

Press Release

ESGAB: Strengthening the European Statistical System necessary and possible

ESGAB's 2023 Annual Report makes 28 recommendations to strengthen the European Statistical System

Today, the European Statistical Governance Advisory Board (ESGAB) published its 2023 Annual Report, which, as required by EU law, assesses the implementation of the European Statistics Code of Practice (CoP) in the European Statistical System (ESS) as a whole. It concludes that the production of European statistics overall demonstrates a good level of implementation of the Code. However, it also assesses that there are important areas where the implementation of the CoP is not as strong as it could and should be, and it ought to further improve. To improve this, it presents recommendations structured around six (6) areas. They are aimed at 1) strengthening professional independence, impartiality, and objectivity; 2) promoting statistical system development; 3) ensuring access to administrative and privately held data sources; 4) improving resource availability and management; 5) enhancing quality assurance of statistical processes and output, and 6) improving user orientation and responsiveness.

"I am convinced that the recommendations made in ESGAB's 2023 Annual Report, if implemented throughout the ESS, will significantly help the ESS to produce high-quality official statistics in the European Union, now and in the future, in full conformity with the principles and the spirit of the European Statistics Code of Practice", summarizes Aurel Schubert, Chair of ESGAB. "This will strengthen trust in these statistics and enable them to serve as a public good, for society as a whole and all the different user groups."

In assessing the implementation of the European Statistics Code of Practice in the European System (ESS) in its 2023 Annual Report, ESGAB considers the implementation in a dynamic and forward looking way, to make the ESS fit for the future. It concludes that the evolving environment of the data ecosystem will pose increasing challenges to the implementation of the CoP. Thus 'novel' challenges add to 'traditional' ones. ESGAB sees a need to improve the implementation of the CoP in various parts of the ESS—whether Eurostat, National Statistical Institutes (NSIs) or Other National Authorities (ONAs)— and their respective institutional environments. For this, it presents in this report 28 concrete recommendations.

Improvements are needed in the areas of **professional independence**, **impartiality and objectivity** affecting various statistical producers in the ESS. Challenges need to be addressed by those in control of the legislative framework and the various institutional setups within which European statistics production takes place and who also take discretionary actions that can affect the work of official statisticians. Appropriate legal frameworks and institutional setups need to be put in place at both EU and national levels if the CoP is to be fully implemented.



There is a need for amended legal frameworks and institutional setups regarding procedures for recruitment/dismissal of heads of statistical producers and their responsibilities. Statistics-centred criteria in recruitment and transparency in recruitment/dismissal of such heads, as well as their sole responsibility for statistical decisions and for all matters regarding the internal management and budget execution of the statistical producer are key. Activities outside the production of statistics that may involve, or give the appearance of, conflicts of interest should be barred. When producers of European statistics are part of policy institutions, laws should specify that their status differs in fundamental ways from that of other parts of these policy institutions. Explicit consideration should be given to the optimal institutional setting for a given European statistics producer and conclusions reflected in laws and institutional settings.

To help address challenges posed by the discretionary actions of actors in the institutional environment, independent national bodies that monitor compliance with the CoP regarding the institutional environment for NSIs and ONAs should be established by law in all Member States. In addition, the political Commitments on Confidence in Statistics (CCS) should be strengthened by amending the European statistics law, Regulation (EC) Nr. 223/2009, to strengthen the rules for formulating CCSs, and by recasting the existing CCSs.

Further **development of the ESS**, both at the national and the European level, is essential to ensure compliance with all the principles of the CoP. To improve coordination and cooperation within a National Statistical System (NSS) legislation should be strengthened with regard to coordination and supervision of all ONAs by the NSI. In addition, the division of tasks between NSIs and ONAs should be reviewed and optimized, and NSIs should make available to ONAs national quality guidelines for European statistics and monitor their implementation. There should be analysis of risks of data stewardship before adoption of the latter as well as analysis of existing and emerging risks to statistical confidentiality.

To advance development at the ESS level, there should be amendment of Regulation 223 on access to private data and to data sharing within the ESS with Eurostat in a leading role, on Eurostat's appropriate handling of concerns for the quality of statistics, and on the coordination functions of Eurostat, as ESGAB recommended in its 2022 Annual Report.

At the national level, ESGAB sees across the ESS a wide variety of often inadequate ways of accessing administrative and privately held data. It believes that long-term sustainable access to administrative data sources for NSIs (and ONAs if they follow the CoP) should be unambiguously enshrined in national laws across the ESS and the seniority of these provisions over conflicting laws be ensured. Similarly, laws should allow NSIs and Eurostat access to and use of privately held data for statistical purposes with data protection ensured. Record linkage for precisely defined and well-documented statistical purposes should be granted under the law, while protecting statistical confidentiality. ESGAB sees a need for sustained cooperation between European statistics producers and academic and research institutions and for a European Research Institute for Official Statistics (ERIOS).

ESGAB sees an urgent need for endowing European statistics producers with **adequate resources** and for ensuring their efficient and effective employment. Retaining and attracting staff with appropriate skills and expertise, developing new IT systems, and leveraging these investments at the national as well as the ESS level, as well as deploying resources to research and cooperating with academic



institutions are necessary in the new data ecosystem with its opportunities and intense competition. Development of new statistics, accessing new data sources, setting up modern data platforms, customisation of statistical products, improvements in timeliness require more resources than are currently being made available.

To enhance the **quality** of European statistics further, there is a need for consistent compliance of both processes and outputs with the quality requirements of European statistics and reinforced regularity and coverage of quality reviews throughout the NSS. Information on the quality of outputs and processes of European statistics should become more accessible and proactively promoted to the public.

Official statistics producers must achieve greater **user orientation**. For this, ESGAB encourages ESS members to review their communication and dissemination approaches to adequately serve all the different groups of users according to their diverse information needs, levels of statistical literacy, and preferred channels of information access. They should engage in more systematic discussions with users through permanent consultative bodies to identify users' information needs. Access to microdata must be facilitated for accredited researchers, in full respect of statistical confidentiality. Statistical literacy initiatives should support the distribution and reception of official statistics. Official statistics producers should offer possibilities of regular and unbiased feedback from users, through surveys at both national and EU levels.

Furthermore, to be professionally independent and maintain credibility, it is important for ESS members to respond publicly to criticisms of validated statistics as well as to misuses of European statistics they produce, also to discourage further cases in the future. Moreover, to ensure impartiality, ESGAB reiterates that all users should have equal access to statistical releases of any European statistics producer at the same time, without exceptions, and this should be provided for by law. Until this is achieved there should be full transparency in the statistical publications concerned.

In conclusion, ESGAB firmly believes that decisively making progress in the six areas identified in this report would strengthen the European statistics 'brand' in a highly competitive and fast evolving data ecosystem. In this environment, the European statistics 'brand', as principles-based that provides independent, impartial, and highly reliable statistical information about the European Union, is essential and must be reinforced, both for the common good in the EU and for the continuing relevance – even persistence and survival – of European statistics in the face of competing sources of information.

The 2023 Annual Report is available on ESGAB's homepage.

Further information about <u>ESGAB</u>, the <u>European Statistics Code of Practice</u>, and the <u>European Statistical System</u>.