

## REGIONAL GROSS DOMESTIC PRODUCT (2019)

### NATIONAL REFERENCE METADATA IN SINGLE INTEGRATED METADATA STRUCTURE (SIMS)

#### CONCEPT 1 – CONTACT

##### **Sub-Concept 1.1: Contact organisation**

National Statistics Office (NSO)

##### **Sub-Concept 1.2: Contact organisation unit**

Regional, Geospatial, Energy and Transport Statistics Unit

##### **Sub-Concept 1.3: Contact name**

Ms. Marice Grech

##### **Sub-Concept 1.4: Contact person function**

Head of Unit

##### **Sub-Concept 1.5: Contact mail address**

National Statistics Office (NSO),  
Lascaris, Valletta VLT 2000, Malta.

##### **Sub-Concept 1.6: Contact e-mail address**

[marice.c.grech@gov.mt](mailto:marice.c.grech@gov.mt)

##### **Sub-Concept 1.7: Contact phone number**

+356 2599 7703

#### CONCEPT 2 – METADATA UPDATE

##### **Sub-Concept 2.1: Metadata last certified**

1<sup>st</sup> March 2021.

##### **Sub-Concept 2.2: Metadata last posted**

11<sup>th</sup> March 2021.

##### **Sub-Concept 2.3: Metadata last update**

11<sup>th</sup> March 2021.

## **CONCEPT 3 – STATISTICAL PRESENTATION**

### **Sub-Concept 3.1: Data description**

Regional accounts are a regional specification of the national accounts. Thus, these accounts are based on the same concepts and classifications used for the national accounts. Regional Gross Value Added (GVA) can be defined from two perspectives: the production approach and the income approach:

- i. Production Approach  
Regional GVA at basic prices by industry is equal to the difference between output (at basic prices) and intermediate consumption (at purchasers' prices).
- ii. Income Approach  
Regional GVA at basic prices by industry is equal to the sum of other taxes less subsidies on production, wages and salaries, employers' social contributions, consumption of fixed capital and net operating surplus.

Regional Gross Domestic Product (GDP) can be defined as regional GVA plus taxes on products less subsidies on products. The industry classification is based on NACE Revision 2.

The Regional, Geospatial, Energy and Transport Statistics unit publishes annual regional accounts based on the production approach which are compiled in accordance with the European System of Accounts - ESA 2010, [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.

Auxiliary indicators: GDP per capita. The data are published in euro (i.e. in national currency) at current prices.

### **Sub-Concept 3.2: Classification system**

The classification used for regional breakdowns is [NUTS 3](#) level, whereas the industry classification (economic activity) is based on [Nace Rev. 2](#).

### **Sub-Concept 3.3: Sector coverage**

All units that have their centre of predominant economic interest in the economic territory of the country covered.

### **Sub-Concept 3.4: Statistical concepts and definitions**

The regional GDP is used to measure and compare the economic activity of regions. It is the most important indicator for the selection of regions eligible for support under the investment for growth and jobs goal of the EU's regional policy.

GDP at market prices is the final result of the production activity of resident producer units. It can be defined in three ways:

#### **1. Output approach**

GDP is the sum of gross value added of the various institutional sectors or the various industries plus taxes and less subsidies on products (which are not allocated to sectors and industries). It is also the balancing item in the total economy production account.

## 2. Expenditure approach

GDP is the sum of final uses of goods and services by resident institutional units (final consumption expenditure and gross capital formation), plus exports and minus imports of goods and services. At regional level the expenditure approach cannot be used because there is no data on regional exports and imports.

## 3. Income approach

GDP is the sum of uses in the total economy generation of income account: compensation of employees plus gross operating surplus and mixed income plus taxes on products less subsidies plus consumption of fixed capital.

Regional GDP data estimates are based on the output approach and are compiled on a harmonized methodology according to ESA 2010. Figures for GVA at basic prices are used as the basic variable for the estimates. Extra-regio data (i.e. value added created in national regions than on national territory, e.g. in embassies, foreign army bases, offshore energy production) is treated like any other region; however as there is no population in the extra-regio there is no GDP per capita for the extra-regio.

Population and employment: these variables are widely used in a regional accounts' context. Employment and its components are important economic indicators in their own right, and serve in the construction of derived indicators, turning monetary aggregates from absolute into relative indicators and thus allowing comparison across countries.

Population (ESA 2010, para. 11.05 to 11.08) consists of all persons, national or foreign, who are permanently settled in the economic territory of the country, even if they are temporarily absent from it, on a given date. A person staying or intending to stay at least one year is considered to be settled on the territory. By convention, the total population includes neither foreign students nor members of foreign armed forces stationed in a country.

Employment (ESA 2010, para. 11.11 to 11.16) covers all persons engaged in some productive activity (within the production boundary of the national accounts). Employed persons are either employees (working by agreement for another resident unit and receiving remuneration) or self-employed (owners of unincorporated enterprises). Figures for both population and employment are understood to be stock values, not flows.

The general principle for regional accounts is that transactions should be allocated to the region where the production unit or household is resident.

### **Sub-Concept 3.5: Statistical unit**

National accounts deal with the economy (or large sub-sectors) as a whole. They combine data from a host of base statistics, and thus have no common sampling reference frame.

ESA 2010 identifies three types of statistical units:

1. Institutional units;
2. Local kind-of-activity units; and
3. Homogeneous units (ESA 2010, para. 2.153).

The elementary building block of ESA2010 statistics is the institutional unit, which is defined as an elementary economic decision-making centre characterised by uniformity of behaviour and decision-making autonomy in the exercise of its principal function. This can be, inter alia, a

household, a corporation or a government agency. Institutional units producing goods and services are often engaged in a combination of activities at the same time. For national accounts purposes, the institutional units are therefore split into local kind-of-activity units (KAU) (ESA 2010, para. 1.58), characterised by involvement in a single activity. These are then grouped into industries, so that a big industrial enterprise may contribute to activities in a number of different branches. For further detail, please refer to ESA 2010 accessed from the following link:

<https://ec.europa.eu/eurostat/documents/3859598/5925693/KS-02-13-269-EN.PDF/44cd9d01-bc64-40e5-bd40-d17df0c69334>

In Malta, business accounts are generally available for entire enterprises, the enterprise being the smallest legally independent institutional unit. The KAU concept is used in exceptional cases only for large enterprises which can provide the basic data sources necessary for the compilation of production, intermediate consumption, compensation of employees, operating surplus, employment and gross fixed capital formation. In such cases legal units are split across industries. The concept of homogeneous units is not applied in Malta.

With regards to the regional GDP, the economy is considered as a whole, but the regional level is calculated according to the regional breakdown, called NUTS 1, 2 and 3.

### Sub-Concept 3.6: Statistical population

The national accounts population of a country consists of all resident statistical units (institutional units or local KAUs, see section 3.5). A unit is a resident unit of a country when it has a centre of predominant economic interest on the economic territory of that country, that is, when it engages for an extended period (one year or more) in economic activities on this territory.

National accounts and regional accounts are exhaustive. This means that all resident statistical units are covered.

### Sub-Concept 3.7: Reference area

The reference area for national accounts is the total economy of a country. The total economy of a country can be broken down into regions. The NUTS classification provides a single, uniform breakdown of the economic territory of the Member States of the EU.

The nomenclature of territorial units for statistics (NUTS) provides a single, uniform breakdown of the economic territory of the European Union. The NUTS is the territorial classification for the compilation of regional accounts. The economic territory of a country can be divided into regional territories and the extra-regio territory. For the purpose of regional accounts, MALTA is divided as follows:

	NUTS 0	NUTS 1	NUTS 2	NUTS 3
<b>MALTA</b>	<b>MT</b>	<b>MT0</b>	<b>MT00</b>	
Malta				MT001
Gozo and Comino				MT002
Extra-regio		MTZ	MTZZ	MTZZZ

The regional territory includes the region that is part of the geographic territory of a country and any free zones, including bonded warehouses and factories under customs control in the region.

The extra-regio territory is made up of parts of the economic territory of a country that cannot be attached directly to a single region.

### **Sub-Concept 3.8: Time coverage**

GDP data according to ESA2010 is available as from the reference year 2000.

### **Sub-Concept 3.9: Base period**

Not applicable.

## **CONCEPT 4 – UNIT OF MEASURE**

- GVA data at basic prices (B.1g) (NUTS 3) are compiled and disseminated in thousand Euro.
- GDP data at market prices (B.1\*g) (NUTS 3) are compiled and disseminated in thousand Euro.
- GDP per capita (NUTS 3) is compiled and disseminated in Euro.
- Population data (NUTS 3) are disseminated in number of persons.
- Employed persons data are compiled and disseminated in number of persons.

## **CONCEPT 5 – REFERENCE PERIOD**

The reference period to be used for presenting regional accounts data is the calendar year for annual data.

## **CONCEPT 6 – INSTITUTIONAL MANDATE**

### **Sub-Concept 6.1: Legal acts and other agreements**

[The Malta Statistics Authority \(MSA\) Act – Cap. 422](#) of the Laws of Malta empowers the NSO to collect, compile, extract and release official statistics related to demographic, social, environment, economic and general activities and conditions of Malta.

The articles that empower NSO to request information are articles 36 and 38, while article 39 empowers NSO to inspect records held.

### **Sub-Concept 6.2: Data sharing**

Regional GVA and employment data are published annually (t+12) by NACE A\*10/11 at NUTS 3 level in the News Release *Regional Gross Domestic Product*.

Moreover, estimates for population, GVA and employment at NUTS 3 level are transmitted to Eurostat on an annual basis in the transmission table T1200.

## **CONCEPT 7 – CONFIDENTIALITY**

### **Sub-Concept 7.1: Confidentiality – Policy**

#### At National level:

The NSO requests information for the compilation of official statistics according to the articles of the MSA Act – Cap. 422 and the Data Protection Act – Cap. 586 of the Laws of Malta implementing the General Data Protection Regulations (GDPR).

Article 40 of the MSA Act stipulates the restrictions on the use of information while Article 41 stipulates the prohibition of disclosure of information. Furthermore, Section IX of the Act (Offences and Penalties) lays down the measures to be taken in case of unlawful exercise of any officer of statistics regarding confidentiality of data.

Since its inception, the NSO has always assured that all data collected remains confidential and that it is used for statistical purposes only according to the articles and derogations stipulated in the laws quoted above. The Office is obliged to protect the identify of data providers and refrain from divulging any data to third parties that might lead to the identification of persons or entities.

During 2009, the NSO has set up a Statistical Disclosure Committee to ensure that statistical confidentiality is observed, especially when requests for microdata are received.

Upon employment, all NSO employees are informed of the rules and duties pertaining to confidential information and its treatment. In line with stipulations of the MSA Act, before commencing work, every employee is required to take an oath of secrecy whose text is included in the same Act.

An internal policy on anonymisation and pseudo-anonymisation is in place to ascertain that adequate methods are used for the protection of data which the office collects and shares with the public in its capacity as the National Statistics Office. The policy is meant to safeguard confidentiality of both personal and business data entrusted to the NSO. The document provides guidance for all NSO employees who process data on a daily basis as to how anonymisation and pseudo-anonymisation methods should be applied. The policy applies to all confidential, restricted and internal information, regardless of form (paper or electronic documents, applications and databases) that is received, processed, stored and disseminated by the NSO.

#### At European level:

[Regulation \(EC\) No 223/2009](#) on European statistics (recital 24 and Article 20(4) of 11 March 2009 (OJ L 87, p. 164), stipulates the need to establish common principles and guidelines ensuring the confidentiality of data used for the production of European statistics and the access to those confidential data with due account for technical developments and the requirements of users in a democratic society.

### **Sub-Concept 7.2: Confidentiality – Data Treatment**

In a statistical sense, confidential data means data which allow statistical units to be identified, either directly or indirectly, thereby disclosing individual information. To determine whether a statistical unit is identifiable, account shall be taken of all relevant means that might reasonably be used by a third party to identify the statistical unit. Although national accounts data are usually highly aggregated, there may be possible cases for detailed breakdowns of aggregates and/or small

economies. In these cases, measures should be taken in order not to disclose data of a separate statistical unit. Guidance on how to prevent disclosure can be found in the Handbook on Statistical Disclosure Control.

Confidentiality issues arise at NACE division level in Malta. Data are flagged subject to a minimum frequency count of 3 enterprises and a dominance rule of (2,80), in terms of turnover, where aggregated data are flagged if there are less than three contributors or the largest two contribute to more than 80% of the NACE division or section level. If data are transmitted to Eurostat with a confidentiality flag, these data are not disseminated until the confidentiality flag is removed in a subsequent data transmission.

## **CONCEPT 8 – RELEASE POLICY**

### **Sub-Concept 8.1: Release Calendar**

An advance release calendar is maintained by the NSO and published on the NSO website. The calendar projects three months of news releases (including the current and two subsequent months).

### **Sub-Concept 8.2: Release Calendar access**

[https://nso.gov.mt/en/News\\_Releases/Release\\_Calendar/Pages/News-Release-Calendar.aspx](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)

### **Sub-Concept 8.3: User access**

An internal policy on dissemination is in place to govern the dissemination of official statistics in an impartial, independent and timely manner, making them available simultaneously to all users.

The NSO's primary channel for the dissemination of official statistics is the NSO website. Tailored requests for statistical information may also be submitted through the NSO website.

Moreover, relevant news releases are available in electronic format on the NSO website.

## **CONCEPT 9 – FREQUENCY OF DISSEMINATION**

Regional GDP and regional employment data are disseminated annually.

## **CONCEPT 10 – ACCESSIBILITY AND CLARITY**

### **Sub-Concept 10.1: News release**

A regular news release is published with annual regional GDP data from the output approach which is freely available online on the NSO website:

[https://nso.gov.mt/en/News\\_Releases/View\\_by\\_Unit/Unit\\_02/Regional\\_and\\_Geospatial\\_Statistics/Pages/Regional-Gross-Domestic-Product.aspx](https://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_02/Regional_and_Geospatial_Statistics/Pages/Regional-Gross-Domestic-Product.aspx)

### **Sub-Concept 10.2: Publications**

Regional GDP data are also published in the Regional Statistics Malta annual publication which can be accessed for free on the NSO website:

<https://nso.gov.mt/Home/Publications/Pages/Regional%20and%20Geospatial%20Statistics/Regional%20and%20Geospatial%20Statistics.aspx>

### **Sub-Concept 10.3: Online Database**

The Regional GDP news release and the Regional Statistics MALTA publication can be accessed from the NSO website. However, the data are currently not available on the Statistical Database (StatDB). With respect to the data submitted to Eurostat, users are advised to use [Eurostat's website](#).

### **Sub-Concept 10.4: Micro-data access**

Not applicable.

### **Sub-Concept 10.5: Other**

Not applicable.

### **Sub-Concept 10.6: Documentation on methodology**

The general methodological framework for the compilation of national and regional accounts in the EU is ESA 2010. In addition, the [Manual on regional accounts methods](#) published by Eurostat guides compilers to produce regional accounts data.

Documentation on the methodology of the regional accounts is available in the methodological notes of each published news release.

### **Sub-Concept 10.6.1: Metadata completeness rate**

100%.

### **Sub-Concept 10.7: Quality Documentation**

The NSO has developed an internal Quality Management Framework (QMF) which is built on common requirements of the ESS Code of Practice (ESS CoP). A document was prepared to include a set of general quality guidelines spanning over all statistical domains. Assuring methodological soundness is an integral part of the QMF, nonetheless, the document spans also on other areas related to institutional aspects.

Regional GDP SIMS report is available to the public on the [NSO's metadata](#) website including concepts related to metadata and quality.

The Regional (NUTS 3) Gross Value Added Inventory (2018) is available on the NSO's website through the following link:

[https://nso.gov.mt/en/nso/Sources and Methods/Unit\\_02/Regional and Geospatial Statistics/Documents/Regional%20GVA%20Inventory\\_final.pdf](https://nso.gov.mt/en/nso/Sources and Methods/Unit_02/Regional and Geospatial Statistics/Documents/Regional%20GVA%20Inventory_final.pdf)

## **CONCEPT 11 – QUALITY MANAGEMENT**

### **Sub-Concept 11.1: Quality Assurance**

The NSO has developed an internal Quality Management Framework (QMF) which is built on common requirements of the ESS Code of Practice (ESS CoP). A document was prepared to include a set of general quality guidelines spanning over all statistical domains. Assuring methodological soundness is an integral part of the QMF, nonetheless, the document spans also on other areas related to institutional aspects.

Every five to seven years, the NSO participates in a Peer Review exercise through which the compliance of its operations with principles of the ESS CoP is assessed by an expert team. Peer Reviews are indeed part of the European Statistical System (ESS) strategy to implement the ESS CoP. Each NSI is expected to provide information as requested by a standard self-assessment questionnaire. Following this an expert team visits the office to meet NSI representatives and main stakeholders. Peer Reviews result in a compliance report and the listing of a set of Improvement Actions which need to be followed up by the NSI. The next round of Peer Reviews is planned to be carried out in 2022.

### **Sub-Concept 11.2: Quality Assessment**

The regional accounts are a regional specification of the corresponding national accounts and thus have to reconcile with national accounts. The system of national accounts reflects a complete macroeconomic circuit. The procedure of balancing the GDP may be considered central to a comprehensive system of quality assurance to accompany the process of compiling national accounts. Such a quality assurance approach distinguishes between ex-ante checks (source statistics), ongoing national accounts checks (results), ex-post checks on national accounts (methods used), and external checks and consultations (e.g. Eurostat, European Court of Auditors, IMF).

The national and regional accounting systems are based on harmonised European rules that are laid down in a legally binding form in the European System of National and Regional Accounts (ESA 2010). In addition, they are explained in more detail in a large number of international methodology handbooks (e.g. Manual on regional accounts methods).

## **CONCEPT 12 – RELEVANCE**

### **Sub-Concept 12.1: User needs**

Annual regional accounts data are a key instrument for economic analysis. The Regional, Geospatial, Energy and Transport Statistics Unit compiles and publishes free online annual sets of consistent, reliable and comparable macroeconomic accounts intended to meet the needs of government and private-sector analysts, policy makers and decision takers.

National users include the Central Bank of Malta, Ministry for Finance, Ministry for Gozo, Economic Policy Department, Gozo Business Chamber, Gozo Tourism Association, Gozo Regional Development Authority, researchers, students and politicians, amongst others.

Foreign users include the European Commission, European Parliament, European Council, Credit Rating Agencies, researchers, and international students, amongst others.

### **Sub-Concept 12.2: User satisfaction**

The last User Satisfaction Survey was held in 2014 with the aim to collect information about key users' satisfaction with statistical output.

The NSO keeps record of the number of News Releases and publications disseminated on its website; the users to whom statistical products are provided; as well as the number of requests that are processed every year.

### **Sub-Concept 12.3: Data Completeness**

Regional GDP data are 100 per cent complete.

## **CONCEPT 13 – ACCURACY AND RELIABILITY**

### **Sub-Concept 13.1: Overall accuracy**

The quality of the regional accounting calculations is continuously checked during the calculation process so that possible shortcomings or errors can be detected and eliminated. Major elements of this quality assurance procedure include checks for completeness and plausibility, comparison of the source statistics used and reconciliation with national accounting results.

### **Sub-Concept 13.2: Sampling errors**

Not applicable.

### **Sub-Concept 13.3: Non-sampling error**

Not applicable.

#### **Sub-Concept 13.3.1: Coverage error**

Not applicable.

##### **Sub-Concept 13.3.1.1: Over Coverage**

Not applicable.

##### **Sub-Concept 13.3.1.2: Common Units Proportion**

Not applicable.

##### **Sub-Concept 13.3.2: Measurement error**

Not applicable.

##### **Sub-Concept 13.3.3: Non-response error**

Not applicable.

**Sub-Concept 13.3.3.1: Unit non-response**

Not applicable.

**Sub-Concept 13.3.3.2: Item non-response**

Not applicable.

**Sub-Concept 13.3.4: Processing error**

Not applicable.

**Sub-Concept 13.3.5: Model assumption error**

Not applicable.

**CONCEPT 14 – TIMELINESS AND PUNCTUALITY****Sub-Concept 14.1: Timeliness**

Regional accounts data are available at t+12 rather than t+24 as required by the ESA transmission programme.

**Sub-Concept 14.2: Punctuality**

The Regional GDP news release disseminated annually has always been delivered on time based on the scheduled release dates as shown in the advanced news release calendar published by the NSO.

**CONCEPT 15 – COHERENCE AND COMPARABILITY****Sub-Concept 15.1: Comparability – Geographical**

Geographical comparability is ensured by the application of common concepts and definitions as prescribed in the European System of Accounts, ESA2010. Furthermore, comparability between regions is ensured by the NUTS classification.

**Sub-Concept 15.2: Comparability – Over Time**

Regional accounts data using a specific methodological framework are comparable over time. Agreed methodological changes are implemented in a coordinated way and include the estimation of back series. Whenever data are not comparable over time, it is considered and treated as a "break" in series with a flag. Regional annual data without breaks according to NACE Rev 2 industry classification and ESA 2010 are provided for Malta at NUTS 3 level from 2000.

**Sub-Concept 15.3: Coherence – Cross Domain**

Regional GDP data are coherent with national GDP when regional GDP is released. However, national GDP data are revised continuously, whereas regional GDP is revised only once per year.

### **Sub-Concept 15.3.1: Coherence – Sub-Annual and Annual statistics**

Not applicable since Regional GDP is only published on an annual basis.

### **Sub-Concept 15.3.2: Coherence – National Accounts**

Regional GDP data are coherent with national GDP when regional GDP is released. However, national GDP data are revised continuously, whereas regional GDP is revised only once per year.

### **Sub-Concept 15.4: Coherence – Internal**

Regional GDP data are coherent between NUTS0, NUTS1, NUTS2 and NUTS3 levels.

## **CONCEPT 16 – COST AND BURDEN**

Regional GDP data are based on other statistics, in particular national accounts, government administrative data, employment statistics and business statistics data, thus, there is no additional burden on respondents.

## **CONCEPT 17 – DATA REVISION**

### **Sub-Concept 17.1: Data revision – Policy**

Revisions to statistical information are an essential bridge between the timeliness and accuracy of data. A statistical system that does not encompass revisions would soon become irrelevant, as it would not be responsive to the availability of updated data, improved methodologies and developments in the socio-economic spheres. This is especially the case in complex statistical compilations such as the National and Regional Accounts, which would require inputs from a multitude of sources and substantial computations. Revisions reflect the availability of new information as well as efforts to improve processes and methodologies.

In August 2020, the National Accounts Unit carried out a benchmark revision in National Accounts data for the reference period 1995Q1 to 2020Q2. The 2020 benchmark revision continued to improve the accuracy of National Accounts data and harmonised further the data with that of other countries, thus allowing for better international data comparability. All revisions integrated at national level were adopted at regional level as the basic methodology for calculating regional GVA/GDP by NUTS 3 involves using the top-down approach.

### **Sub-Concept 17.2: Data revision – Practice and Data Revision**

National accounts data are subject to continuous routine revisions as new information from surveys, censuses, and administrative records become available. This information is integrated annually usually in December. Routine revisions are not preannounced, but information is published in the methodological notes with each news release. Data transmitted to Eurostat will also include such information in the sender notes. Whenever national accounts data are revised, regional accounts data are revised accordingly in order to reconcile with national accounts data.

## **CONCEPT 18 – STATISTICAL PROCESSING**

### **Sub-Concept 18.1: Source data**

The sources that are used to compile regional accounts data include: (i) national output, intermediate consumption and GVA of the private sector at 2-digit NACE level; (ii) administrative data from government, (iii) employment by place of work split into full-time, part-time primary and part-time secondary and (iv) population.

### **Sub-Concept 18.2: Frequency of data collection**

Annual: national output, intermediate consumption and GVA of the private sector at 2-digit NACE level, administrative data from government and population.

Quarterly: employment by place of work split into full-time, part-time primary and part-time secondary.

### **Sub-Concept 18.3: Data Collection**

The Regional, Geospatial, Energy and Transport Statistics Unit typically requests data in relation to its compilation schedule.

### **Sub-Concept 18.4: Data Validation**

The methodology used to check the data is typically that of comparing past trends, growth rates, and published data. In addition, a visual analysis of the data for the whole time series being published is also undertaken in order to detect any irregularities. In line with the practice of the National Accounts Unit, GVA is compared to past releases at 2-digit NACE level with any significant revision being verified with source data and documented. In addition, the intermediate consumption to output ratio for consecutive years is analysed at 2-digit NACE level. This is typically consistent across years and thus an increase of +/-2% is generally verified with source data.

### **Sub-Concept 18.5: Data Compilation**

Regional accounts are compiled from the production approach at 2-digit NACE level. The GVA of the public sector is computed directly based on the sum of costs while a top-down approach is used for the private sector component. The national figures of output, intermediate consumption and GVA of the private sector are allocated to a region by using the indicator of full-time equivalents of employees as per the location of the producer unit. In addition, consistency is obtained by reconciling with national accounts data.

#### **Sub-Concept 18.5.1: Imputation**

Not applicable.

### **Sub-Concept 18.6: Adjustment**

Conceptual adjustments are (regular) adjustments designed to bring basic data into line with ESA 2010 definitions. Common conceptual adjustments are made to include net taxes on production to ensure that the output and GVA are at basic prices.

**Sub-Concept 18.6.1: Seasonal Adjustment**

Not applicable as regional accounts are compiled annually.

**CONCEPT 19 – COMMENT**

No further comments