

High-level seminar on Global assessments and peer reviews - follow-up and next steps

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Key findings from LPRs and AGAs in the light of the ESCoP

Session 1: The process of global assessments and peer reviews, common findings and a
summary of the results

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Summary of the key findings from all LPR and AGA reports along the principles 1-6 and 15 of the European Statistics Code of Practice (ESCoP) and by broad statistical areas

1. Introduction

After the introductory presentations of our colleagues from Eurostat and UNECE my task is now to present to you the main results of the Adapted Global Assessments (AGA) and Light Peer Reviews (LPR), which were conducted between 2008 and 2012 in European Candidate and Potential Candidate Countries, in European Neighbourhood Policy (ENP) East countries and in some Central Asian countries. Altogether 6 LPRs and 13 AGAs were carried out, and reports were prepared and agreed upon between the assessors and the assessed National Statistical Institutes (NSI). It seems important to me to make clear that the results of assessments which were conducted some years ago may not reflect today's situation. I believe that a number of the recommendations in the assessment reports have since been fulfilled.

My presentation includes results of LPRs and AGAs for principles 1 to 6 and 15 of the European Statistics Code of Practice (ESCoP) and for selected statistical domains. I should note here that LPRs and AGAs differ somewhat in content. LPRs do not include any assessment of statistical domains. They are limited to a review of the institutional aspects of a NSI and its dissemination function, and they are further limited to a review of the NSI and not of the National Statistical System (NSS). They, however, include an assessment of the coordination role of the NSI in the system. AGAs as well include the institutional aspects, however, as much as possible, of the whole NSS, as well as the dissemination function. Moreover, they contain some additional aspects of the functioning of the NSI and a chapter with global assessments of selected statistical domains. The presented key results of broad statistical domains are therefore only from the 13 AGAs.

2. Institutional aspects and dissemination: Principles 1 to 6 and 15 of the ESCoP

2.1 Principle 1: Professional Independence

I will start with Principle 1 of the ESCoP: 'Professional Independence'. The indicators of Principle 1 of the Code stipulate that professional independence shall be laid down by law, by providing producers of official statistics with the right to decide on standards, methods and procedures used for the production of official statistics and on the content and timing of statistical releases. The indicators underline the role of the Director General of the NSI as the guardian of professional independence and that there should be clear rules on the appointment with a fixed-term contract and the possibility to dismiss the Director General. They furthermore recommend that statistical programmes shall be published, their implementation monitored and they stress the right of statisticians to react publicly in case of criticisms and misuses of official statistics.

I can clearly state that Professional Independence is supported by law in all countries, although this fundamental principle is not always clearly defined. In one country the definition of this principle is specifically mentioned in the law but without a straightforward reference to the term of "Professional Independence". In another case the definition is not stated in the law but at a lower level of the legislation (by-law). In general, national laws on statistics are encompassing the entire NSS and therefore, the rules on Professional Independence are applicable to other producers of official statistics.

In many of the reports it is explicitly said that Professional Independence is not only guaranteed by law but also respected in practice. In a few cases the assessors expressed doubts whether the NSI can act in practice fully independently. Regarding other producers of official statistics the assessors could as a rule not fully examine whether these institutions can act independently. In some cases it became clear that with regard to data dissemination the statisticians cannot publish their data without the consent of the higher management of their institution.

In all reports, with only one exception, the opinion expressed is that the legal backing of the NSIs' heads is not strong enough and should be improved. In one case it is explicitly said by the assessors that the head of the NSI can be dismissed by the President of the Republic without any justification. It is worth mentioning that in two countries the Directors General are obliged by law to protect the credibility of their offices. These are the NSIs of Serbia and of Montenegro.

Programme planning is unilaterally a task of the NSIs, mostly in cooperation with the other producers. In most cases, multi-annual programmes and annual plans have to be prepared. Normally they have to be agreed upon by the Government or by Parliament. Often the draft programme is discussed by the Statistical Council and sent with the opinion of the Council to the Government or Parliament for adoption. Most NSIs have the duty to report on the execution of the annual plan and some also on the multi-annual programme. In some of the AGA and LPR reports it is criticised that the programmes and plans are too much input-oriented.

The right of NSIs to react in cases of criticisms and misuses is explicitly mentioned in some of the assessment reports. A clear written policy however on how to proceed is mostly missing in the NSIs.

2.2 Principle 2: Mandate for Data Collection

Principle 2 of the Code stipulates that statistical authorities shall have a clear legal mandate to collect primary statistical data for European statistical purposes from enterprises, private households and public authorities. Respondents may be compelled by law to deliver data at the request of statistical authorities. Moreover, the statistical authorities shall be allowed by law to use administrative data for statistical purposes. In the revised Code of Practice it is additionally stipulated that statistical authorities shall be involved in the design of administrative data, and that agreements are made with owners of administrative data which set out their shared commitment to the use of these data for statistical purposes.

A clear mandate for the collection of primary data is laid down in the statistical laws of all countries. Surveys are mostly compulsory and respondents may be fined in case of non-response. However, the right to fine respondents is only used in very rare cases. In a few countries only enterprise surveys are compulsory whereas household surveys are voluntary. In one case, however, business enquiries are non-compulsory, which is rather unorthodox. According to the assessors, this would mean devoting considerable resources in order to reach reluctant respondents. Response rates were reported in many cases to be in general satisfying, in some cases as not satisfactory. Increasing problems have to be observed in business statistics, in particular with regard to small enterprises. Statistical offices react by intensifying their contacts to enterprises, trying to convince respondents of the importance of statistics. In one case response rates in the Household Budget Survey were reported as very low.

In some countries many surveys are still implemented with exhaustive coverage and sample surveys are used for selected domains only.

Most of the assessed NSIs intend to start or have already started using electronic data collection, in particular in business statistics and partly in household statistics, with the objective to reduce the burden on respondents as well as to increase efficiency of the production process.

A mandate for the access to administrative data is clearly stipulated in nearly all statistical laws. In two countries the statistics law gives priority to the use of administrative data. This means that surveys must not be undertaken if administrative sources are available and can be used for meeting users' needs. In all countries, however, the present use of administrative data covers only a fraction of its potential; in some countries it is larger, in others it is still only a small part. The further increase of the use of administrative data as a replacement for surveys is well recognized by all NSIs which were assessed, and activities are on-going to reach improvements. Activities include

partly efforts to influence the content and the quality of administrative data sources so that they can better be used for statistical purposes. As a best practice it should be mentioned that in one country the statistical law obliges owners of administrative data to discuss changes of existing data and the compilation of new administrative data with the statistical office. In a few other countries the statistics law gives explicitly the right to the statistical office to influence the content of administrative data sources.

Most of the NSIs which were assessed in AGAs or LPRs have already signed memoranda or agreements of understanding with owners of administrative data on the provision of data to the statistical office. Signing further memoranda is a mutual objective. These memoranda should include not only the data sharing but as much as possible also the right of the statistical office to influence the content of the administrative data sources.

In some countries the statistics laws explicitly give the right to the statistical office to use individual data from surveys of other producers of official statistics. Several statistical offices have signed memoranda of understanding as well with such producers. As a best practice I should like to mention the memoranda of understanding between the statistical office and other public authorities in one country, which does not only include rules on the sharing of data but also guarantees the independence of the statistical unit in the ministry or agency. Furthermore it ensures the availability of the necessary human and financial resources. Moreover, this memorandum includes the establishment of a Working Group responsible for coordinating the activities of both parties. It obliges the statistical office to provide the statistical unit of the ministry or agency with guidelines on professional standards for official statistics production, to determine all definitions and classifications and includes the right to access and exchange data and a few further rules.

2.3 Principle 3: Adequacy of Resources

According to Principle 3 of the ESCoP staff, financial and computing resources available to statistical authorities shall be sufficient to meet European Statistics requirements.

There are only very few NSIs for which it is reported that financial and human resources are sufficient to cover the work programme as well as the projects planned. In many more cases it is stated that the resources from the state budget are adequate to cover core statistical activities. However, resources are not sufficient to finance developmental activities, to replace outdated IT infrastructure, to cover expenses for ad hoc surveys, etc. In several cases the assessors came to the conclusion that financial and human resources are even too low to facilitate core statistics or, in other words, that the NSI is underfinanced and understaffed relative to regular tasks. A further problem for many NSIs is the dependency on external funding, in particular with regard to the financing of developmental activities, partly also of regular surveys.

In most of the assessed NSIs only a few elements of a systematic Human Resource Management and of a regular training programme are in place. Training is in many NSIs dependent on donors. The implementation of an improved human resource policy and of well-structured training for all staff members could lead to an increase in efficiency.

In a few reports it was stated that there is a need for the integration of financial aspects into the planning of activities, in other plans it is already included.

Insufficient IT resources are reported for many NSIs. Partly there is a lack of financial resources to replace insufficient and outdated IT equipment. In several cases many different software packages are used; partly separate individual applications systems for each survey. That means that there is a need for a standardisation of the software environment. In many reports the challenge of retaining highly qualified IT staff is specifically expressed.

Most of the assessed NSIs have a rather limited number of staff, and in particular the central offices are often very small. This leads to the situation where the organization in some offices is rather fragmented with many small units. This type of structure can create bottlenecks in case of changing workload, thus enhance the risk of delays when staff members change or are not present for some reason. A somewhat more flexible structure can be an alternative. A special organizational problem for some of the assessed NSIs is the division of work between the statistical office and the Main Computing Centre. One NSI, the statistical office of Moldova, managed to integrate the staff of the Main Computing Centre into the respective statistical divisions of the NSI which is seen by the assessors as a big step in modernizing the organizational structure.

A possibly much bigger problem, which cannot easily be solved, is the fact that most of the NSIs have a large number of regional offices with a large number of staff (up to more than 90% of the total staff), and that the balance of resources and the division of labour between central and regional offices does not appear to be adequate. There is clearly a need for a simplification of the regional structure in many countries; partly a full centralization should be considered.

In a few of the reports it has been explicitly stated that a reduction or a stop of some existing surveys should be reviewed to free resources for implementing new surveys, and my personal opinion is that it is needed in many NSSs.

2.4 Principle 4: Commitment to Quality

Principle 4 stipulates that statistical authorities systematically and regularly identify strengths and weaknesses to continuously improve process and product quality. Quality policy is defined and made available to the public. An organizational structure and tools are in place to deal with quality management. Procedures are in place to systematically plan and monitor the quality of the statistical production processes. There is further a regular review of the output quality.

Several measures to assess and improve quality are put in place in all assessed NSIs. These activities have been, however, in most NSIs, rather fragmentary and mainly focused on accuracy. In several reports it is stated that procedures for the supervision of quality along the phases of the statistical production process are in place and that quality is monitored through the management hierarchy.

In only a few NSIs an organizational structure has been created that is responsible for the overall quality policy and management. In some NSIs the establishment of a quality unit and/or the appointment of a quality manager are planned.

Only a few NSIs reported that training addressing quality issues is being provided and that quality reports, including quality indicators, are prepared. Internal audits and self-assessments have been used by only very few NSIs.

The need for the establishment of a comprehensive quality management system with a defined quality policy, organizational measures and a training programme is clearly recognized by the top management of all assessed NSIs. One NSI already introduced the Common Assessment Framework (CAF) as quality approach; another one received the official certification of the ISO 9001 standard as one step towards application of the EFQM approach (European Foundation of Quality Management). A few other NSIs have already taken initial steps for the establishment of a systematic and standardized approach to quality. I am sure that during the time between the conducted LPR or AGA and today's conference many additional steps were taken to establish quality management systems in the assessed NSIs.

Last but not least I should like to mention with regard to quality commitment that the ESCoP has been officially accepted in two countries.

2.5 Principle 5: Statistical Confidentiality

According to principle 5 of the ESCoP, the privacy of data providers (households, enterprises, administrations and other respondents), the confidentiality of the information they provide and its use only for statistical purposes are absolutely guaranteed. The indicators stipulate that statistical confidentiality is guaranteed in law, that staff sign legal confidentiality commitments on appointment, and penalties are prescribed for any willful breaches of statistical confidentiality. Guidelines and instructions are provided to staff on the protection of statistical confidentiality in the production and dissemination processes. Furthermore, confidentiality policy is made known to the public. Physical, technological and organizational provisions are in place to protect the security and integrity of statistical databases. Strict protocols apply to external users accessing statistical micro-data for research purposes.

Statistical confidentiality is laid down by the statistical laws of all assessed National Statistical Systems. In a majority of the countries the legal provisions are comprehensive and fully guarantee statistical confidentiality, which is also respected in practice. In some other countries, legislation allows exceptions, mainly on the basis of court decisions or caused by other legislation of the country (e.g. Laws on Free Access to Public Information), which does clearly not correspond to the confidentiality principle. In one country it was said that such a provision of individual data never happens.

In most of the countries all producers of official statistics have to comply with the rules on statistical confidentiality in the statistical laws. In a few other countries only the statistical office and its subordinated bodies are regulated by the statistical laws.

In many of the assessed NSSs, primary data are collected by and stored in the regional offices. In a few reports it has been stated that there are or might be problems with confidentiality issues regarding regional offices because the Central Office does not have full control over all activities of the regional offices, in particular with regard to their cooperation with local authorities.

In a number of NSIs, internal written guidelines and instructions for staff on how to deal with micro-data in all phases of the production and dissemination processes are not available. In others, rules and procedures on confidentiality and data protection have been prepared and also partly publicized.

In the majority of the NSIs, staff must sign confidentiality commitments and penalties exist in case of any breach.

Most NSIs are allowed by law to grant access to statistical micro-data without identifiers to researchers, under strict conditions stipulated in a contract. However, full description of the procedures of gaining access to micro-data for research purposes is often not defined and not published.

Two NSIs reported that Confidentiality Committees have been established.

2.6 Principle 6: Impartiality and Objectivity

Principle 6 recommends that statistical authorities must produce and disseminate official statistics respecting scientific independence, professionalism and transparency while treating all users equally. There is clearly some overlap between Principle 6 and Principle 1 “Professional Independence”, and I will avoid repeating myself with regard to the indicators that deal again with independence and objectivity. The most important issues in Principle 6 are, in my view, the equal access to statistical releases, the publication of advance release calendars, of information on methods and procedures used and of errors discovered in published statistics and their corrections.

Equal access to statistical releases is ensured by the statistical laws as well as in practice by a large majority of NSIs. In some reports it is explicitly called a best practice. The situation seems altogether to be better than in many of the European member states. In a few reports it is said that equality of access is ensured by law, however, it seems to be not fully clear whether it is done in practice. In countries where pre-release access is not guaranteed it seems that privileged pre-release access is not publicized. It is not easy to judge whether and how equal access is and can be ensured by other producers of official statistics, in particular with regard to other departments within the institutions and the top management of these authorities.

Nearly all of the assessed NSIs publish an advance release calendar on their website, usually for their own statistics and exceptionally for all official statistics. Only in a few reports it is stated that improvements are necessary, e.g. the development of a procedure for updating the calendar.

The situation concerning metadata will be described under principle 15.

In a number of NSIs, rules are established on how errors in already published statistics can be corrected and this information is announced to the public. Two NSIs reported that staff would be fined if they were proven responsible for errors published.

2.7 Principle 15: Accessibility and Clarity

Principle 15 deals with the dissemination of data and metadata and good relations with users. It stipulates that 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.

In many AGAs and LPRs, users appreciated the progress which has been achieved in the area of data dissemination during the last few years. Improvements, in particular in the electronic presentation of data, have been realized in all NSIs and websites provide users with a wide range of statistical information free of charge. At the same time, however, users expressed the need for the introduction of more user-friendly tools to enhance functionality and accessibility allowing more flexible use of the disseminated data. Websites of some NSIs already allowed access to data in several different formats, and I am sure that this is the case today in nearly all NSIs.

Some kind of information on methods and procedures used in the production of official statistics, partly also on quality, is provided to users by all statistical systems together with their data releases, in their publications and on their websites. However, a standardized metadata system is generally missing. Partly it was reported that a standardized metadata format is under preparation. The need to improve metadata is stated in most of the reports.

A comprehensive dissemination strategy has been worked out and adopted by only a few NSIs. In most of the NSIs a wide-ranging, all-encompassing dissemination strategy and policy is missing or an existing strategy is not being implemented.

User satisfaction surveys have been carried out by some NSIs as important sources for understanding user's needs. Some other NSIs reported that they plan to carry out such surveys.

In a number of reports it is stated that dissemination has a strong focus on meeting the needs of users in the political institutions. With other user groups, in particular the scientific and the business community, no formalized and regular contacts exist and their needs are not taken into account enough. For some NSIs, it is reported that they are active in relation to the media. Activities are, for example, to offer seminars for journalists.

3. Key findings by broad statistical areas

In the following chapter I will present results of AGAs in the following broad statistical areas:

- Demographic and Social Statistics;
- Macroeconomic Statistics;
- Business Statistics; and
- Agriculture Statistics.

3.1 Demographic and Social Statistics

Size and structure of the population of a country is very important statistical information, on the one hand by itself, on the other hand for the calculation of significant indicators, i.e. GDP per capita. All NSSs which were assessed produce demographic statistics and publish many key indicators mostly in line with international recommendations. However, it was reported by nearly all NSIs that they have major problems with the estimation of the resident population. Data on the population living in the country are not reliable because the available migration data are not of sufficient quality everywhere. In a few cases, problems with data on births and deaths have also been reported.

Many NSIs were, at the time of the assessments, heavily involved in the process of planning the implementation of a Population Census; in a few other countries a census had just been performed. In all reports the importance of the Population Census has been underlined, and not only for Population Statistics but for the statistical system as a whole. The assessors furthermore strongly advised to follow UNECE/Eurostat recommendations regarding definitions and methodology to be used. Some of the censuses have been carried out in the meantime and the results are available as a valuable source for analysis and for updating sampling frames.

All NSIs regularly carry out Household Budget or Living Conditions Surveys, which seem in general to be based on international standards. Results are a key source for national accounts, consumer price indices and poverty statistics. In addition, not in all, but in a large number of countries, Labour Force Surveys are carried out. A severe problem in many countries has been the outdated sampling frame based on rather old census results, which should partly have changed because new census results are now available. A few NSIs reported that the quality of HBS results suffers from high non-response, and in some reports it is stated that the lack of sustainable funding for the regular implementation of household surveys is a concern. In quite a number of countries users asked for a better explanation of the differences between LFS results on employment and unemployment and the respective administrative data. Last but not least, it should be said that a few NSIs started with a review of role and content of their social statistical surveys, in particular the HBS, as a preparation of the implementation of the EU Survey on Income and Living Conditions (EU SILC).

3.2 Macroeconomic Statistics

In the area of macroeconomic statistics, I will focus on giving an overview on the results of the AGAs on national accounts (NA), government finance statistics (GFS) and the consumer price index (CPI).

In all countries included in the assessment process NA are compiled and disseminated by the NSIs. In general, the assessors confirmed that the compilation of NA is broadly conform with the main concepts, categories, definitions and other methodological principles of the System of National Accounts 1993 (SNA 93)/European System of Accounts 1995 (ESA 95), however, not everywhere with full compliance. The transition to SNA 2008/ESA 2010 had been planned by some of the NSIs but nowhere started.

Regarding the scope, the situation in the assessed NSSs has been reported as very different. There are a few NSIs that, at the time of the assessment, did not calculate more than annual GDP by production and expenditure approach in current and constant prices. Quarterly GDP was not calculated or only on experimental basis. For those least developed NA systems, assessors have recommended the preparation of a result-oriented operational plan for the enlargement and improvement of NA. In a number of other NSIs, NA compilations were already much more developed. They produced and published annual and quarterly GDP in current and constant prices, a full sequence of accounts as well as institutional sector accounts, partly including financial accounts. Furthermore, supply and use tables as well as input/output tables were compiled and supplied. In two cases, the compilation of regional GDP has also been reported.

All NSIs make adjustments for the non-observed economy using internationally developed methods. In a few cases, however, it was explicitly mentioned that the estimations of the non-observed economy are not sufficient and need improvement. In some of the reports, it is stated that the statistical basis has shortcomings and needs improvement, in particular enhancing coverage and consistency of economic statistics. One example is the coverage of activities of individual entrepreneurs.

In a large majority of the assessed NSSs, GFS is produced and disseminated by the Ministries of Finance, in a few others by the NSIs on the basis of administrative data of the Ministries of Finance. NSIs are using GFS data for the compilation of GDP and of government accounts in the system of NA. As a rule GFS is produced following broadly the GFS Manual 1986 of the International Monetary Fund (IMF), and most of the data is calculated on cash and not on accrual basis. Only one producer of GFS data reported explicitly that GFS Manual 2001 has been implemented. For one country it is reported that GFS data is compiled on a modified cash basis and in a mixture of the 1986 as well as the 2001 GFS Manual, and that GFS Manual 2001 will be used from 2012. Others report that introduction of GFS Manual 2001 is planned.

CPIs are calculated and disseminated by the NSIs in all assessed NSSs. Calculations are generally in line with international standards and recommendations and are mostly well developed. In some of the European countries, methods used are in some aspects already close to the Harmonized Index of Consumer Prices (HICP). Improvements of the CPI calculations are nevertheless necessary in some respects, e.g. imputed rents for owner occupied housing is mostly not included or adjustments for quality changes of goods are not or not sufficiently taken into account.

3.3 Business Statistics

Regarding business statistics I analyzed the results of the AGAs in the fields of business register, structural business statistics (SBS) and short-term business statistics (STS).

All but one NSI maintain a statistical business register. For the one NSI which did not at the time of the AGA, it has been underlined in the report that there is an urgent need to establish a statistical business register apart from the existing administrative register. As far as the existing statistical business registers are concerned, it is stated in all AGA reports that their quality is not satisfactory to fulfill sufficiently their role as the sampling frames for business surveys. The main problems in many countries lie on the one hand in the large numbers of non-active enterprises in the register, on the other hand in small enterprises such as individual entrepreneurs who are often not well represented. Further deficiencies are incorrect information on the economic activity and the addresses, in a few cases a lack of comprehensive information on turnover and employees, etc. For the improvement of the business registers it is necessary that full access to all administrative data including tax data is given to the statistical offices. In a few countries, the implementation of a business census for the improvement of the business register has been considered.

All assessed NSIs produce and disseminate a large volume of structural and short-term business statistics data. In some countries, mainly the European potential candidate countries, there is a clear intention to implement the integrated European system of structural and short-term business statistics. However, at the time of the assessments, implementation had not yet been started or only recently been started. In the very few cases where surveys based on European regulations had already been carried out, it was stated in the reports that data quality needs further improvement. The situation in the area of business statistics in the other countries is rather complex and it is not easy to bring it to a common denominator. Some NSIs have a rather sophisticated system with monthly, quarterly and annual surveys. Surveys are partly exhaustive and cover a variety of different sectors of the economy. Some of the indicators produced correspond to concepts of European regulations while others are linked to previous practice or national needs. For other NSIs, it has been reported that they are currently not producing typical short-term indicators or only to a very limited extent, e.g. the main output in short-term business statistics is the index of industrial production, which is calculated on a monthly basis. Altogether it appears that in most NSIs there is a need for a transformation towards a clear system of structural and short-term business statistics, based on a business register of high quality.

3.4 Agriculture Statistics

The importance of agriculture is reflected in the statistical programmes of the assessed NSSs. Data are collected in a great variety of ways, mainly by the NSIs, but at least in one country a major part of agriculture statistics is collected by the Ministry of Agriculture. Many of the surveys in agriculture statistics are still exhaustive and efforts are made by many NSIs to shift the focus from exhaustive statistical surveys to sample surveys.

The quality of agriculture statistics depends heavily on the quality of the sampling frames of the surveys, which should be farm registers of high quality. At the time of the assessments, only very few farm registers existed, and these were not in good shape. In many of the assessed NSSs, however, agricultural censuses had been planned for the near future; partly censuses were scheduled and may still be scheduled for 2014. In a few other countries agriculture censuses had been conducted between 2005 and 2011. Nearly all NSIs reported that the results of the agricultural censuses should be used to establish farm registers of all agricultural producers. Only an agricultural census provides a valid description of the target universe of farms at the time of the census date. Attention has then to be given to identify sources that allow the farm register to be updated regularly. A few NSIs reported that it was not decided whether the planned farm register should be an administrative register, which can be used for statistical purposes, or if it merely should be a statistical register.