

The new system will guarantee that all invoices will be registered in the Madrid accounting system within seven days and be charged against the appropriate budget heading. Once invoices enter the system, checks are made to verify that the seven day deadline has been respected and that it complies with accrual principles.

Eurostat was informed that this system gives a complete view of expenditures and also lets the AC know what their funding needs will be.

According to the AC, an appropriate mechanism ensures the transmission to FFPC of this data in a fully comprehensive way. Moreover, the implementation of the logistics module for all purchases of hospitals and centralized purchasing for the rest of the Autonomous Community will reflect directly in financial accounting the delivery of goods and services.

Eurostat acknowledges the progress that has been made in this regard and encourages the AC to fully implement this system as quickly as possible.

**Autonomous Community of Valencia:** As a consequence of the Law of budgetary stability and sustainability, an interdepartmental commission has been created to pursue the follow-up of the policies of rationalisation and austerity in expenditure.

Moreover, the Council of Treasury and Public Administration of AC Valencia already published Decree-Law 134/2012 of 7 September by which it legally authorized the creation of the single registry of invoices of the AC Valencia. The IT systems were being

put in place with a view to make it operational as soon as possible. This registry is connected to the accounting system and will allow a better knowledge of and control over expense and unpaid bills.

Eurostat acknowledged and welcomed the efforts of the *Intervencion General* and invited them to speed up their measures. Eurostat requested that the IT system for single, central registration of the invoices should be made fully operational as soon as possible. AC Valencia indicated it would be operational by the end of September 2012.

Some other legislative measures are also being prepared. These include:

An amendment to the "Council Agreement of 27 June 2008" to extend some of the measures to verify the proper control of some expenditure records such as PPPs and public procurements through administrative concessions; The revision of "Decree 40/1992, of 16 March" by another Decree of the Council, reinforcing guarantees on the management of public resources, increasing the content and scope of the investments to be made by the Intervention to the wording of the provisions of article 57° of the revised Law of Public Finances for *Generalitat Valenciana*. Changes will be made to the legal text of the Law of Public Finances with the purpose of incorporating the same required instruments and procedures to guarantee the appliance of the Law of budgetary stability and sustainability, including expressly a liability regime eligible to those responsible for the various departments and entities for the breach of such rules and principles.

Moreover, an expansion of the Annual Permanent Plan of Financial Control will cover the verification of the information recorded in the general registry of invoices, including cross-checking data directly with providers.

Eurostat considers that all these improvements at central and regional levels are necessary for the future, from 2013 onwards. However, Eurostat is not convinced that all arrears building up during 2012 will be appropriately reported for the April 2013 notification. In order to ensure that all 2012 arrears are reported in a timely and complete manner Eurostat made the following recommendations:

**Action Point 1:** *Eurostat recommends that an independent assessment or audit be carried out to establish the completeness of reporting expenditures of 2012 by ACs by 10 January 2013. Furthermore, an external audit has been on-going in the AC of Valencia and Eurostat recommends that this should also be done for all ACs with significant amounts of previously unreported arrears. INE is requested to bring this to the attention of the relevant entities and report back on it to Eurostat.*

Eurostat welcomed the approach of the Valencia Court of Audit on auditing unrecognised expenditure taken thus far.

**Action point 2:** *Eurostat recommended that an analysis be provided by INE for those types of entities not covered by the Suppliers Payment Mechanism by September 2012, such as government controlled entities which are less than 100% owned. However, this has not been received so Eurostat reserves its position on this issue.*

In case evidence is found of any further unreported expenditure, the corresponding amounts will be included *without unnecessary delay*.

As evidenced, by the results of the SPM with respect to the arrears of municipalities, significant amounts of arrears have not been reported in a timely manner.

**Action point 3** *Eurostat therefore recommends that INE analyse the information from the SPM in order to establish if, for EDP purposes, the sample of municipalities used for the compilation of the half-finalised accounts could be improved to ensure better representativeness, subject to materiality considerations. Eurostat requests that a progress report on this issue be provided by INE by June 2013.*

Eurostat further notes that the data collection and reporting system currently in place for the compilation of deficit data is based on a reporting system that has been designed by IGAE for their own information purposes. The reporting deadlines set for ACs during the first quarter of each year (for the preparation of the first notification) do not seem to strike an acceptable balance between the availability and completeness of data. In fact the amounts of expenditure reported may not reflect latest available information. The follow-up visit of 11-14 September 2012 revealed that, for cases seen, more complete information was available (and supplied to the respective level of Government) but was not being used for the purposes of EDP reporting.

**Action point 4:** *A review should be undertaken by INE, in cooperation with IGAE and FFPC, of the data reporting arrangements for ACs and municipalities during the first quarter of each year (period of preparation for April notification) to ensure that deadlines better reflect the availability and completeness of data and moreover to verify during February and March that the amounts of expenditure notified reflect the latest available information.<sup>1</sup>*

**Action point 5:** *A review should be undertaken in cooperation between the FFPC, IGAE and INE of any residual risks which may derive from a potential lack of consistency between corrective measures being implemented in different ACs to fix the issue of late reported or unreported arrears, in that different approaches may be taken to the same or similar problems pending decisions at central level. Eurostat welcomes the fact that the FFPC plans to look into this issue. In addition, Eurostat recommends that all newly developed IT systems be subject to external IT audit and welcomes that fact that the Valencia Court of Audit has already planned such an action.*

**Action point 6:** *Eurostat recommends a review by INE in cooperation with IGAE (who are the setters of public sector accounting standards) and the FFPC on the differences between the accounting standards implemented in the ACs (and municipalities) and the standards of the new General Government Accounting Plan, implemented from Jan 2011, in order to:*

*(a) achieve a harmonised treatment of extra-budgetary accounts such as accounts 409, 411 and 413, and;*

*(b) assess the potential scope for inaccuracies and incomparability and their impact of EDP data so as to propose amendments to accounting plans and standards.*

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<sup>1</sup> INE provided a reply to this action point on 12 March 2013.

*Eurostat requests that a progress report on the above matters (action points 4,5,6) be provided by INE by 10 January 2013 and the scope of it shall be the entities at all subsectors of general government.*

Regarding potentially unreported arrears at central government level, during the visit of 11-14 September 2012, Eurostat noted the possibility that the reporting of extra-budgetary expenditure to IGAE was made outside the accounting (and audited) system of a Ministry.

**Action point 7:** *In order to conclude on this issue, Eurostat requests by 10 January 2013 a note explaining the procedure used by IGAE for collecting direct information from project managers on unrecognised extra-budgetary expenditure incurred by government entities belonging to the Central Government subsector and not reported in the accounts 413. The note should document the reporting procedure (i.e. under which conditions the data is provided, by whom, to whom, how, and when) and explain how this process provides the necessary assurance that the reported amounts are complete and validated.<sup>2</sup>*

### **3. Statistical governance and the system of statistical reporting<sup>3</sup>**

Eurostat noted the progress made this year with the first publication of ESA 95 based quarterly deficit/surplus data for ACs. This is a significant step forward in terms of transparency and should allow a better quality control of the data of ACs.

Notwithstanding the progress mentioned above, significant shortcomings remain in the governance of the chain of statistical reporting.

Eurostat stresses that both UDV visits confirmed the findings of the 2007 peer review, notably the major concern expressed therein resulting from the complex institutional and administrative structure within which INE operates and noted the important role of the internal audit offices at all level of government (central, ACs and local level) which are not subject to any direct control by INE with respect to statistical reporting for GFS/EDP purposes. The UDV visit also confirmed that in practice GFS/EDP statistics are not within the responsibility of INE nor, from a legal perspective, does INE have the necessary methodological and coordination responsibility for these statistics.

Cooperation between the three key players involved in data collection, compilation and notification of GFS and EDP data, INE, central IGAE and BdE, is informal. The inter-institutional GFS working group that coordinates EDP work is an important body but it also operates in practice on an informal basis. Eurostat also notes that under the current set-up, neither the central IGAE and nor the IGAEs of ACs are subject to the statistical legislation forming the European Statistical System.

Despite measures taken recently by central government, and currently being implemented by state and local government, these, like other actions, will require time to take effect.

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<sup>2</sup> INE provided a reply to this action point on 12 March 2013.

<sup>3</sup> The Spanish statistical authorities requested that they be permitted to comment on the corresponding section of the report dated 14 August 2012. Those comments also appear in the annex to this report.

The present EDP reporting system therefore still largely relies on the existing national budgetary reporting system.

In addition, despite the existence of other information which could be used in a complementary way for the purposes of EDP reporting, there appeared to be no systematic approach for doing this. An example of this in the Autonomous Communities was the presence of invoices kept in other registers, which although not booked into the budgetary accounting system, could have been used to provide additional information on arrears for the purposes of EDP reporting.

Furthermore, Eurostat understood from the Spanish statistical authorities that they were not always aware of the existence of such complementary information on arrears which is reported to the respective level of government but not to the Spanish statistical authorities.

In consequence, changes are needed in the institutional setting of the EDP statistical reporting system.

**Action point 8:** *Eurostat recommends that a platform under the leadership of INE be put in place in order to carry out a review of the institutional set-up on which GFS/EDP statistics are based. The review should be linked to the planned reform of the European and Spanish Statistical Laws. In the short-term a clear definition of responsibilities, and accountabilities both at institutional and operational levels, between INE, IGAE and BdE must be ensured. In particular, it should be ensured that:*

*- INE can exercise its right of access and use of all primary sources, including for central government, Autonomous Communities and municipalities.*

*- INE be given asap the necessary access to all relevant production and documentation systems operated for EDP purposes by IGAE and BdE. This would include bridge tables and clarification exchanges.*

*-Also in the short-term, the Spanish GFS Working Group be put under the leadership of INE, and be given a formal and clear mandate and efficient rules of procedure.*

*Eurostat requests that a progress report on this matter be provided by INE by March 2013.*

**Action point 9:** *Eurostat also recommends reviewing the statistical procedures for GFS data collection and reporting, for central state, Autonomous Communities and municipalities. As regards ACs the current GFS reporting system is still based on partly voluntary or non-binding data reporting arrangements. To this end, the FFPC should adopt common and binding agreements following the guidelines set up by the GFS Working Group.*

*Eurostat requests that a progress report on this matter be provided by INE by March 2013.*



**Action point 10:** *The new set-up should also ensure that upstream data suppliers are aware of their duties and responsibilities with respect to quality, in particular with respect to the specific requirements and obligations pertaining to debt and deficit reporting and the reliability of the data they supply within that context. Eurostat notes that this is not the case for all data suppliers and sees a significant risk therein that may affect the quality of the reported data. Eurostat therefore recommends that INE take effective action to mitigate this risk both in the short term under the existing set-up and in the medium term in context of future developments.*

*Eurostat requests that a progress report on this matter be provided by INE by March 2013.*

The statistical GFS/EDP data collection and reporting system currently in place seems unnecessarily complex and seems to reflect the structural complexity of the institutional set-up mentioned above rather than GFS/EDP data reporting needs.

**Action point 11:** *Eurostat recommends a review of the rather complex GFS/EDP statistical data supply chain to ensure the integrity, robustness, transparency and timeliness of that data supply at all stages before it is delivered to INE.*

*Eurostat requests that progress report on this matter be provided by INE by December 2013.*

Eurostat also notes that data supply for the April EDP notification is done informally by e-mail, outside and parallel to the formal GFS data supply chain.

**Action point 12:** *Eurostat recommended to INE, in consultation with other institutions as necessary, the documentation and formalisation of this process with effect from the April 2013 EDP notification (as the original deadline of the September 2012 EDP notification could not be met) if it should not be possible to integrate it into the established formal reporting chain. This point applies at both central government and non-central government levels.*

More specifically, the data clarification process for the EDP notification between upstream suppliers and IGAE appears to be insufficiently formalised and documented.

**Action point 13:** *Eurostat recommended devising and documenting a clarification procedure that registers the exchanges and documents explanations and changes made to the supplied data during notification periods, with effect from September 2012.*

*Eurostat requests a report from INE on this issue by March 2013.*

#### **4. Quality management of EDP process and staff issues**

On quality management, properly documented procedures for the production of EDP statistics were clearly lacking at both INE and IGAE. The Bank of Spain however, did have procedures in place. Eurostat also noted the fact that the Bank of Spain has carried out an internal risk assessment exercise resulting in EDP being identified as a critical process and a business continuity plan put in place. These were acknowledged to be good

practices.

It also appeared that staff involved in EDP data reporting and compilation processes were not always aware of the specific requirements under Regulation 479/2009 as amended, Regulation 223/2009 and the ESS Code of Practice (CoP), in particular in respect of those deriving from the principle of professional independence. This applies in particular to IGAE, while Eurostat accepts that the BoE have their own CoP for which they have their own procedures to ensure respect thereof.

INE employs 4 FTE staff for EDP statistics, which seems to be in line with its current responsibilities. Eurostat also notes that approximately 50 FTE work in IGAE and 4 FTE in BdE in this area of work.

***Action point 14:** Eurostat recommends that all critical GFS/EDP statistical processes be mapped and sufficiently documented. Eurostat also recommends that staff involved in EDP compilation be made aware and respect the requirements of Regulation 479/2009 as amended, Regulation 223/2009 and the ESS CoP. It must be ensured not only that INE's decisions and instructions are observed and implemented but also that INE is given the necessary control powers to this end.*

*Eurostat requests a report from INE on these issues by March 2013.*

## **5. Government controlled entities**

Although particular cases are decided at the GFS working group of co-compilers, Eurostat understood that the responsibility for determining what entities are government-controlled essentially lies with IGAE. How this is decided and managed is not fully transparent to the other co-compilers.

***Action point 15:** Eurostat recommends that an action be undertaken (such as documenting the process and steps involved in determining what entities are government-controlled) so that all co-compilers understand fully how this is done in practice.*

***Action point 16:** Eurostat also recommends that INE/IGAE review whether the criteria for the government-controlled test, as applied in Spain, are in compliance with the MGDD and whether these are being correctly applied at AC and municipality level.*

*Eurostat requests that a progress report on the above matters be provided by INE by March 2013.*

## **6. External audit arrangements**

From a GFS/EDP data quality point of view, against the background of the late reporting of arrears, Eurostat notes that the budgetary frameworks directive (Council Directive 2011/85/EU) requests that all general government public accounting systems are subject to internal control and independent audits. Against this background Eurostat noted that, with a view to transposing the said Directive into national law, a review of the audit system may be necessary. However, this does not fall within the responsibility of the Spanish statistical authorities.

In this respect, Eurostat recommends to the appropriate authorities in Spain to report on the situation as regards the implementation of this request of Directive 2011/85/EU.

Eurostat also notes that in respect of external audits, the auditing samples of municipalities taken may have scope for improvement. Eurostat thus suggests that the samples of municipalities for external audit purposes be reviewed, especially taking into account the information available from the SPM.

Finally, Eurostat notes that relevant recommendations from independent Spanish audit institutions at both supreme and regional level appeared not to have been implemented by the entities concerned and that external audit institutions did not currently have any way of ensuring that their recommendations are taken into account. Eurostat recommends that INE uses its position as the national statistical authority to inform the relevant national authorities of the recommendations of this section, stressing the importance to both the Spanish and the European statistical system of having in place the necessary mechanisms to ensure that these recommendations are implemented.

## **Annex: Comments of the Spanish statistical authorities on section 3 of the report**

During the necessary exchanges with the Spanish statistical authorities in the process of finalising this report, the Spanish statistical authorities proposed several amendments. Eurostat took utmost account of those proposals. Nevertheless at their request the following comments by the Spanish statistical authorities are annexed to this report:

*INE and the GFS/EDP Working Group are aware of the need of improvement in the collection chain. Therefore, Spain assumes Eurostat's recommendation to improve the working methods for the EDP data collection. However, there is one main limit that cannot be crossed (even changing the Spanish Statistical Law), which is the distribution of competences sets up in the Spanish Constitution. Bearing this in mind, Spain wants to make the following comments for clarification:*

*1. The ACs have budgetary autonomy recognised in articles 156 and 157 of the Spanish Constitution and this competence is ruled by the principles of instrumentality and coordination. The mechanism set up in order to follow these principles and to comply with the EU stability pact and EDP rules is the FFPC. This Council has been established in 1980 in an Organic Law and all the "harmonised" measures related to this competence of the ACs have to be adopted in this forum, which can just give orientations and adopt agreements. This is why we propose the binding nature of those agreements linking them with the new Spanish Organic Law on Budgetary Stability and Financial Sustainability.*

*2. The statistical competence is a shared competence defined in article 338 of the Treaty (TFEU), therefore, the EDP regulation, the statistical law and the CoP must be followed according with the specific idiosyncrasy of each MS and its own administrative organisation. In the name of the respect of the subsidiarity principle, we accept criticism and recognise some gaps in our statistical reporting chain, but we have to solve these issues respecting our National Constitution.*

*3. The Spanish statistical law will be probably amended in a near future. Nevertheless, we have to analyse in deep if this is the correct place to develop national rules for EDP purposes (as well as Regulation 223/2009 is the general framework for European statistics but it does not go into the details for each specific sectorial statistic). As a consequence Spain will take all the measures needed to address these shortcomings.*

*4. It seems that the responsibilities of the GFS/EDP Working Group and those of the three institutions participating in it have been misunderstood by Eurostat team. These responsibilities are laid down in the National Statistical Plans. These legal acts state clearly that Non-financial National Accounts are responsibility of INE, Financial Accounts and EDP Debt compilation are responsibility of Banco de España, General Government Accounts are responsibility of Ministry of Finance (IGAE). Therefore, the role of the GFS/EDP Working Group in this issue is limited to classification of units, clarification on the implementation of methodological rules, coordination among the above mentioned statistics, special transactions and other horizontal issues.*

As a result and taking into account these comments, Spain thinks that, first, it is very difficult to follow action points 8 and 10 and second, more time is needed to address the

action points 9 and 11. In the latter case, December 2013 could be a better deadline to report on the improvements reached.