



Council of the  
European Union

**Brussels, 11 January 2019**  
**(OR. en)**

**5128/19**

**ECOFIN 13**  
**UEM 5**  
**STATIS 3**

**COVER NOTE**

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From:	General Secretariat of the Council
To:	Delegations
Subject:	Tenth annual report by the European Statistical Governance Advisory Board to the European Parliament and the Council on the implementation of the European statistics code of practice by Eurostat and the European statistical system as a whole

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Delegations will find attached the 10th Annual Report by the European Statistical Governance Advisory Board to the Europe Parliament and the Council on the implementation of the European Statistics Code of Practice by Eurostat and the European Statistical Systems as a whole.

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## **2018 annual report**

**Tenth annual report by the  
European Statistical Governance Advisory Board  
to the European Parliament and the Council  
on the implementation of the  
European statistics code of practice by Eurostat  
and the European statistical system as a whole**

## European Statistical Governance Advisory Board (ESGAB)

ESGAB was established by the European Parliament (EP) and the Council in 2008 to provide an independent overview of the European statistical system (ESS) with particular regard to the implementation of the European statistics code of practice (CoP). ESGAB's aim is to enhance the professional independence, integrity and accountability (three key elements of the CoP) of the ESS, and the quality of European statistics.

Its tasks include preparing an annual report for the Parliament and the Council on the implementation of the CoP insofar as it relates to the Commission (Eurostat), as well as undertaking an assessment of the implementation in the ESS as a whole, and advising the Commission (Eurostat) on appropriate measures to facilitate implementation of the code, how to communicate it to users and data providers, updating it and questions relating to user confidence in European statistics, if considered necessary.

Eurostat participates as an observer at the ESGAB meetings and the Commission covers ESGAB's administration and meeting expenses. ESGAB members receive no remuneration. ESGAB therefore has no operating budget.

For further details see: <http://ec.europa.eu/esgab>

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## Foreword

The governance of complex systems evolves over time due either to the continuous update of norms and behaviour, or to crises that require radical changes. It is up to legislators and supervisors to anticipate risks and see opportunities to strengthen governance, in line with best practices, so that those systems can deliver the expected results.

The ESS is a complex system and its governance requires continuous improvement to take into account the central role that statistics play in the functioning of the European Union. This is why ESGAB has been created and plays its role in close cooperation with all members of the ESS.

This report marks the 10th anniversary of ESGAB and it is the first one prepared by the current board (as chair, I am the link with the previous board), all other board members having joined in February 2018. As ESGAB's role since 2008 has been highlighted in the 2017 report, this current report mainly focuses on the milestones achieved by the ESS over the last 12 months, as well as on the new challenges and opportunities for its future. With this focus, three events are worth noting for their impact on the functioning of the ESS.

First, on 16 November 2017 the European statistical system committee (ESSC) adopted a revised version of the European statistics CoP which includes a new principle, Principle 1bis. This new principle emphasises the importance of coordination and cooperation at an institutional level, and incorporates indicators referring to the new possibilities of accessing privately-held data and to the use of administrative data for statistical purposes. This is an important outcome of recommendations previously issued by ESGAB and the basis for future assessments of the system's compliance with the CoP.

Second, in 2018 the ESS was subject for the first time to the monitoring of its performance in relation to national commitments on confidence, provided for by Article 11 of Regulation (EC) No 223/2009. This article gave ESGAB the role of monitoring the commitment established by the European Commission. Therefore, on 8 June 2018 the Board has published its first opinion on the implementation of the Commission's commitment on confidence, another crucial endeavour in 2018.

Third, in 2018 the ESS held wide discussions on the future of European statistics over the next decade. This led to the European statistical system committee (ESSC) publishing its position paper, *ESS priorities beyond 2020*. Moreover, the European Commission adopted its proposals for the multiannual financial framework (MFF) for the period 2021-2027, including all of the legislative proposals for the sectoral policies (which contain the framework for European statistics).

The 2018 ESGAB report deals with all of these issues and I am confident that our recommendations, just like the ones in previous reports, will contribute to developing the ESS further and to increasing confidence in European statistics.

Enrico Giovannini  
ESGAB chair

## Executive summary and recommendations

As already highlighted in previous ESGAB Reports, statistical systems are facing extremely complex challenges, which are driven by two key factors. The first relates to significant changes in the way in which economic, environmental and social phenomena are evolving (from digitalisation to globalisation, from climate change to migration, etc.). These require rapid responses by official statisticians to improve definitions, classifications and statistical frameworks. The second relates to the impact of the so-called “data revolution” on most dimensions of data collection, processing and dissemination processes. Moreover, the fast-changing landscape of traditional and social media puts statistical offices under a huge pressure to interact with (and in some instances compete with) a growing number of data producers, especially coming from the private sector.

The European Statistical System (ESS) is characterised by continuous changes aimed at improving the quality of European statistics and the governance of the System. Within the System, the role of the European Statistical Governance Advisory Board (ESGAB) is to enhance professional independence, integrity and accountability (key elements of the European Statistics Code of Practice) within the ESS, as well as the quality of European statistics.

Mastering these challenging processes requires the ESS to have the capacity to manage existing processes while anticipating future challenges and trends, especially as the development of statistical infrastructures and procedures requires time. Fully recognising the efforts already made by the ESS over the last few years, including the implementation of past ESGAB recommendations, this Report, the tenth since the Board was established, focuses on two key aspects:

- a) improvements needed to enhance the governance of the ESS as it is now, i.e. subject to the existing legislation and programmes;
- b) enhancements that could be achieved in the medium run, also thanks to possible changes in the existing set of national and European rules.

The year 2018 has been very significant for the ESS on both respects. As far as governance is concerned, the following three developments are particularly noteworthy: the coming into force of the new EU General Data Protection Regulation (GDPR); the review carried out by ESGAB of the practical implementation (over the last six years) of the “Commitment of Confidence” on Eurostat (approved by the European Commission in 2012); and the Report to the European Parliament and the Council prepared by the Commission on the establishment of Commitments on Confidence in Statistics by Member States. All these developments are stimulating significant innovations in the System and ESGAB has made several recommendations to the European Commission and to the ESS on how to improve governance rules and practices to strengthen the functioning of Eurostat and of National Statistical Institutes (NSIs).

As far as the planning of the future ESS is concerned, the most relevant initiatives taken in 2018 were: the approval by the ESS of a strategic plan for European statistics “beyond 2020”, which acknowledges substantial challenges to be addressed and identifies key factors in the future direction of the ESS; the proposal for the Multiannual Financial

Framework 2021-2027 for the EU budget, prepared by the European Commission, which confirms the volume of funding for European statistics; the decision by the ESS to launch a new round of peer reviews on the implementation of the European Statistics Code of Practice, which had been revised at the end of 2017. On all these aspects, ESGAB developed its recommendations.

Last, but not least, ESGAB decided to highlight some additional and important issues, namely, the:

- engagement of stakeholders, especially at national level;
- development of partnerships with the private sector to produce high quality statistics;
- roles of NSIs vis-à-vis “fake news”;
- possible establishment of ESGAB-like bodies where they do not exist to facilitate an effective oversight of National Statistical Systems;
- launch of a reflection on the future of the ESS in the context of possible changes to the EU governance, as discussed in the “White Paper on the Future of Europe”.

This Report discusses these key points in some detail, also recalling the positions expressed in previous ESGAB Reports.

Overall, ESGAB agreed on 14 recommendations, listed below. In 2019 the Board will continue to work on these issues, monitoring the response by the ESS to these and past recommendations, in close cooperation with Eurostat and the NSIs, as well as with ESGAB-like bodies established at national level.

## 2018 recommendations

**2018/1** — Eurostat and the national statistical institutes (NSIs) should improve the comparability of key economic and social indicators challenged by the processes of globalisation and digitalisation. Retaining a holistic approach, they should also devote a priority effort to the measurement of their consequences on the development of European statistics, as mentioned in the ESSC position paper.

**2018/2** — Eurostat and the NSIs should put in place comprehensive strategies for relations with users, giving special attention to researchers (eventually establishing a centralised service responsible for contact with users, a mechanism for taking user feedback into account, etc.). Regular assessment of user engagement should be undertaken to guarantee that the tools used ensure appropriate answers. Eurostat, in cooperation with European statistical advisory committee (ESAC), should also prepare an overview of national user councils and promote the establishment of these bodies in countries where they do not currently exist.

**2018/3** — Considering the challenges in attracting and retaining staff with the requisite skill sets, Eurostat and the NSIs should work with experts in academia and the private sector to identify the new skills emerging and needed in the various fields of the ESS, and should make appropriate resources available to retrain current staff members with these key skills.

**2018/4** — Eurostat and the NSIs should step up their efforts to improve the statistical literacy of European citizens and to educate professional users (especially the media) in the correct use

of statistics. Moreover, to increase trust in official statistics, Eurostat and the NSIs should devote more effort to publicly reporting the misuse of official statistics disseminated by them.

**2018/5** — To increase confidence in the ESS and the involvement of government authorities at all levels, Eurostat and the NSIs should define a communication strategy for the whole peer-review process and ensure the engagement of stakeholders at all steps before, during and after the process. Both the communication strategy and the engagement should consider all types of stakeholders, within and outside the ESS, requiring specific actions depending on the relevant target group (other national authorities (ONAs), governments, parliaments and users). This process should also make the link between statistics produced at national level and those at the European level clear.

**2018/6** — Eurostat and the NSIs should engage with the private sector, by establishing partnerships to enhance cooperation and collaboration ('realise synergies') and reduce the burden on respondents by making use of new data sources to produce European statistics. These partnerships should ensure the necessary control by the ESS of the content, robustness, continuity and conditions of access of these new data sources.

**2018/7** — In order to improve the overall quality of data produced by a wide range of private sources, Eurostat and the NSIs should promote a reflection on developing minimum standards on data quality to be followed by entities operating in the European Union, such as companies and institutions not belonging to the ESS, which produce statistical data and indicators and want to benefit from a 'statistical quality' label.

**2018/8** — Eurostat and NSIs should promote a reflection both on how to improve the current ESS governance, for example encouraging the creation of ESGAB-like bodies in each country, and on the long-term future of the ESS in light of possible changes to the governance of the European Union (taking into account alternative scenarios). In the new institutional context, it is important that close cooperation with the United Kingdom is continued to ensure a shared understanding of parallel developments, so that statistical comparability is maintained.

**2018/9** — The European Commission and the ESS should agree on a minimum set of issues to be covered by the commitments on confidence in statistics and promote the delivery of stand-alone commitments by national governments.

**2018/10** — To safeguard transparency and visibility, NSIs should ensure either that national commitments on confidence are directly accessible from the home page of the respective website (in the case of stand-alone commitments) or that the home page makes a clear reference to the specific legislation making up the commitment.

**2018/11** — Taking into account ESGAB's opinion that the CoP should be widely promoted as a mark of quality, and although Eurostat expressed a different view in this respect, Eurostat and the NSIs should consider referring to the CoP on all press releases, for example by using a standard text, specifically drafted for such use, addressed to journalists.

**2018/12** — As the revised CoP includes the new Principle 1bis on coordination and cooperation, NSIs should pursue their cooperation with ONAs and enhance their coordinating role within the national statistical system and in the production of national statistics. Moreover, Member States should ensure further progress towards the implementation of the improvement actions which are dependent on authorities outside the NSI, with Eurostat support when needed.

**2018/13** — NSIs should clearly inform the public about privacy and data security policies and publish those policies on the respective website (if not already done).



**2018/14** — To allow a meaningful evaluation of the implementation of improvement actions, Eurostat should produce an in-depth analysis which is also based on qualitative information, distinguishing between: a) actions needed to ensure full compliance with the CoP, b) actions aiming at achieving substantial improvements in the functioning of the statistical system, and c) other improvement actions. Moreover, the Board recommends Eurostat consider this kind of categorisation when defining the methodology for the new round of peer reviews.

## Introduction

This year's annual report opens with an important chapter on the challenges faced by the ESS. Section 1.1 focuses on the ESSC position paper *ESS priorities beyond 2020* published in November 2017, which has been guiding the debate within the system since then. The ESSC position paper presents an evaluation of the system today, recognising achievements but also acknowledging substantial challenges to address and the necessity for improvements in some areas. On that basis, ESGAB presents here its own assessment of the situation and advises Eurostat and the national statistical authorities on potential ways forward.

Chapter 1 also gives information on the new general data protection regulation (GDPR), an extremely relevant legal act for the production of high-quality official statistics and for maintaining the confidence of the respondents who are providing personal data for statistical purposes. In addition, ESGAB devotes a section of Chapter 1 to how Eurostat and the ESS engage with the various stakeholders so that the latter contribute to the production of statistics in a fast-developing world.

Chapter 1 closes with key sections on the revised European statistics CoP, approved by the ESSC at the end of 2017, its implementation and the next round of peer reviews. It includes several recommendations on the future peer-review exercise, which the ESS has already started preparing.

Chapter 2 of the report is dedicated to the commitments on confidence in statistics, a concept introduced by the European Commission for the first time in 2011. The commitments aim to involve national governments in the responsibility for that country's compliance with the CoP, to ultimately ensure public trust in European statistics. The Decision of 17 September 2012 on Eurostat (2012/504/EU) is regarded as a renewed commitment from the Commission on confidence in the European statistics developed, produced and disseminated by Eurostat. In accordance with amended Regulation (EC) No 223/2009, such commitment compliance is monitored by ESGAB and thus in June 2018 the Board published its opinion on how this commitment is being implemented (see Annex 1).

In that same chapter, the Board also turns its attention to the national commitments on confidence, providing an overview on the progress achieved by Member States towards the establishment of such important instruments.

Chapter 3 reports on progress by Eurostat and the ESS as a whole as regards implementation of previous ESGAB recommendations, and by Member States on the implementation of the improvement actions emanating from the 2013-2015 round of peer reviews.

In preparing its annual reports, ESGAB collects information from a number of different sources within the ESS, and in particular reports prepared by Eurostat on various components of the ESS such as NSI compliance with the CoP. The Board also organises dialogues with heads of NSIs, representatives from ESGAB-like bodies in Member States, the ESAC, services of the European Commission and the Director General of Eurostat. This process provides a rich source of information on issues falling within the mandate of ESGAB.

# 1. Challenges faced by the European statistical system (ESS)

In its 2017 report ESGAB focused on important challenges for the ESS, such as maintaining the relevance of, and trust in, official statistics in the era of 'post-truth politics', access to administrative and privately-held data and the coordination of national statistical systems. Since then, these issues have been widely discussed by the international community of statisticians and received particular attention by the ESS. The recommendations issued by ESGAB are being addressed, as described in Chapter 3 of this report, although solving these problems completely will require years of work.

As anticipated in the 2017 report, 2018 represented an important year for the functioning of the ESS, after the adoption of a revised version of the CoP by the ESSC, especially in terms of medium-term planning.

- Before the summer, the European Commission adopted its proposals for the MFF 2021-2027, including all the legislative proposals for the sectoral policies (which contain the framework for European statistics). The MFF represents a key instrument for financial allocations among different budget items and is built through a complex process that requires an in-depth discussion about priorities, including those regarding statistics. The ambitious timetable for the interinstitutional negotiations aims at an agreement on the main elements of the next MFF by end of 2019.
- In 2018 the new GDPR came into operation with some important implications for official statistics. Consequently, the ESSC decided to develop a continuous dialogue with authorities in relation to privacy protection, both at national and European levels.
- After the adoption of the revised CoP, the ESS launched a discussion on how to organise a new round of peer reviews about the actual implementation, at national and European levels, of the principles included in the revised CoP.
- In the biennial European conference on quality in official statistics (Q2018), held in June, the future of the governance of the ESS in light of the new CoP was discussed, as well as the lessons learned from the implementation of the previous version of the CoP. Special attention was devoted to the role of commitments on confidence in statistics, established both by the European Commission and by some Member States.
- Finally, on 6 November the annual 'statistical package' was adopted by the Economic and Financial Affairs Council configuration (Ecofin). Even though Ecofin mainly focused on economic and financial matters, some of its conclusions on EU statistics also referred to the key role of official statistics in some other fields such as social statistics, the activities of multinational enterprises or indicators related to the sustainable development goals (SDGs). Ecofin welcomed the progress on implementing the *ESS vision 2020* <sup>(1)</sup> and highlighted the need to ensure that human and financial resources are appropriate for the investment in (and maintenance of) the statistical infrastructure at European and national level. The Ecofin also emphasised the importance of minimising burden on respondents and acknowledged the introduction by Eurostat of a framework for enhanced quality assessment.

While Chapter 2 is devoted to the commitments on confidence and Chapter 3 deals with the concrete implementation of the CoP, in this chapter we will focus on the abovementioned key

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(1) <https://ec.europa.eu/eurostat/web/ess/about-us/ess-vision-2020>

challenges for the medium-term future of the ESS. As relevance is one of the key principles of the CoP, the way in which stakeholders are involved in the selection of statistical priorities and the assessment of the quality of European statistics is vital for the capacity of the system to produce relevant statistics. Therefore, a special focus in this chapter is on this fundamental piece of the governance of the ESS.

## 1.1. Statistical priorities beyond 2020

The foundation of the ESS in the early 1990s marked the recognition of the importance of high-quality, comparable statistics for the expanding and deepening EU. The ESS has developed significantly since then, reflecting closer cooperation between Eurostat and the NSIs and more recently with ONAs, i.e. the institutions outside NSIs that produce European statistics. Today, the ESS includes the 28 EU Member States (by virtue of Regulation (EC) No 223/2009) and Iceland, Liechtenstein, Norway and Switzerland (by virtue of the agreement on the European Economic Area and the bilateral agreement with Switzerland, respectively).

The development of the ESS is guided by the European statistical programme (ESP). The current programme began as 2013-2017 and was subsequently extended to 2020. In light of the increased awareness of the importance of the outputs of the ESS for our understanding of the EU and the planning of EU policies, the ESSC published its position paper, *ESS priorities beyond 2020*, in November 2017 <sup>(2)</sup>.

The ideas contained in the ESSC position paper are largely reflected in the proposal presented by the Commission for the long-term EU budget (also referred to as the MFF) for the years 2021-2027. The MFF translates the EU's political priorities into financial terms, for a period of several years and sets annual maximum amounts ('ceilings') for EU expenditure as a whole and for the main categories/priorities of expenditure ('headings'). Statistics is included under the heading that deals with the future single market programme.

ESGAB considers that the proposal for the MFF is consistent with the direction set out in the ESSC position paper and welcomes the separate budget for statistics included in the programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics. ESGAB notes that the proposal for a regulation, adopted by the Commission on 7 July 2018 <sup>(3)</sup>, mentions the horizontal character of European statistics and the specific requirements needed for its implementation.

However, recognising that the purpose of the MFF <sup>(4)</sup> precludes an in-depth analysis of the statistical programme of work <sup>(5)</sup>, ESGAB notes the need to maintain the holistic approach to the development of European statistics described in the ESSC position paper. This is fully in line with the content of recent ESGAB reports and has to be considered as part of the professional independence of European statistics; in effect, horizontality and visibility must be preserved in the operation of this new MFF.

Furthermore, ESGAB welcomes the proposed increased budget for statistics as a positive move towards better ensuring the balance between the constrained resources available for the production, dissemination and development of European statistics, on the one hand, and increasing user demands, on the other hand (which at times will also require additional

<sup>(2)</sup> <http://ec.europa.eu/eurostat/web/ess/about-us/ess-position-papers>

<sup>(3)</sup> COM(2018) 441 Final.

<sup>(4)</sup> [https://ec.europa.eu/commission/future-europe/eu-budget-future\\_en](https://ec.europa.eu/commission/future-europe/eu-budget-future_en)

<sup>(5)</sup> Annex II of the draft Regulation establishing the single market Programme (which includes the eligible actions implementing the European statistics objective of the programme) is extremely short (3 pages).

investments). For example, substantial investments are needed to reap the benefits of the data revolution through the use of new big data sources for statistical purposes.

Given the importance of the ESSC position paper for the future direction of the ESS, in this section ESGAB provides some comments and recommendations for future actions by the Commission and the ESSC, from a governance perspective.

#### Evaluation of the ESS today

ESGAB broadly shares the comprehensive assessment of the current ESS expressed in Section 2 of the ESSC position paper. That assessment is open and balanced, recognising both the achievements and the lack of progress in recent times, and the necessity to balance different national and EU elements when seeking progress. For example, the assessment notes the significant improvements arising through increased coordinated activities of ESS members, as proposed in the *ESS vision 2020*. Moreover, the assessment recognises that several of the positive attributes identified (e.g. the systematic focus on pertinence and quality and the production of large amounts of harmonised statistics for the EU) are directly linked to the commitment of Eurostat and the NSIs to the European statistics CoP.

The assessment also acknowledges that 'the system is struggling to adapt fast enough to keep up with changes in the environment' and that the level of ESS funding in recent times 'jeopardises the sustainability of statistical services provision'. ESGAB shares these concerns, as the recognised status of official statistics in the EU could be undermined if the ESS cannot deliver what is required by European institutions and citizens. Furthermore, ESGAB sees it as the responsibility of the ESSC to articulate clearly what is required if the ESS is to deliver relevant, high-quality, timely statistics.

#### Statistics in a changing environment

The ESSC position paper provides a comprehensive overview of the challenges the EU faces in order to fulfil European and national statistical needs. Many of these have arisen from the rapid pace of change in the economy and society over the past three decades, especially associated with globalisation and digitalisation. The current challenges also reflect the failure to anticipate those changes adequately and the inherent difficulties of addressing them. Examples of the reasons why statistical systems are exposed to huge challenges include: (i) the measurement of migration, an issue of major economic and political consequence especially in the EU, (ii) the threat to the comparability of some key indicators (such as gross domestic product (GDP), productivity and current account balances) coming from globalisation, (iii) the use of new technologies, (iv) the fragmentation of production and modes of work, and (v) the measurement of sustainable development, as well as of income, wealth and well-being inequalities.

Furthermore, the future success of the EU will require a shared and well-populated statistical framework which can be used to underpin policymaking and decision taking that are based on appropriate and incontestable data that allow proper interpretation and analysis. The implementation of the objectives of relevance, coherence (consistency) and comparability set out by the CoP is therefore of crucial importance, especially for the more frequently used indicators in economic and social policies (such as GDP, unemployment, risk of poverty and social exclusion). In specific cases, and where duly justified, it should be possible to implement a 'European approach' to statistics, as set out in Article 16 of Regulation (EC) No 223/2009, which consists of a pragmatic strategy to facilitate the compilation of European statistical aggregates, representing the European Union as a whole or the euro area as a whole, which are of particular importance for EU policies, reducing the burden on respondents, NSIs and ONAs.

More recently, as also highlighted in recent ESGAB reports, new challenges have arisen from the growth in demand for trustworthy statistics and the need to ensure that these permeate the media and the 'post-truth' environment that is now featuring widely in public debate. This puts new demands on NSIs and Eurostat to ensure improved understanding of their statistical outputs in wider society, and to examine what role members of the ESS need to play in addressing 'fake facts' linked to their data.

The ESSC position paper notes other changes which can help address those challenges. These include the increased access to administrative records and the potential to harness data from new sources, such as satellites, sensors, the internet, mobile phones, etc. <sup>(6)</sup>. But these changes in turn generate other challenges, such as the need: (i) to invest in methods of integrating data from multiple sources, (ii) to ensure that statistical offices can hire suitably qualified individuals at a time where their analytical skills are in higher demand, and (iii) to regulate the use of data appropriately. The remaining need for surveys to collect pertinent data, especially in some under-explored fields, and the necessary control of the contents and conditions of access to these new data sources, also deserve serious consideration.

#### ESSC strategic priorities

The ESSC defines its new strategic priorities in terms of ambitions under three focus areas: satisfied users, suitable capabilities and effective partnerships.

##### A — Satisfied users

The ESSC position paper lists seven objectives to fulfil this ambition. Three relate to outputs: continuity of existing statistics at the current level and quality, user-driven quality-related improvements and new statistics to measure emerging phenomena. Two objectives relate to the promotion of European statistics through better communication of the statistics and demonstration of their value to European society, while the final two objectives relate to meeting user needs and developing user capabilities.

The list of new statistics includes migration, economic and social inequality, new family structures, ageing population, unpaid and atypical work, etc. ESGAB welcomes the focus both on adequacy and quality, and also the emphasis on new statistics where the lack of availability could be seen as undermining the reputation of official statistics being relevant today. The Board suggests that the approach be holistic, so that, for example, concepts such as migration (including internal flows within the EU) be further developed in order to measure issues related to the social and economic integration of newcomers. Similarly, in light of the new focus on income and wealth distribution, it would be important that inequality statistics shine a light on the upper and lower parts of income and wealth distributions. In relation to these areas dialogue with researchers is vital.

As far as better communication is concerned, among the new actions suggested by the ESSC are 'moving from data to information and knowledge and pushing boundaries towards more data analysis and data dissemination accessible to non-specialist users and the general public'. ESGAB welcomes these developments and suggests that they should be accompanied by a continuous and deeper cooperation with researchers and analysts, also taking into account the need to collect and harvest data from new sources (satellites, sensors, the internet, etc.). As highlighted in the 2017 ESGAB report, the producers of official statistics have a special responsibility to build trust. Therefore, the Board agrees with the ESSC remarks on the need to develop fact-checking that contributes 'to the importance of trusted data and restoring the standing of facts' and supports the suggested actions relating to promoting the value of statistics as an essential and pertinent contribution to policymaking. However, ESGAB urges that this

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<sup>(6)</sup> For a discussion of this issue see ESGAB 2016 and 2017 annual reports: <https://ec.europa.eu/eurostat/web/esgab/annual-reports>

work be carried out without putting the perceived independence of official statistics from the policymaking process at risk.

Furthermore, to meet user needs requires continuous investments in innovative forms of interactions between general data users (e.g. citizens), specialist data users (e.g. academics and analysts) and the NSIs as producers, while the development of user capabilities requires actions relating to increasing the statistical literacy of European citizens, as well as educating professional users, so that the risks of misinterpretation of statistics are reduced. ESGAB sees the merits of both these objectives, in order to increase the understanding of official statistics and ensure their greater use for social benefit (see Section 1.2 of this report).

#### B — Suitable capabilities

The ESSC position paper lists six objectives to fulfil this ambition. One relates to a commitment to quality and to upgrading and modernising the ESS common quality framework, two objectives relate to resources (staffing and funding) and two relate to new and improved methods of producing statistics and making the best of the data revolution. The final objective relates to data protection leadership.

ESGAB endorses this emphasis on quality as being vital to the acceptance of, and trust in, statistics. The Board also acknowledges the challenges in attracting and retaining staff with the requisite skill sets. It suggests that Eurostat and NSIs work with experts in academia and the private sector to identify the new skills emerging and needed in various fields of the ESS, and make resources available to retrain current staff members.

ESGAB fully supports the objective of ESS members making the case for more funding at both European and national levels. The new appreciation globally of the importance of statistics to social cohesion (reducing disparities) and to supporting decision-making in the EU contrasts with the underinvestment in statistics in past years. Hence there is a need for substantial investments at this point.

In terms of new and improved methods of producing statistics and making the best of the data revolution, ESGAB welcomes the focus on the latter, while the former is a continuation of longstanding policies. The potential of the data revolution is enormous but needs to be carefully developed and underpinned by EU legislation, and closely controlled by the ESS in relation to their use for public statistics. ESGAB sees merit in a mapping approach being adopted to see how the new approaches will fit into the landscape with other statistical sources (which continue to require development). It also stresses the importance of ensuring that the use of new sources, managed by third parties, does not put at risk the continuity, the control over the contents and the independence of the statistics production.

Finally, as far as leadership in data protection is concerned, ESGAB fully endorses the need to maintain the highest standards in data protection and commends NSIs and Eurostat to explore these issues in depth and to ensure that the GDPR is respected while minimising its constraints on data being collected for statistical purposes. Where data are shared, it is essential that standards promote continued trustworthiness.

#### C — Effective partnerships

The ESSC identifies two sets of partnerships: those within the ESS community and those between the ESS and external stakeholders. The ESS members have for some time been working closely to achieve higher-quality and more-effective statistics for the EU and the ESSC position paper calls for this cooperation to be enhanced, through greater production collaboration to realise synergies, for example by acquiring access to privately-held data through collective action or exchanging microdata between ESS members. At the same time, the ESSC recognises that cooperation should be solution-focused, taking account of differences

in economic and social structures, processing systems, cultural values and data needs across countries. ESGAB supports such cooperation especially where it can build a clearer picture of key economic and social issues in the EU, such as valorisation of intangible assets, mobility of various forms of capital across borders, and their consequences on economic indicators.

In relation to external stakeholders, the ESSC is wide ranging in its suggestions for cooperation, an approach that ESGAB supports as a whole. Considering this is an issue of major importance needing the use of appropriate governance structures, Section 1.2 of this report is dedicated to it.

### General data protection regulation (GDPR)

The EU GDPR entered into force in 2016 and is applied from 25 May 2018 (after a 2-year preparation period for Member States). It is extremely relevant for the production of high-quality official statistics and for maintaining the confidence of the respondents providing personal data for statistical purposes. While the protection of personal data is a fundamental right, it is not an absolute right, which means that fair processing of personal data is allowed.

The GDPR aims to protect all EU citizens from privacy and data breaches in an increasingly data-driven world that is very different from the world of its predecessor, Directive 95/46/EC (known as the data protection directive). By the choice of the legal form of a regulation over that of a directive as before, the GDPR has a strong harmonising effect: EU data protection legislation is for the first time directly applicable in all Member States, taking precedence over the national data protection legislation and making much of it obsolete. The changes compared to the 1995 directive concern, among other things, the extended jurisdiction of the GDPR, the possibility of fining organisations found to be in breach of the provisions, the concepts of privacy by design and by default, an urgent notification obligation for data breaches and the introduction of new rights for persons whose data are held (a 'data subjects'): the right to data portability (the right for a data subject to receive the personal data concerning them) and to data erasure.

The GDPR, extending and enhancing data protection on the basis of the 1995 directive, gives the data subject a number of rights laid down in Articles 12 to 22. For processing of personal data for statistical purposes, the GDPR provides certain exemptions ('derogations') from these rights. In addition, Article 89 states that statistics can be granted further derogations in either EU legislation or national legislation.

The rights for which derogations are provided in the GDPR or can be granted additionally to statistics are as follows.

- **Right to information (Article 14):** There is no obligation to inform the data subject if this is impossible or would involve a disproportionate effort (if the personal data have not been obtained from the data subject; if they are collected from the data subject, there is no exception from the right to be informed).
- **Right to access (Article 15):** If the data subject contacts the NSI, the latter must inform the subject if his/her data are being processed and provide him/her access to information about the data and the processing.
- **Right to rectification (Article 16):** If the data subject notices that the NSI holds inaccurate data concerning him/her, the NSI is obliged to rectify the data.



- **Right to erasure/to be forgotten (Article 17):** This right entitles the data subject to have the data controller erase his/her personal data, cease further dissemination of the data, and potentially have third parties halt processing of the data.
- **Right to restriction of processing (Article 18):** If the data subject questions the accuracy of the data, the lawfulness of the processing etc., the NSI may not process that data until accuracy, lawfulness etc. are verified.
- **Right to object (Article 21):** The data subject could have the right to object to the processing of personal data concerning him/her. However, this right is derogated if data are processed as a statistical task carried out for reasons of public interest.

In almost all Member States procedures have been initiated to enact additional derogations from the data subjects' rights referred to in some or all of Articles 15 (access), 16 (rectification), 18 (restriction) and 21 (objection) of the GDPR. When granted, these derogations could in most cases be sufficient to effectively address the potential implications of the GDPR and the specific needs of the statistical production in each Member State. They should apply across all statistical domains.

The directors general and presidents of the NSIs and Eurostat met in February 2018 to discuss the implications of the GDPR for European statistics. They agreed to share experience and best practice in addressing the implications of the GDPR for official statistics at the national level and emphasised the need to establish constructive dialogue with data protection authorities at national and European levels in order to clarify the specificities of statistical production.

## 1.2. Stakeholder engagement in ensuring the production of relevant statistics

### Introduction

According to the European statistics CoP, European statistics remain relevant by serving the needs of their users (Principle 11). To achieve this goal, procedures must be in place to consult users about the relevance of existing statistics, and to consider and anticipate their emerging needs and priorities (Principle 11.1). Priority needs are to be met and reflected in the statistical work programme (Principle 11.2) and user satisfaction shall be monitored regularly and followed up systematically (Principle 11.3). In the field of methodology, statistical authorities are obliged to develop cooperation with the scientific community to improve the effectiveness of methods and promote better tools (Principle 7.7).

ESGAB views adherence to these principles as the key to ensuring that European statistics secures, and possibly increases, their relevance. It therefore welcomes the repeated affirmation of the ESS in general, and Eurostat in particular, to their commitment to stakeholder engagement, be it by the *ESS vision 2020* (key area 1) or by the *ESS priorities beyond 2020*. At the same time, ESGAB emphasises the need for evaluating the efforts taken by the ESS on a regular basis. This section intends to make a start. Based on the information provided by Eurostat, it summarises how stakeholder engagement is currently implemented at the European level and provides some recommendations for further improvements, especially from a governance perspective.

The European statistical advisory committee (ESAC)

ESAC (established by the EP and the Council Decision No 234/2008/EC) has, at EU level, a central role to play in the dialogue with stakeholders. While at national level Member States have implemented their own institutional frameworks which are sometimes based on 'ESAC-like bodies' and on assessment by peer review.

Every year ESAC publishes an opinion on the proposed strategic priorities for the European statistics annual work programme. Regarding the 2018 programme, the Committee stressed the issues of economic globalisation and global value chains, links between the data on inequality and poverty and national accounts, as well as the broadening of integrated European social statistics. In relation to the 2019 programme, ESAC reiterated the need to improve data on international sourcing, especially for multinational enterprises and to be able to draw quantitative conclusions on international trade or input-output statistics. It also flagged the effort required to improve migration statistics.

In 2017 and 2018, ESAC additionally published four opinions <sup>(1)</sup> about SDG indicators, quality of life indicators, statistical priorities post-2020 and the role of communication in statistics. The two first opinion documents emphasised the issues of comparability, articulation between objective and subjective data, territorial impact analyses and innovative partnerships in social statistics. The third opinion underlined concerns about ethical data governance and statistical literacy, while the fourth provided recommendations on the interaction of the ESS with survey respondents and users of official statistics.

Eurostat informed ESAC about how its opinions were taken into account in the annual work programmes for 2016 and 2018. The steps taken by Eurostat show that stakeholder initiatives are taken seriously at European level. Specifically, Eurostat confirmed the priority it gives to integrated social statistics, environmental sustainability, collaborative economy and migration statistics. On the other hand, little was said about macroeconomic and national accounts.

#### Additional possibilities for current stakeholder involvement

Eurostat provided ESGAB with an additional list of channels of ongoing stakeholder involvement. It includes both infrequent consultations with stakeholders (as part of the multiannual statistical programmes) and more regular meetings and dialogues at different levels of the system, ranging from technical experts to senior management (including the Director General of Eurostat). They are all intended to discuss priorities for the ESS and to receive feedback from stakeholders. Typical formats are hearings and meetings, but also conferences co-organised during the year by Eurostat, such as the conference of European statistics stakeholders (2018, Bamberg, Germany). Eurostat also flagged Digicom <sup>(2)</sup> initiatives to improve statistical literacy and to gain a deeper understanding of different categories of users and their (possibly unmet) needs.

These efforts are complemented by various forms of impact assessment. They include regular user- and media-satisfaction surveys, monthly internet- and social-media-monitoring reports, and daily counts of Eurostat's appearance in news articles.

#### Evaluation

ESGAB welcomes the development of these procedures and initiatives and fully supports them. At the same time, the Board encourages regular assessment of their results, especially on the precise way in which the proposals and demands of stakeholders are taken into account. This

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<sup>(1)</sup> <https://ec.europa.eu/eurostat/web/european-statistical-advisory-committee-esac/opinions>

<sup>(2)</sup> Digicom stands for 'digital communication, user analytics and innovative products', a project aiming to develop and implement a set of tools to facilitate communication with key stakeholders. In particular, the project has set up a user profiling exercise to categorise stakeholders and, among them, different users of European statistics and to adapt dissemination tools to their specific needs. These tools include an online forum with the scientific community and advanced users, statistical events or conferences bringing together several stakeholder groups (private sector, journalists, think-tanks, academia and policymakers), or specific actions towards researchers, students or open-data communities.

is important to ensure that these procedures and initiatives work effectively and have appropriate outcomes in answering the various needs of different stakeholders. Underlining the importance of sound and integrated governance for running these activities, ESGAB notes that, while it is evident that Eurostat and most of the NSIs/ONAs interact regularly with their stakeholders, national practices are quite heterogeneous. In other words, the ESS as a whole lacks an integrated strategy for systematic interaction with users, an issue that could deserve special attention during the next round of peer reviews.

Another very important aspect is reaction time. Even taking into account that the ESS by its decentralised construction is not very agile, it very often takes a long time to decide on adjustments in statistical definitions or procedures and to implement them, while the needs brought forward by its stakeholders might be both pressing and highly relevant for society. Therefore, ESGAB urges Eurostat to develop an effective procedure for ensuring a satisfactory response time to stakeholder requirements. Transparency and clarity on why some of those requirements cannot be taken into account would also be vital.

#### Possible improvements

In a world of changing needs, negligence to report the facts of public concern might give way to suspicion of indifference or even bad intentions on the part of governments. Therefore, a mechanism allowing user feedback to be taken into account is crucial if statistical authorities want to stay relevant. Moreover, the development of user capabilities to correctly use statistics and/or fight against 'fake news' based on statistical data is crucial for the future of European and national institutions. Of course, appropriate funding is essential as these activities are costly, but they are vital in an environment of mistrust of 'official information', as misinterpretation or disregard of statistical facts, be it deliberate or not, represents a real risk for democracy.

To improve the current situation, the following elements should be taken into account.

- Stakeholder and user engagement: In a fast-changing world, the continuous improvement of statistical systems requires a continuous dialogue between the ESS and its relevant stakeholders and users, such as European institutions, governments, researchers, businesses and the general public. Stakeholder and user engagement is currently organised in many different ways across the ESS. Therefore, ESGAB recommends the following.
  - As it would be important to have a full overview of these activities, especially of how stakeholder opinions are taken into account and how national user councils (where they exist) are organised and work, Eurostat should carry out a specific survey on this topic in 2019 (the last mapping exercise of national ESAC-like bodies was carried out in 2012).
  - The ESS should promote the establishment of national user councils wherever they do not exist.
  - Eurostat and NSIs/ONAs should do the following.
    - Assess on a regular basis the way stakeholder engagement is implemented, to ensure that the means of consultation are those required by the users and that, whatever the tools used, appropriate answers are given to stakeholder questions and concerns.
    - Organise stakeholder engagement to make it visible in the NSI/ONA internal governance structure. Based on an integrated strategy aiming to reach all relevant stakeholders in a coordinated and cost-effective way,

- clear tasks and responsibilities need to be allocated to the staff in charge of relations with users.
- Establish an internal, regular reporting system based on the results of the stakeholder dialogue and involve the decision-makers, especially those responsible for setting the budgets for statistical authorities.
  - Communicate the importance of, and incentivise efforts taken for, stakeholder engagement.
- Statistical literacy: Initiatives to improve statistical literacy, both in professional users and in the public at large, should be strengthened, possibly in cooperation with national statistical associations and academic institutions.
  - Focus on innovation and experimentation: The ESS should actively engage with the research communities to ensure that the investment in statistics translates into high-quality research that can inform policy. This should include improvements in procedures for granting faster access to individual data for research purposes, in conformity with the rules that safeguard confidential data.

### 1.3. New round of peer reviews

#### Background

In its communication and recommendation to the EP and the Council <sup>(9)</sup>, when presenting the European statistics CoP endorsed by the statistical programme committee (SPC) (the predecessor to the ESSC) on 24 February 2005, the Commission made an explicit proposal to monitor adherence to the CoP within the ESS by developing appropriate instruments, benchmarking and peer reviews based on indicators. As a consequence, a first round of peer reviews was carried out 2006-2008.

The 2008 Commission report to the EP and the Council <sup>(10)</sup> underlined the necessity for another round of peer reviews, further to the advice of ESGAB, in the subsequent 5 years. Therefore, a new, second round of peer reviews was undertaken 2013-2015 after the ESS adopted some CoP changes, emphasising that the principles of the CoP, together with the general quality-management principles, represent a common quality framework for the ESS. The action plans prepared by the NSIs and Eurostat in response to the recommendations included in the last peer review reports should be completed by the end of 2019.

As indicated in the 2016 Commission report to the EP and the Council <sup>(11)</sup>, there were some significant differences in the two rounds of peer reviews.

- Coverage: Only Principles 1 to 6 and 15 (of a total of 15) were covered in the first round, while all 15 principles plus the coordinating role of the NSIs within their national statistical systems were covered in the second round.
- Methodology: An audit-like approach was used in the second (2013-2015) round.
- Composition of the peer-review teams: Peer reviewers were mostly middle/senior managers from NSIs and Eurostat in the first round. External peer reviewers, including

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<sup>(9)</sup> COM(2005) 217 final.

<sup>(10)</sup> COM(2008) 621 final.

<sup>(11)</sup> COM(2016) 114 final.

also middle/senior managers from NSIs, with an observer from Eurostat, composed the teams in the second round.

- Statistical authorities: Only NSIs were covered in the first round, while NSIs and some ONAs producing European statistics were included in the second round.
- Content of the reports: In the first round, considerations and recommendations were structured around the principles, while in the second round they were structured around issues.

#### The new CoP and consequences for the peer reviews

As the key element of the common quality framework of the ESS, the CoP has been, since the beginning, considered to be dynamic. It is therefore periodically adapted to the new developments and challenges faced by European statistics, including the lessons drawn from peer-review exercises. Therefore, on 16 November 2017 the ESSC adopted a revised version of the CoP which includes a new principle (Principle 1bis) emphasising the importance of the issues of coordination and cooperation at an institutional level, and incorporates indicators referring to the new possibilities of accessing privately-held data and to the use of administrative data for statistical purposes.

The latest revision of the CoP also helps to clarify the main objective of the peer reviews, i.e. the monitoring of the compliance with the CoP by statistical authorities within the ESS (including Eurostat, NSIs and ONAs) responsible for the development, production and dissemination of European statistics. The assessment of the coordinating role of the NSIs in the national statistical systems and the degree of cooperation within the ESS are no longer separate items in the text of the main objective, as was the case in the last round of peer reviews. Moreover, the identification of innovative practices within the ESS is seen as one of the main aims of the peer reviews, as underlined in the last round of peer reviews. This has potential impacts on how the evaluation of current practice should be carried out, for example adopting a holistic approach based on a careful comparison of each country peer review and involving experts from diverse statistical domains.

ESGAB believes that one of the aims of the peer reviews should be a higher trust in European statistics by the different stakeholders and a wider awareness within the government authorities about the importance of the capacity of the ESS to continuously improve itself, guaranteeing the implementation of the CoP.

#### Towards a new round of peer reviews

Considering the 2017 revision of the CoP and the time passed since the last round of peer reviews (2013-2015), at the beginning of 2018 the ESSC decided to launch a reflection aimed at designing a third round of peer reviews, taking into account the lessons learned from the previous rounds and the new challenges faced by European statistics. The issue was first discussed by the directors general and presidents of the NSIs in the informal workshop (22-23 May, Sofia, Bulgaria) and then addressed during the ESSC meeting held in Bucharest, Romania, in October 2018.

ESGAB welcomes the proposal endorsed by the ESSC, which incorporates some of the comments provided by the Board during the preparatory phase. Nevertheless, it is worth underlining some points that could be taken into account in the development of the methodology to be followed in the new round of peer reviews.

- Taking into account efficiency considerations, the new round should cover all the NSIs and some of the ONAs in each Member State, selected according to quantitative (e.g. the amount of European statistics produced) and/or qualitative (e.g. relevance, risks of

non-compliance) criteria to ensure an appropriate and sufficient representation of the national statistical system.

- As the degree of centralisation of national statistical systems is quite heterogeneous, the collection of the information and the agenda of the visits by the teams of experts should be flexible, while guaranteeing a minimum common standard to evaluate the degree of compliance with the CoP. From ESGAB's perspective, this combination of flexibility and the necessary consideration of specific elements will be a key aspect for the success of the new round of peer reviews.
- The national reports should initially include some general considerations about the compliance with the principles (including the scale of appropriate financial resources) common to all ESS countries, and then discuss the relevant issues identified for their country, specifically treated and associated with the recommendations. Certain issues may be identifiable in advance so that they can be taken into account in all of the reports. This structure could facilitate the comparability over time for each country, allowing an evaluation of the progress in the implementation of the recommendations proposed by the previous peer reviews, while emphasising the dynamic dimension of the process.
- As the peer reviews are relevant and useful not only for the ESS as a whole, but also for each national statistical system, preparing the self-assessments and the corresponding documentation should be a way to strengthen the dialogue between NSIs and ONAs, and between them and relevant stakeholders. This dialogue would help identify those issues that require the provision of more-detailed documentation to be addressed during the peer review visit. This approach would assemble stakeholders' views on concerns linked to implementation of the CoP and would highlight the domains where the articulation between NSIs and ONAs is particularly interesting to consider.
- As far as the composition of the peer-review teams is concerned, it is important that the expertise of the members of the team covers the different aspects of the CoP principles (institutional aspects, processes and statistical products). ESGAB recommends that some members be external to the ESS, with good knowledge and experience of European statistics and, in particular, of the CoP, while the others should be middle/senior managers in NSIs or in Eurostat.
- ESGAB also stresses that coordination among the different teams, in terms of how to approach the peer reviews, should be ensured before starting the process, while respecting the autonomy of the peer-review teams. Moreover, the number of teams should be kept as small as possible and the composition should not change over time unless it is necessary, in order to guarantee, as much as possible, a consistent and homogeneous review.

The Board also points out that, to promote trust in European statistics and involvement of government authorities at all levels, it is necessary to specify a communication strategy for the whole process, covering steps before, during and after the peer-review process. This strategy should consider all types of stakeholders within and outside the ESS, requiring specific actions depending on the relevant target group (ONAs, governments, parliaments and users), to also make the link between statistics produced at national level and European statistics clear.

Finally, ESGAB welcomes the decision to start the new round of peer reviews with the review of Eurostat, to be carried out by ESGAB in 2020, with the results being made public via the Board's annual report. As the process of peer reviews is one of the basic inputs for the revision of the CoP and its adaptation to new challenges for official statistics, it is very important to finish the new round of reviews by mid-2023 in order to evaluate possible revisions of the current CoP by the end of the same year, in line with the 6-year cycle adopted in the past.

## 1.4. The implementation of the code of practice (CoP) in the current and future political and cultural contexts

### Introduction

As already noted in the ESGAB 2016 and 2017 reports, the way in which modern societies deal with information has radically changed over the last decade. The development of social media, the 'data revolution', the proliferation of data producers and the economic and social difficulties faced by several European countries since 2008 have impacted on the way in which people look at 'official information', i.e. data and other types of information provided by public institutions, including statistical offices. The growing importance of political forces that systematically use 'alternative facts' (intentional misrepresentations) and criticise scientific evidence (such as the case of vaccination) put statistical authorities under pressure, while 'fake news' and misinterpretations of evidence are more widespread in the public discourse than ever and often enter the political arena.

Given these phenomena, in this section ESGAB highlights some aspects not treated in other parts of the report and provides some proposals, for possible consideration by the Commission and the ESS as a whole.

A possible roadmap for the next 5 years (2019-2023)

In addition to a new, third round of peer reviews and possible updates of the CoP, the next 5 years will also be important to move forward on several aspects related to the new technical and cultural contexts. Four elements deserve special attention.

- Fight against 'fake news': The recent *Final report of the high level expert group on fake news and online disinformation* <sup>(12)</sup> called for a stronger and more proactive NSI role in this field. As recognised during the Q2018 conference, so far NSIs and Eurostat have taken a 'defensive' approach, reacting according to the CoP only when their own data were clearly and deliberately misused or misreported. This decision is fully understandable, as a possible move towards a more 'aggressive' approach, as well as the extension of the perimeter of the information to be dealt with, would require a strong change in the mindset of statistical authorities and more resources and could have an overall negative impact on the credibility of official statistics. However, the possibility that 'alternative facts' or 'fake news' could take, in the near future, an even greater role in the public debate may push the public opinion, as well as policy-makers and politicians, to ask statistical authorities to play a more proactive role.

ESGAB believes that, notwithstanding the sensitivity of the issue, the ESS should devote greater attention to this aspect e.g. having NSIs publicly report cases of misuse, promoting research on good practice and developing a continuous dialogue with stakeholders, academic experts and opinion leaders in order to identify possible developments which might be included in the next version of the CoP.

- Standards for private data producers: Due to the 'data revolution', the number of data providers, especially in the private sector, is growing and will continue to grow in the near future. The production of data is now part of companies' commercial and media strategies, with companies promoting themselves by producing relevant market indicators based on their own data. While the producers of European statistics are subject to ethical and technical standards when producing statistical information, these other data producers do not follow similar standards and often disseminate data without publishing the appropriate

<sup>(12)</sup> <https://ec.europa.eu/digital-single-market/en/news/final-report-high-level-expert-group-fake-news-and-online-disinformation>

metadata, unless national legislation contains specific provisions on this aspect. This unbalanced situation could lead to statistics-credibility risks, which could negatively affect the societal role of statistical authorities.

ESGAB recommends that the ESS take the leadership in this field, for example by launching a reflection on developing minimum data-quality standards to be followed by entities operating in the EU, such as companies and institutions not belonging to the ESS, which produce statistical data and indicators and want to benefit from a 'statistical quality' label.

- The role of ESGAB and of national bodies that assure the professional independence of the producers of European statistics (ESGAB-like bodies) <sup>(13)</sup>: According to the existing rules, ESGAB has the role of supervising the governance of the ESS as a whole, without entering into the functioning of individual national statistical systems, while the Commission (Eurostat), as custodian of the treaties, is in charge of ensuring that those systems work according to the European statistical framework laid down in existing legislation. On the other hand, ESGAB-like bodies have been established in only six countries (with quite heterogeneous mandates and powers) while in most countries there is no independent body supervising the functioning of the respective national statistical system.

As the credibility of the ESS largely depends on the credibility of individual national statistical systems, to improve the current situation ESGAB encourages the creation of national ESGAB-like bodies. ESGAB is planning for an event in 2019 to stimulate consideration of such a process.

- The long-term institutional future of the ESS: Over the last few years the European Commission and other European institutions have paid a lot of attention to the future governance of the EU. With the *White Paper on the future of Europe* <sup>(14)</sup>, published in 2017, several alternative scenarios were highlighted and in some of them a revision of the existing treaties was envisaged after 2025. In parallel, the European strategy and policy analysis system (ESPAS), which involves all the main European institutions, is looking at future challenges for the world and their implications for Europe for the next 15 years.

As changes in the functioning and the governance of the EU could have strong implications for the ESS, ESGAB believes that a discussion on the long-term future of the system (after 2025), especially on its governance, should be launched as soon as possible, taking into account a range of alternative scenarios, as in the case of the White Paper. Such a process could be developed either in the context of the ESPAS initiative, or as a stand-alone project. In this perspective, it will be important to assess the consequences of the withdrawal of the United Kingdom from the European Union, with a view to preserving the existing good cooperation and ensuring parallel developments, in order to maintain statistical comparability.

## 1.5. ESGAB 2018 recommendations

**2018/1** — Eurostat and the NSIs should improve the comparability of key economic and social indicators challenged by the processes of globalisation and digitalisation. Retaining a holistic approach, they should also devote a priority effort to the measurement of their consequences on the development of European statistics, as mentioned in the ESSC position paper.

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<sup>(13)</sup> These national bodies are those referred to in Article 5(5) of Regulation (EC) No 223/2009 on European statistics.

<sup>(14)</sup> [https://ec.europa.eu/commission/white-paper-future-europe\\_en](https://ec.europa.eu/commission/white-paper-future-europe_en)



**2018/2** — Eurostat and the NSIs should put in place comprehensive strategies for relations with users, giving special attention to researchers (eventually establishing a centralised service responsible for contact with users, a mechanism for taking user feedback into account, etc.). Regular assessment of user engagement should be undertaken to guarantee that the tools used ensure appropriate answers. Eurostat, in cooperation with ESAC, should also prepare an overview of national user councils and promote the establishment of these bodies in countries where they do not currently exist.

**2018/3** — Considering the challenges in attracting and retaining staff with the requisite skill sets, Eurostat and the NSIs should work with experts in academia and the private sector to identify the new skills emerging and needed in the various fields of the ESS, and should make appropriate resources available to retrain current staff members with these key skills.

**2018/4** — Eurostat and the NSIs should step up their efforts to improve the statistical literacy of European citizens and to educate professional users (especially the media) in the correct use of statistics. Moreover, to increase trust in official statistics, Eurostat and the NSIs should devote more effort to publicly reporting the misuse of official statistics disseminated by them.

**2018/5** — To increase confidence in the ESS and the involvement of government authorities at all levels, Eurostat and the NSIs should define a communication strategy for the whole peer-review process and ensure the engagement of stakeholders at all steps before, during and after the process. Both the communication strategy and the engagement should consider all types of stakeholders, within and outside the ESS, requiring specific actions depending on the relevant target group (ONAs, governments, parliaments and users). This process should also make the link between statistics produced at national level and those at the European level clear.

**2018/6** — Eurostat and the NSIs should engage with the private sector, by establishing partnerships to enhance cooperation and collaboration ('realise synergies') and reduce the burden on respondents by making use of new data sources to produce European statistics. These partnerships should ensure the necessary control by the ESS of the content, robustness, continuity and conditions of access of these new data sources.

**2018/7** — In order to improve the overall quality of data produced by a wide range of private sources, Eurostat and the NSIs should promote a reflection on developing minimum standards on data quality to be followed by entities operating in the European Union, such as companies and institutions not belonging to the ESS, which produce statistical data and indicators and want to benefit from a 'statistical quality' label.

**2018/8** — Eurostat and NSIs should promote a reflection both on how to improve the current ESS governance, for example encouraging the creation of ESGAB-like bodies in each country, and on the long-term future of the ESS in light of possible changes to the governance of the European Union (taking into account alternative scenarios). In the new institutional context, it is important that close cooperation with the United Kingdom is continued to ensure a shared understanding of parallel developments, so that statistical comparability is maintained.

## 2. Commitments on confidence in statistics

The concept of commitments on confidence was proposed by the European Commission in 2011. They were intended as a means to involve national governments in the responsibility for the level of their country's compliance with the European statistics CoP, to ensure public trust in European statistics.

## **2.1. ESGAB opinion on the implementation of the Commission's commitment on confidence (Commission Decision 2012/504 on Eurostat)**

Commission Decision 2012/504/EU of 17 September 2012 on Eurostat states in its Whereas (4): 'The present decision should be regarded as a renewed commitment from the Commission on confidence in European statistics developed, produced and disseminated by Eurostat'.

According to Article 11(5) of Regulation (EC) No 223/2009 (as amended in June 2015), 'The commitment established by the Commission shall be regularly monitored by the European Statistical Governance Board (ESGAB) [...] ESGAB shall report to the European Parliament and the Council on the implementation of the commitment by 9 June 2018'.

In line with this regulation, on 8 June 2018 ESGAB published its opinion on the implementation of the Commission's Commitment on Confidence (see Annex 1). This opinion was based on information collected over the years by ESGAB and published in its reports, as well as on the results of the meetings organised by the Board with several stakeholders and with the Director General of Eurostat.

The ESGAB opinion presents key findings on the professional reputation of Eurostat, its independence, the quality of European statistics and Eurostat's role as leader of the ESS and service provider to other Commission services. ESGAB is pleased to note that Eurostat has a strong and well-recognised professional position in the ESS and within the Commission. Its leadership in statistical methodology is not contested and its independence in performing statistical work is well understood within and outside the European Commission. This acknowledged independence on the part of Eurostat represents a key asset that has hitherto not been put at any risk by political influences or by administrative powers.

In addition, Eurostat respects the principle and rules of statistical confidentiality when processing and disseminating data. It delivers professionally on its role as coordinator of the production of European statistics, both within the ESS and the Commission, and also supports NSIs in different domains, such as in the development of statistics, standard-setting, requests for resources, advocacy for improvements and training. There is a well-established network of contacts and collaborative work with users and with several other institutions, including other data producers.

Notwithstanding the progress made to date, ESGAB sees room for improvement in several domains. Therefore, the Board makes 13 recommendations in areas such as: rules for pre-release access, reaction in case of inappropriate comments on European statistics, proactive expert advice, timeliness of some statistics necessary to underpin the Commission's policies, coordination of statistical production in other Commission services, access to administrative records held by other Commission services, appropriate and skilled resources, and recruitment/dismissal of the Eurostat director general.

While acknowledging the abovementioned positive findings, all of which contribute to maintaining and improving the levels of confidence in European statistics produced by the ESS, ESGAB urges Eurostat and the Commission to swiftly implement the improvements recommended.

**ESGAB recommendations on the implementation  
of the Commission's commitment on confidence**

**Recommendation 1:** While a complete ban on pre-release may not be possible, ESGAB recommends that the Commission/Eurostat clarify and harmonise the pre-release rules and practices followed internally with those followed by Member States.

**Recommendation 2:** As these behaviours seem more frequent now than in the past and as they can put at risk the credibility of European statistics in the eyes of citizens, ESGAB recommends that the Commission/Eurostat consider measures to curtail the spread of inappropriate comments or the diffusion of 'fake news' in relation to European statistics. In so doing, Eurostat should take into account the recent recommendations to statistical authorities made by the EU Task Force on this subject <sup>(15)</sup>.

**Recommendation 3:** ESGAB recommends that Eurostat be more proactive in clarifying complex methodological issues and in providing better explanations in relation to statistical revisions to key stakeholders, including EU policy committees.

**Recommendation 4:** As far as the challenges posed by new or fast-changing phenomena (globalisation, automation, migration, intellectual output and property, inequalities, inflation/deflation, etc.) or by the availability of new data sources (such as big data), ESGAB recommends that Eurostat (as well as NSIs) be quicker in responding to new measurement challenges, on the basis of an appropriate and open methodological reflection.

**Recommendation 5:** In this context, ESGAB recommends that Eurostat be more proactive in establishing agreements with private-sector data producers, also for the benefit of NSIs, in order to access data which could be used in an appropriate way to develop useful statistics.

**Recommendation 6:** ESGAB also recommends that Eurostat further strengthens its relationships with academic experts, stakeholders and data users, and improves the procedures for granting faster access to individual data for research purposes, in conformity with the rules that safeguard confidential data.

**Recommendation 7:** As the credibility of European statistics may be negatively affected by the low quality of some 'other statistics' or by different release procedures followed by Commission services when they are disseminated to the public, ESGAB recommends that Eurostat increases its participation in the elaboration of 'other statistics' to ensure that influential data produced by other Commission services are more closely aligned with the principles of the CoP. Furthermore, where it is appropriate, Eurostat should be open to reconsider the boundary between the two categories.

**Recommendation 8:** To reinforce Eurostat's capacity to coordinate the statistical activities carried out by other Commission services, ESGAB recommends that, in addition to the existing network of statistical correspondents, the Commission set up a high-level body of directors general of the Commission chaired by the Director General of Eurostat, similarly to what exists in several international organisations.

**Recommendation 9:** ESGAB recommends that the Commission ensure a stronger role for Eurostat whenever other Commission services collect administrative data, and supports increased access by Eurostat to those records.

**Recommendation 10:** ESGAB welcomes the fact that for 2019 and 2020 Eurostat has received higher budget to further improve European statistics. ESGAB recommends that the

<sup>(15)</sup> <https://ec.europa.eu/digital-single-market/en/news/final-report-high-level-expert-group-fake-news-and-online-disinformation>

Commission remain committed to providing adequate resources to the ESS to meet the growing demand for high-quality statistics.

**Recommendation 11:** Moreover, given the very technical work to be carried out by Eurostat, especially in the context of the 'data revolution', ESGAB recommends that the Commission's recruitment processes give adequate consideration to Eurostat's need to recruit staff members with appropriate specialist skills (statisticians, data scientists, etc.).

**Recommendation 12:** ESGAB recommends that a clear reference to high competence in statistical matters be included in future vacancy notices for the position of director general of Eurostat/chief statistician.

**Recommendation 13:** ESGAB recommends that the Decision on Eurostat be aligned with the CoP by adding a reference to the dismissal of the Director General of Eurostat when the decision is amended.

NB: these recommendations are those set out in ESGAB opinion on the implementation of the Commission's commitment on confidence (see Annex 1).

## 2.2. National commitments on confidence

According to Article 11 of Regulation (EC) No 223/2009, Member States must set up and publish a commitment on confidence in statistics, or at least publish and send the Commission a progress report on the implementation of the CoP and the efforts made towards establishing a commitment on confidence. As the regulation contains no specific rules about the form of the commitment, Member States are free to choose between different options, as long as the objective of raising public trust through a governmental commitment to provide the conditions for high-quality statistics is achieved.

In June 2018 the Commission prepared a report to the EP and the Council on the setting up of commitments on confidence in statistics by Member States <sup>(16)</sup>. The report confirmed that all Member States had duly reported to the Commission on their activities and achievements in relation to the commitments on confidence. Seven had already established stand-alone commitments on confidence, 15 had declared which pieces of legislation can be considered as representing their government's commitment on confidence, and six had sent the required report. A few Member States also reported that their government was in the process of establishing a stand-alone commitment on confidence.

The published stand-alone commitments on confidence vary considerably in form, content and length, although they have taken inspiration from previous ones as well as from the two templates suggested by Eurostat in 2012. One template element is Member States undertaking to review and, if necessary, revise their commitment on confidence, should any relevant needs for improvement be identified. Among the 15 Member States which have declared that certain items of their legislation go to make up their national commitment on confidence, some have announced that they will not be establishing a stand-alone commitment. The large majority of these have indicated the specific legal articles that form their commitment on confidence and provided additional explanations. The reports of the six Member States that have neither

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<sup>(16)</sup> COM(2018) 516 final.

adopted a stand-alone commitment nor incorporated a commitment into their legislation mostly leave open the possibility of establishing such an instrument in the future.

Many Member States reported the insertion of specific articles on, or about, the commitment on confidence into their national statistical legislation. For instance, they included an explicit legal commitment to produce and disseminate high-quality official statistics. Others reported the inclusion of specific provisions on the status of the national statistician, statistical independence and the coordinating role of the NSI regarding official statistics.

National reports also listed the incorporation into law of a clear procedure to implement the CoP in the system for official statistics and of a commitment that the production of official statistics will be developed in accordance with the European statistics CoP, in order to maintain society's trust in official statistics. Some Member States reported that they were still in the process of revising the statistical legislation to incorporate provisions reflecting the changes stemming from the amendment of Regulation (EC) No 223/2009, and notably the commitments on confidence.

ESGAB notes that the introduction of the commitments on confidence as an instrument to ensure public trust in European statistics and support the implementation of the statistical principles set out in the CoP has raised awareness among Member State governments of the importance of their contribution to maintaining and improving public trust in official statistics. ESGAB welcomes the progress made by national statistical systems in incorporating the concept of commitment on confidence into national jurisdictions. However, much remains to be done.

Although amended Regulation (EC) No 223/2009 does not fix specific requirements regarding the content of the commitments on confidence, it would be desirable that ESS members agree on a minimum set of issues to be covered by the commitments, which could at least include the following elements: the appointment and dismissal procedure of a chief statistician, the coordinating role of each NSI, access to administrative data and the ability to influence their scope and shape, a commitment to respect other provisions of the CoP, in particular impartial interpretation of statistical information, and appropriateness of resources.

As the commitment on confidence should represent, in addition to the provisions of the national statistical legislation, a political commitment by the governments in power (as explicitly explained in Recital 17 of Amended Regulation (EC) No 223/2009), to do what is needed to ensure that statistical activities are carried out in line with the CoP (including the alignment, where needed, of the national legislation to the CoP provisions, to facilitate and support continuous improvements of the national statistical system, to ensure appropriate funding and protect NSI independence), ESGAB expresses its preference for stand-alone commitments and encourages the European Commission and the ESS to promote the delivery of stand-alone commitments by national governments.

One of the key elements of the commitment on confidence added value should be its visibility. Politicians, researchers, the business community and the general public should be well informed that the government of a particular Member State unequivocally commits itself to respect all the CoP principles. ESGAB considers that this key element needs to be significantly improved. Even those Member States which have established a stand-alone commitment do not always make clear reference to it on the home page of their website. In Member States which decided that their national legislation includes the commitment on confidence, the visibility of that instrument is even weaker, because a link to the specific provisions comprising the commitment on confidence is usually absent from their website. Therefore, ESGAB recommends that the ESS ensure that national commitments are either directly and visibly accessible from the home page of the NSI website (in the case of stand-alone commitments) or that the home page of the website make clear and visible reference to the specific legislation making up the commitment on confidence (for Member States which decided not to establish a stand-alone commitment).

### **2.3. ESGAB 2018 recommendations**

**2018/9** — The European Commission and the ESS should agree on a minimum set of issues to be covered by the commitments on confidence in statistics and promote the delivery of stand-alone commitments by national governments.

**2018/10** — To safeguard transparency and visibility, NSIs should ensure either that national Commitments on Confidence are directly accessible from the home page of the respective website (in the case of stand-alone commitments) or that the home page makes a clear reference to the specific legislation making up the Commitment.

### 3. Overview of the implementation of the CoP

#### 3.1. Implementation of improvement actions arising from previous ESGAB recommendations

In its 2017 annual report, ESGAB issued 11 recommendations covering challenges faced by the ESS and the further implementation of the CoP. On the basis of the Board's recommendations, Eurostat formulated a list of improvement actions which can be found in Annex 2. ESGAB monitors the implementation of Eurostat's improvement actions annually.

While complete information on how Member States are implementing all or relevant parts of the ESGAB recommendations is not available, Eurostat has informed the Board that it has taken several actions to raise Member State awareness of those recommendations, such as: drawing attention to the issue in the context of working groups or task forces, creating shared platforms for exchange of information and replying to ad hoc questions. ESGAB welcomes Eurostat's efforts to assist Member States and reminds the latter that some of its recommendations are addressed to NSIs and sometimes to national governments, which may require different implementation strategies. ESGAB will maintain its practice of having dialogues with heads of NSIs to gather more information in this respect.

#### **Revised European statistics code of practice (CoP)**

In its 29th meeting in May 2016, the ESSC mandated the high-level group on quality (HLG-Q) to start reflecting on a revision of the European statistics CoP. After identifying relevant issues to be considered for the revision process, the HLG-Q held several meetings, with ESGAB also being consulted by the group and giving its suggestions for the revision during a videoconference in July 2017.

There was consultation on the proposed changes to the CoP with several groups and the final report was presented to the ESSC, which approved the revised European statistics CoP in November 2017.

The leading principles underpinning the revision were the following.

- To minimise, as requested by the ESSC, the number of changes to what is strictly necessary to fulfil the objectives of the revision.
- To incorporate new elements of the amended Regulation (EC) No 223/2009 on European statistics, and take account of the modernisation programme of the ESS and the ESS vision implementation projects.
- To reflect the outcome of the second round of peer reviews, and generalise the CoP with regard to the access to and use of multiple data sources.
- To strike a balance between the (sometimes very divergent) views expressed by individual Member States, and those expressed at the strategic and at the technical levels.

One of the most substantial changes was the introduction of a new principle on coordination and cooperation (Principle 1bis), a critical addition to reflect the emphasis given by amended Regulation (EC) No 223/2009 to the coordinating role of NSIs within their respective national statistical systems. The need for a reinforced NSI coordination role has been raised by ESGAB several times in the past.

This revision will also lead to the adaptation of the ESS quality assurance framework (QAF) and quality reporting rules and standards. In addition, a glossary explaining the main terms used in the revised CoP is available on Eurostat's website to clarify the terminology used and avoid misinterpretation <sup>(17)</sup>.

## Follow-up of the 2017 and earlier recommendations

### A — Commitment to quality

#### Prominence and referral to the CoP

In its 2017 annual report, ESGAB recommended that Eurostat, NSIs and ONAs responsible for producing and disseminating European statistics give more prominence to the CoP as a quality mark on their main websites (if not already clearly highlighted) (2017/1). Moreover, ESGAB Recommendation 2017/2 urged Eurostat, NSIs and ONAs to refer to the CoP as a matter of routine in press releases that relate to published statistics, where not already the case. Eurostat has a divergent view in this respect. It considers that press releases are not the appropriate vehicle for referring to the CoP, as journalists are basically only interested in data.

ESGAB disagrees with this view. Considering that the credibility of official statistics is currently challenged by the increasing amount of 'fake news' and other types of assault, the CoP, which sets the standards and professional values required for the development, production and dissemination of those statistics, is a key tool for building trust in official statistics and therefore should be widely promoted as a mark of quality. ESGAB reiterates that referring to the CoP on all press releases would help the recognition of the value and importance of the CoP.

#### Data from private-sector organisations

ESGAB's Recommendation 2017/4 stipulated that where data are provided by private-sector organisations to Eurostat, NSIs or ONAs, it is vital to evaluate whether the data are robust, whether access can be sustained over time as well as whether the quality of the methods used to produce them are in line with relevant statistical standards.

Work is ongoing in the ESS on big data and its related quality, legal and ethical aspects. Eurostat will publish the results of this work as soon as they are available and will also make sure that they are fully integrated in the quality framework of the ESS.

ESGAB welcomes these developments, which will help to utilise the potential of big data and its contribution to the production of official statistics. The Board also notes that the NSI directors general (DGINS) conference (October 2018, Bucharest, Romania) with the participation of the heads of NSIs, not only those from ESS countries but also from enlargement countries, was dedicated to the topic 'New statistical opportunities and production models deriving from digitalisation of societies and big data'. The day after the conference, the *Bucharest memorandum on official statistics in a datafied society (trusted smart statistics)* was adopted by the ESSC, a significant step forward in this domain.

Eurostat also reported that some Member States are discussing with relevant authorities the possibility of amending national legislation to take into account new data sources and the access to them by NSIs, as well as to improve the coordination of statistical legislation and of the GDPR legislation recently enacted.

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<sup>(17)</sup> <https://ec.europa.eu/eurostat/documents/4031688/9439112/Glossary/5f3374fe-d397-4f27-9949-77bbb1b767ff>



ESGAB welcomes and supports these efforts from Member States.

## B — Adequacy of resources

### Cost of European statistics

This issue has already been dealt with by ESGAB in several previous reports and recommendations. In Recommendation 2017/10, the Board advised Eurostat to work with NSIs to develop a more harmonised approach to the method of calculating the cost of European statistics by main categories of statistics.

In cooperation with the Member States, Eurostat amended the guiding principles for calculating costs and launched a fourth round of the cost-assessment survey of statistics production in the ESS, which covers both European and national statistics, and a third phase of the cost analysis of European statistics (by products) in the ESS. Outcomes are expected to be available in 2019.

As harmonised estimates of the cost of European statistics are important in making the case for more resources where needed, ESGAB looks forward to the results in this respect and urges Member States to collaborate with Eurostat in this endeavour.

## C — Statistical confidentiality

### Privacy and data security, access to administrative data

ESGAB Recommendation 2017/3 advised that the transposition of the GDPR into national legislation take into account the specific requirements of statistical work and not prevent NSIs or ONAs from accessing administrative data for statistical purposes at the required level of detail.

ESGAB Recommendation 2017/5 requested that Eurostat and the NSIs inform the public about privacy and data security policies.

During 2018 Eurostat has been engaged in discussing and establishing its new security policy. It informed the Member States of this process via the ESS IT security expert group and will make it accessible to the public on its website as soon as it is available.

ESGAB supports these actions and urges Member States to apply the same principles at national level.

## D — Professional independence

### Producers of European statistics in other national authorities (ONAs)

ESGAB Recommendation 2017/6 was that ONAs clearly identify the producers of European statistics and differentiate them within the organisation, with specifically assigned tasks and with a clear status of functional independence already guaranteed by legislation. ESGAB Recommendation 2017/7 required that Member States ensure that ONA statistical publications are released in an impartial manner.

ONAs are to be designated by the Member States. Eurostat gives continuous support to the NSIs as regards the identification of ONAs, upon their request. A guidance note for the ESSC is available on the Eurostat website <sup>(15)</sup>. Results of the 2013-2015 peer reviews showed the implementation in some Member States of actions on the identification of producers of statistics in ONAs, exchange of information on annual programmes, standardised structures for producer-oriented quality reports and the development of standards for output metadata both for NSIs and ONAs, as well as on integrating the release of ONA statistical information into the official statistical portal.

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<sup>(15)</sup> <http://ec.europa.eu/eurostat/web/european-statistical-system/overview>

Eurostat also reported that some countries have launched actions aimed to improve the coordination of ONAs, as recommended by ESGAB.

#### NSI coordinating role

ESGAB Recommendation 2017/8 urged Member States to give further consideration to extending the coordination role of NSIs to include national statistics, in addition to European statistics, in order to support the credibility of official statistics in general.

Although the coordination role of NSIs was not included in previous versions of the CoP, as mentioned in Section 1.3, it was already addressed in earlier ESGAB reports. In addition, the second round of peer reviews (launched in 2013) included coordination in the national statistical system as a specific topic. Detailed information was collected in every ESS country on the organisation of the respective national statistical system and on the current coordinating practices.

Most of the improvement actions started and/or implemented referred to coordination in general, without specifying whether this concerned European and/or national statistics. ESGAB recommends giving more detailed attention to this aspect in the next round of peer reviews, especially taking into account the fact that the revised CoP includes a new principle (Principle 1bis) on coordination and cooperation.

#### E — General

##### The revised code of practice (CoP) in the next round of peer reviews

As mentioned in Section 1.3, in November 2017 the ESSC adopted a revised CoP. This new version is a key outcome of recommendations previously issued by ESGAB and is also a basis for future assessments of each national statistical system compliance with the CoP. ESGAB recommended that the implementation of the revised CoP be assessed in a third peer-review exercise (2017/9).

The new CoP is now followed by the revision of the underlying ESS quality assessment framework and the preparation of the methodology for the third round of ESS peer reviews (currently ongoing under the responsibility of the HLG-Q and ultimately of the ESSC).

ESGAB looks forward to swift progress in this process and stands ready to contribute to it in collaboration with the ESSC.

##### Commitments on confidence in statistics

In 2016 ESGAB recommended (2016/6) that Member State governments establish commitments on confidence in statistics. As noted in Section 2.2 of this report, some Member States have established, or are in the process of establishing, such a commitment on confidence while others provided progress reports in accordance with Article 11(4) of amended Regulation (EC) 223/2009. However, more needs to be done towards the establishment of stand-alone commitments (see Section 2.2).

In Recommendation 2017/11 ESGAB stressed that more Member States should adopt and publish commitments on confidence in order to address some of the improvement actions required to ensure compliance with the CoP, in particular those which are still open because further progress depends on authorities outside the NSIs.

In accordance with the Commission's obligation following Article 11(4) of Regulation (EC) No 223/2009, Eurostat continuously monitors the Member State commitments on confidence and reports on this to the EP and the Council. In June 2018 Eurostat published the first of these reports and, where appropriate, included progress reports; further reports are to follow on a biennial basis.

### 3.2. Implementation of improvement actions arising from peer-review recommendations

The 2013-2015 peer-review exercise was the second round of peer reviews since the establishment of the European statistics CoP in 2005. The chief aims of the peer reviews were as follows: to enhance the efficiency and credibility of the ESS, to strengthen the ESS capacity to produce European statistics, to provide reassurance to stakeholders both about the quality of European statistics and the trustworthiness of the ESS, and to inform the statistics producers on progress achieved.

During that exercise, 707 recommendations were made by the peer review teams, resulting in 910 improvement actions in total. In its 2016 annual report, ESGAB provided an overview of the most important issues identified by the peer review teams in their reports and of the corresponding improvement actions formulated by the NSIs. In its 2017 annual report, ESGAB welcomed the fact that 365 improvement actions had already been completed.

This year's overview focuses on the NSI situation at the end of 2017: another 165 recommendations had been completed, 120 were in progress as scheduled, 6 were expected to start as intended, 20 were closed (because no further work is planned or because they were included in a new improvement action), 52 were of a continuous nature, 109 were delayed and 52 depended on further action to be taken by authorities outside the NSIs. In total, 339 improvement actions were still open at the end of 2017.

Examples of the improvement actions (of those completed in 2017) in different areas from various NSIs can be summarised as follows.

- Preparation of new national legislation on official statistics and review of existing legislation.
- Formalising annual meetings with ONAs.
- Improvement of quality-management systems: regular quality assessment of statistical products, creation of national quality reports, creation of a quality unit or a quality management steering group.
- Standardised structures for producer-oriented quality reports (including for products from ONAs).
- Development of standards for output metadata for NSIs and ONAs.
- Development of a framework for the assessment of administrative data quality and of standard procedures for communication with owners of administrative data.
- Publication of comprehensive methodological documentation.
- Development of a strategy on the provision of tools for administrative data owners.
- Publication of guidelines for the dissemination of statistical information in the national statistical system.
- Procedures for communication with and consultation of main users (such as annual user surveys, data-user-oriented conferences and joint task forces with academia and users) and for making the results of these consultations publicly available.
- Development of an integrated dissemination system, including all relevant sources.
- Procedures to improve training (for staff of both the NSIs and the ONAs) on knowledge and skills needed to conduct statistical production.
- Reorganisation and optimisation of human resources: more resources provided to the services concerned with statistical methodology.
- Improvement of access to microdata for researchers, including simplified procedures and improved security.

— Development of websites: better visualisation, more pedagogical content, publication of work programmes and release calendars.

ESGAB welcomes the fact that only 9 % of all recommendations issued by the peer review teams during second round (2013-2015) concern non-compliance with the CoP, and the vast majority refer to improving such compliance. It is especially gratifying to observe that, at the end of 2017, two NSIs had completed all their improvement actions.

ESGAB believes that more attention should be paid to the actions which remain open. It is worrying to note that almost 50 % of the improvement actions still open on 1 January 2018 were either delayed by or dependent on authorities outside the NSI. In relation to those dependent on authorities outside the NSIs, many countries have not made any progress in the past 2 years. These improvements mainly require new legislative acts or amendments to the current ones, with the NSI still awaiting action from the competent political body. This issue had already been flagged by ESGAB in its 2017 report, but progress seems to be relatively slow. The Board strongly supports NSI efforts towards the implementation of those actions and reiterates its request to national political authorities to ensure further progress on this issue.

Finally, to allow a more meaningful evaluation of the implementation of improvement actions, ESGAB requests that Eurostat produce an in-depth analysis which is also based on qualitative information, distinguishing between: a) actions needed to ensure full compliance with the CoP, b) actions aimed at achieving substantial improvements in the functioning of the statistical system, and c) other improvement actions. Moreover, the Board recommends that Eurostat consider this kind of categorisation when defining the methodology for the new round of peer reviews.

### 3.3. ESGAB 2018 recommendations

**2018/11** — Taking into account ESGAB's opinion that the CoP should be widely promoted as a mark of quality, and although Eurostat expressed a different view in this respect, Eurostat and the NSIs should consider referring to the CoP on all press releases, for example by using a standard text, specifically drafted for such use, addressed to journalists.

**2018/12** — As the revised CoP includes the new Principle 1bis on coordination and cooperation, NSIs should pursue their cooperation with ONAs and enhance their coordinating role within the national statistical system and in the production of national statistics. Moreover, Member States should ensure further progress towards the implementation of the improvement actions which are dependent on authorities outside the NSI, with Eurostat support when needed.

**2018/13** — NSIs should clearly inform the public about privacy and data security policies and publish those policies on the respective website (if not already done).

**2018/14** — To allow a meaningful evaluation of the implementation of improvement actions, Eurostat should produce an in-depth analysis which is also based on qualitative information, distinguishing between: a) actions needed to ensure full compliance with the CoP; b) actions aiming at achieving substantial improvements in the functioning of the statistical system; and c) other improvement actions. Moreover, the Board recommends Eurostat consider this kind of categorisation when defining the methodology for the new round of peer reviews.

## Annexes

### **Annex 1 — ESGAB opinion on the implementation of the Commission's commitment on confidence (Commission Decision 2012/504 on Eurostat), published on 8 June 2018**

#### **Introduction**

Commission Decision of 17 September 2012 on Eurostat (2012/504/EU) states in its Whereas (4): 'The present decision should be regarded as a renewed commitment from the Commission on confidence in European statistics developed, produced and disseminated by Eurostat'<sup>(19)</sup>. This decision defines the role and responsibilities of Eurostat, establishes its director general as the chief statistician of the Commission, describes his/her tasks, recalls the coordination needed with other directorates-general (DGs) of the Commission, that access to administrative data sources within the Commission should be provided for statistical purposes, and urges the DG of Eurostat to ensure that statistical confidentiality is respected.

According to Article 11(5) of Regulation (EC) No 223/2009 (as amended in June 2015), 'The commitment established by the Commission shall be regularly monitored by the European Statistical Governance Board (ESGAB) [...] ESGAB shall report to the European Parliament and the Council on the implementation of the commitment by 9 June 2018'. While ESGAB recommendations to improve the functioning of the ESS and the work carried out by Eurostat are contained in the annual reports, this opinion only contains ESGAB views on the implementation of the abovementioned decision.

After a brief description of the working method followed by ESGAB to develop its views, the key findings are described and some recommendations to improve the current situation are presented. Annex 1 recalls the recommendations from the peer review of Eurostat conducted by ESGAB in 2014 to assess its compliance with the European statistics CoP, and Annex 2 presents some information on ESGAB.

#### **The working method**

This opinion is based on the information about the functioning of Eurostat and its relationships with the Commission collected over the years by ESGAB and described in its reports, as well as on the results of the meetings organised by ESGAB in spring 2018 with the following stakeholders: the Chairs of the Economic and Financial Committee (EFC) and of the EFC Subcommittee on Statistics; the former chair of the ESSC partnership group; the Chair of the European Parliament Committee on Economic and Monetary Affairs (ECON) and members of the cabinet of Commissioner Thyssen (in charge of overseeing the work carried out by Eurostat), the secretariat-general, DG ECFIN, DG AGRI and the Commission's spokesperson service.

These dialogues with key stakeholders provided ESGAB with rich and useful information on several aspects linked to the implementation of the European Commission's commitment on confidence. A meeting was also organised with the Director General of Eurostat, while additional information was provided by Eurostat offices.

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<sup>(19)</sup> The concept of commitments on confidence in statistics ('commitments on confidence') was presented by the Commission for the first time in its Communication to the European Parliament and the Council 'Towards robust quality management for European statistics' of 15 April 2011 (COM(2011) 211). The Commitments were intended as a means to involve national governments in the responsibility for the level of the country's compliance with the European statistics code of practice (CoP), to ensure public trust in European statistics.

## Key findings

Eurostat is the European Union's statistical authority and the leader of the ESS. Consequently, its activities in developing, producing and disseminating European statistics must respect the statistical principles enshrined in Regulation (EC) No 223/2009 and the European statistics CoP. In addition, Eurostat is a directorate-general of the European Commission and, as an obvious consequence, must respect the Commission's internal governance regarding, among other things, planning/monitoring procedures and control obligations, as well as staff and salary regulations.

In relation to the information collected on the actual implementation of the Commission's commitment, ESGAB highlights the following points.

- Eurostat has a strong and well-recognised professional position in the ESS and within the Commission. Its leadership in statistical methodology is not contested.
- Eurostat produces European statistics following, in its daily work, the principles of the CoP. This behaviour contributes to the high reputation of Eurostat and its Director General among the interviewed stakeholders.
- Eurostat's independence in performing statistical work is well understood within and outside the Commission, and reflects the benefits of using its own visual identity when disseminating statistics. Eurostat applies a free dissemination policy which allows the reuse of statistics, as well as Commission information in general, for both commercial and non-commercial purposes, as long as the source is acknowledged. No misuse of Eurostat's logo has been reported.
- This acknowledged independence on the part of Eurostat represents a key asset that has not been put at any risk by political influences or by administrative powers. The working arrangements between Eurostat and the commissioner responsible are clear and they have been implemented over many years without any significant problems.
- Eurostat respects the principle and rules of statistical confidentiality when processing and disseminating data, and in all its technical dimensions (e.g. via a secure IT environment).
- Eurostat plays well its role as coordinator of the production of European statistics, both within the ESS and the Commission. In particular, to maximise the coordination of other DGs of the Commission, in relation to producing European statistics as well as discussing policy needs and service delivery, Eurostat has established memoranda of understanding with most of the other DGs. In addition, it has created a network of statistical correspondents and set up a service delivering institutional user support, which provides methodological and other services. Annual hearings are held at senior management level to discuss and if necessary review the cooperation between Eurostat and the relevant Commission services.
- Eurostat also plays an important role in supporting NSIs in different domains, such as in the development of statistics, standard-setting, requests for resources, advocacy for improvements and training.
- Furthermore, there is a well-established network of contacts and joint work with users and with several other institutions, including other data producers. In particular, a good coordination has been established with the European Central Bank and international organisations (United Nations, Organisation for Economic Cooperation and Development, International Monetary Fund, World Bank, etc.), preventing overlap of efforts, reducing burden for countries and allowing the development of common methodologies and standards.

## Recommendations

ESGAB welcomes the abovementioned findings, all of which contribute to maintaining and improving the levels of confidence in European statistics produced by the ESS. However, the Board also sees room for improvement in several areas. In some cases, improvements could be made by Eurostat itself, while in other cases actions by the Commission would be needed.

- **Pre-release access and reactions in case of inappropriate comments on European statistics**

Article 6(2) of the Commission Decision on Eurostat states that equality of access to European statistics for all users must be ensured. In practice, however, in the case of the most important statistical indicators, Eurostat grants pre-release access to a number of stakeholders within and outside the Commission (under the conditions covered by various Memoranda of Understanding and the Protocol on Impartial Access). According to Eurostat's internal monitoring and assessment of dissemination, there have been no leaks of information, nor any materialised risk in that context.

**Recommendation 1:** While a complete ban on pre-release may not be possible, ESGAB recommends that the Commission/Eurostat clarify and harmonise the pre-release rules and practices followed internally with those followed by Member States.

From time to time commentators/politicians present and interpret European statistics in ways that could go beyond the bounds of legitimate, if partisan, commentary. In the rare cases that this was brought to the attention of Eurostat, a possible reaction was considered, at Eurostat and/or NSI level as appropriate.

**Recommendation 2:** As these behaviours seem more frequent now than in the past and as they can put at risk the credibility of European statistics in the eyes of citizens, ESGAB recommends that the Commission/Eurostat consider measures to curtail the spread of inappropriate comments or the diffusion of 'fake news' in relation to European statistics. In so doing, Eurostat should take into account the recent recommendations to statistical authorities made by the EU Task Force on this subject <sup>(20)</sup>.

- **Explanation of methodologies, description of complex phenomena, new developments**

Article 6(1.b) of the decision states that Eurostat is in charge of developing and promoting statistical standards, methods and procedures; Article 6(2) also refers to Eurostat's role in providing technical explanations and the support necessary for the use of European statistics. It became clear from the information collected in preparing this opinion, that Eurostat's communication and pro-activeness in clarifying particularly difficult methodological issues could be improved.

**Recommendation 3:** ESGAB recommends that Eurostat be more proactive in clarifying complex methodological issues and in providing better explanations in relation to statistical revisions to key stakeholders, including EU policy committees.

Several of the stakeholders who met with ESGAB underlined that Eurostat needs to improve the timeliness of some statistics necessary to underpin Commission's policies. While it is understood that Eurostat depends to a great extent on Member States and may also have resource constraints, these limitations may oblige some directorates-general to launch their own data collections.

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<sup>(20)</sup> <https://ec.europa.eu/digital-single-market/en/news/final-report-high-level-expert-group-fake-news-and-online-disinformation>

**Recommendation 4:** As far as the challenges posed by new or fast-changing phenomena (globalisation, automation, migration, intellectual output and property, inequalities, inflation/deflation, etc.) or by the availability of new data sources (such as big data), ESGAB recommends that Eurostat (as well as NSIs) be quicker in responding to new measurement challenges, on the basis of an appropriate and open methodological reflection.

**Recommendation 5:** In this context, ESGAB recommends that Eurostat be more proactive in establishing agreements with private-sector data producers, also for the benefit of NSIs, in order to access data which could be used in an appropriate way to develop useful statistics.

**Recommendation 6:** ESGAB also recommends that Eurostat further strengthens its relationships with academic experts, stakeholders and data users, and improves the procedures for granting faster access to individual data for research purposes, in conformity with the rules that safeguard confidential data.

- **Coordination of 'other statistics' and possible extension of the boundary of European statistics**

According to Article 6(4) of the Commission Decision on Eurostat, the organisation shall coordinate the development and production of statistics produced by other Commission services, but users may have some difficulties in understanding the distinction between European statistics (for which Eurostat has a strong coordinating role) and 'other statistics' produced by Commission services (where Eurostat is involved only upon agreement with the latter).

**Recommendation 7:** As the credibility of European statistics may be negatively affected by the low quality of some 'other statistics' or by different release procedures followed by Commission services when they are disseminated to the public, ESGAB recommends that Eurostat increases its participation in the elaboration of 'other statistics' to ensure that influential data produced by other Commission services are more closely aligned with the Principles of the CoP. Furthermore, where it is appropriate, Eurostat should be open to reconsider the boundary between the two categories.

Of course, the Board recognises that this increased participation of Eurostat and extension of the reach of the CoP may require an increase of resources devoted to statistical activities, but this would be beneficial for the overall quality of data released by the Commission and would reduce the risks associated to the existence of this dichotomy.

**Recommendation 8:** To reinforce Eurostat's capacity to coordinate the statistical activities carried out by other Commission services, ESGAB recommends that, in addition to the existing network of statistical correspondents, the Commission set up a high-level body of directors general of the Commission chaired by the Director General of Eurostat, similarly to what exists in several international organisations.

- **Access to administrative records**

According to Article 9(1) of the Commission Decision on Eurostat, the latter shall have the right to access administrative data within the Commission services and, according to Paragraph 2 of the same article, it shall be consulted on – and may be involved in – the design, development and discontinuation of administrative registers and databases built up and maintained by other Commission services. However, such provisions are not yet complied with by all the Commission services in a systematic and harmonised way. An enhanced access to those administrative sources would allow new developments as well as reduced burden on respondents and increased timeliness, important principles of the CoP (Principles 6 and 13).



**Recommendation 9:** ESGAB recommends that the Commission ensure a stronger role for Eurostat whenever other Commission services collect administrative data, and supports increased access by Eurostat to those records.

- **Adequate resources**

While resources are not specifically mentioned in the Commission Decision on Eurostat, it is clear that to pursue its work and implement the above recommendations Eurostat needs to be adequately resourced. This is also an important principle of the CoP (Principle 3), which Eurostat is expected to implement.

**Recommendation 10:** ESGAB welcomes the fact that for 2019 and 2020 Eurostat has received higher budget to further improve European statistics. ESGAB recommends that the Commission remain committed to providing adequate resources to the ESS to meet the growing demands for high-quality statistics.

**Recommendation 11:** Moreover, given the very technical work to be carried out by Eurostat, especially in the context of the 'data revolution', ESGAB recommends that the Commission's recruitment processes give adequate consideration to Eurostat's need to recruit staff members with appropriate specialist skills (statisticians, data scientists, etc.).

- **Recruitment and dismissal of the Eurostat Director General**

Regarding the recruitment of the Eurostat Director General, ESGAB welcomes the fact that the Commission has adopted the Board's earlier recommendations by following an open procedure, based on professional criteria, in selecting the Director General of Eurostat. This is also the case for the selection of the Deputy Director General, which is currently ongoing.

The Eurostat decision specifies the role of the Chief Statistician in its Article 8. As this role is entrusted to the Director General of Eurostat, the latter should have, in addition to adequate managerial skills, high competence in statistical matters.

**Recommendation 12:** ESGAB recommends that a clear reference to high competence in statistical matters be included in future vacancy notices for the position of Director General of Eurostat/Chief Statistician.

While the CoP refers in its Indicator 1.8 to the dismissal of the heads of NSIs and Eurostat, stating that the reasons on the basis of which the incumbency can be terminated are specified in the legal framework and cannot include reasons compromising professional or scientific independence, the Decision on Eurostat does not make any reference to the dismissal of the Director General of Eurostat.

**Recommendation 13:** ESGAB recommends that the Decision on Eurostat be aligned with the CoP by adding a reference to the dismissal of the Director General of Eurostat when the Decision is amended.

## Annex 2 — Eurostat’s improvement actions in response to ESGAB’s 2017 recommendations

- **Recommendation 2017/1:** Eurostat, NSIs and ONAs responsible for producing and disseminating European statistics should give more prominence to the CoP as a quality mark on their websites if the CoP is not already clearly highlighted on their main web pages.

### Current situation

Eurostat has published the CoP on the quality page of its website.

- **Recommendation 2017/2:** Eurostat, NSIs and ONAs should refer to the CoP as a matter of routine in press releases that relate to published statistics, where this is not already the case.

### Current situation

Eurostat does not consider press releases as the appropriate vehicle for referring to the CoP.

- **Recommendation 2017/3:** The transposition of the European regulation on general data protection into national legislation should take into account the specific requirements of statistical work and should not prevent NSIs or ONAs from accessing administrative data for statistical purposes at the required level of detail.

### Current situation

Eurostat has held an informal workshop on this at DG level in February 2018. The GDPR is not applicable to the Commission. Regulation 45/2001 will be replaced by a new regulation which is currently before the legislator. The adoption of this new regulation is however delayed (was initially planned for May 2018) because of different views between the EP and the Council.

### Improvement actions

- 1) Establishment of a collaborative forum for exchanges of best practices — preparation of a dedicated space at the collaboration in research and methodology for official statistics (CROS) portal on the implementation of Regulation (EC) No 223/2009.
- 2) Consider the appropriate communication between the ESS and the European data protection board, in collaboration with the partnership group (PG).

**Deadline:** End 2018

- **Recommendation 2017/4:** Where data are provided by private-sector organisations to Eurostat, NSIs or ONAs, it is necessary for these bodies to ensure that the data are robust and that access can be sustained over time, and to be assured about the quality of the methods used.

### Current situation

Work is ongoing in the ESS on big data and its related quality, legal and ethical aspects.

### Improvement action

Eurostat will publish the results of this work as soon as they are available and will also make sure that they are fully integrated in the quality framework of the ESS.

**Deadline:** End 2020

- **Recommendation 2017/5:** Eurostat and NSIs should openly inform the public about their privacy and data security policies.

**Current situation**

Eurostat has established its new security policy in February 2018. Eurostat has informed the Member States on this new security policy at the ESS IT security expert group meeting in April 2018 and it has published this new policy at its website available for the public. Member States will be required to apply the same principles.

- **Recommendation 2017/6:** Producers of European statistics in ONAs should be clearly identified and differentiated within the organisation, with specifically assigned tasks, and should, in practice, have a clear status of functional independence already guaranteed by legislation.

**Current situation**

ONAs are to be designated by the Member States. Eurostat gives continuous support to the NSIs as regards the identification of ONAs, upon their request. A guidance note for the ESSC is available on the Eurostat website

- **Recommendation 2017/7:** In accordance with the CoP, the heads of NSIs should ensure that ONAs release statistical publications in an impartial manner that allows clear differentiation from political statements.

**Current situation**

All statistical authorities who develop, produce and disseminate European statistics commit themselves to the CoP.

**Improvement action**

All elements of the CoP will be monitored again in the next round of peer reviews.

**Deadline:** End 2022

- **Recommendation 2017/8:** Member States should give further consideration to extending the coordination role of NSIs to include national statistics, in addition to European statistics, to support the credibility of official statistics in general.

**Current situation**

This recommendation is addressed to the Member States. Its national implementation may depend on national circumstances and also on entities outside the NSIs.

**Improvement action**

Eurostat has raised the issue at the April 2018 meeting of the resource directors group. The group has exchanged best practices from countries where the NSI already has this coordination role for national statistics. More detailed information has been provided to ESGAB during its May 2018 meeting.

- **Recommendation 2017/9:** In light of the fact that a revised CoP is expected to take into account the emergence of new data sources, the amended Regulation (EC) No 223/2009 and the outcome of the second peer review exercise, the implementation of the revised CoP should be assessed in a third peer-review exercise by 2020.

#### **Current situation**

The ESSC adopted the revised CoP in November 2017. This revision already includes some recommendations resulting from the peer reviews.

#### **Improvement action**

The revised CoP is first followed by Eurostat's revision of the underlying quality assessment framework of the ESS and the preparation of the methodology of the third round of ESS peer reviews.

#### **Deadline**

The methodology should be ready by 2020. The roll-out of this exercise is planned to take place in 2021-2022.

- **Recommendation 2017/10:** Eurostat should work with NSIs to develop a more harmonised approach to the method of calculating the cost of European statistics by main categories of statistics.

#### **Current situation/Improvement action**

In cooperation with the Member States, Eurostat is continuing its work aiming at a harmonised and consistent approach during the further phases of the project cost analysis of European statistics.

**Deadline:** End of 2018

- **Recommendation 2017/11:** ESGAB strongly reiterates that more Member States should adopt and publish commitments on confidence in statistics in order to address some of the improvement actions required to ensure compliance with the CoP, in particular those which are still open because further progress depends on authorities outside the National Statistical Institute.

#### **Current situation**

In accordance with the Commission's obligation following Article 11(4) of Regulation (EC) No 223/2009, Eurostat continuously monitors the Commitments by Member States.

#### **Improvement action**

Eurostat will present — to EP and Council — a report on the published commitments and, where appropriate, on progress reports.

#### **Timeline**

A first report was presented in June 2018; further reports will follow on a biennial basis.

## **Annex 3 — Principles of the European statistics code of practice (as revised in 2017) <sup>(21)</sup>**

### **Principle 1 — Professional independence**

Professional independence of statistical authorities from other policy, regulatory or administrative departments and bodies, as well as from private-sector operators, ensures the credibility of European statistics.

### **Principle 1bis — Coordination and cooperation**

NSIs and Eurostat ensure the coordination of all activities for the development, production and dissemination of European statistics at the level of the national statistical system and the ESS, respectively. Statistical authorities actively cooperate within the partnership of the ESS, so as to ensure the development, production and dissemination of European statistics.

### **Principle 2 — Mandate for data collection and access to data**

Statistical authorities have a clear legal mandate to collect and access information from multiple data sources for European statistical purposes. Administrations, enterprises and households, and the public at large may be compelled by law to allow access to or deliver data for European statistical purposes at the request of statistical authorities.

### **Principle 3 — Adequacy of resources**

The resources available to statistical authorities are sufficient to meet European statistics requirements.

### **Principle 4 — Commitment to quality**

Statistical authorities are committed to quality. They systematically and regularly identify strengths and weaknesses to continuously improve process and output quality.

### **Principle 5 — Statistical confidentiality and data protection**

The privacy of data providers, the confidentiality of the information they provide, its use only for statistical purposes and the security of the data are absolutely guaranteed.

### **Principle 6 — Impartiality and objectivity**

Statistical authorities develop, produce and disseminate European statistics respecting scientific independence and in an objective, professional and transparent manner in which all users are treated equitably.

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<sup>(21)</sup> <https://ec.europa.eu/eurostat/web/products-catalogues/-/KS-02-18-142>

**Principle 7 — Sound methodology**

Sound methodology underpins quality statistics. This requires adequate tools, procedures and expertise.

**Principle 8 — Appropriate statistical procedures**

Appropriate statistical procedures, implemented throughout the statistical processes, underpin quality statistics.

**Principle 9 — Non-excessive burden on respondents**

The response burden is proportionate to the needs of the users and is not excessive for respondents. The statistical authorities monitor the response burden and set targets for its reduction over time.

**Principle 10 — Cost effectiveness**

Resources are used effectively.

**Principle 11 — Relevance**

European statistics meet the needs of users.

**Principle 12 — Accuracy and reliability**

European statistics accurately and reliably portray reality.

**Principle 13 — Timeliness and punctuality**

European statistics are released in a timely and punctual manner.

**Principle 14 — Coherence and comparability**

European statistics are consistent internally, over time and comparable between regions and countries; it is possible to combine and make joint use of related data from different data sources.

**Principle 15 — Accessibility and clarity**

European statistics are presented in a clear and understandable form, released in a suitable and convenient manner, available and accessible on an impartial basis with supporting metadata and guidance.

## Annex 4 — Glossary

### About ESGAB

ESGAB provides an independent overview of the implementation of the CoP. It seeks to enhance the professional independence, integrity and accountability of the ESS, key elements of the CoP, and the quality of European statistics.

Its tasks include the preparation of an annual report to the EP and the Council on the implementation of the CoP by Eurostat and the ESS as a whole. ESGAB also advises the Commission (Eurostat) on appropriate measures to facilitate implementation.

All ESGAB reports are available on the Board's homepage (<http://ec.europa.eu/esgab/>).

### European Statistical System (ESS)

The ESS <sup>(22)</sup> is a partnership between the European Union's statistical authority, i.e. the Commission (Eurostat), and the NSIs and ONAs responsible in each Member State for the development, production and dissemination of European statistics.

### European statistics code of practice (CoP)

The European statistics CoP <sup>(23)</sup> sets the standards for developing, producing and disseminating European statistics. It builds on a common definition of quality in statistics used in the ESS. The CoP is a self-regulatory instrument containing 15 principles which address the institutional environment in which national and EU statistical authorities operate, and the production and dissemination of European statistics. Its implementation is supported by a set of indicators of good practice for each principle.

The code was adopted by the SPC in 2005; it was revised by the ESSC in 2011 and again in 2017.

### Peer reviews

Peer reviews <sup>(24)</sup> are part of the ESS strategy to implement the European statistics CoP. The objective is to enhance the integrity, independence and accountability of ESS statistical authorities.

The first round of peer reviews was carried out 2006-2008, followed by a second round 2013-2015. Both rounds covered all EU Member States and European Free Trade Association (EFTA) countries. ESGAB carried out a peer review of Eurostat in 2014 using the methodology developed for the NSI peer reviews, with some adaptations to reflect Eurostat's specific role in the ESS.

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<sup>(22)</sup> <http://ec.europa.eu/eurostat/web/european-statistical-system/overview>

<sup>(23)</sup> <http://ec.europa.eu/eurostat/web/quality/european-statistics-code-of-practice>

<sup>(24)</sup> <http://ec.europa.eu/eurostat/web/quality/peer-reviews>