

# “Flash Estimates” Of Income Distribution Indicators For The European Union: Methods, Assessment And Future Prospects

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**Paper Abstract:** The indicators on poverty and income inequality based on the European Union Statistics on Income and Living Conditions (EU-SILC) are an important part of the toolkit for the European Semester. However, the indicators on income of year N are only available in the autumn of year N+2, which comes too late for the EU’s policy agenda. Timeliness of income distribution statistics is critical for monitoring the effectiveness of policies. Therefore, an improvement in this area represents an important priority at the EU level. This paper presents the framework for the development of flash estimates on income distribution in EU countries based on microsimulation techniques. The EU tax-benefit microsimulation model EUROMOD is used for this purpose in combination with timelier macro-level statistics on changes in demographics, employment characteristics and income. A central element of the exercise is the quality framework which would allow building a common platform together with the EU Member States for comparing and assessing results. This paper aims to make an outline of this framework and to illustrate the performance of several alternative methods of flash estimates production based on their historical performance. We also outline our plans for further methodological developments and discuss issues of quality assessment and communication that emerge in the context of this work.