

## Opinion

### of the European Statistical Governance Advisory Board (ESGAB) concerning the forthcoming Data Act proposal

Official statistics are the basis for decisions at political, business, household and individual levels in Europe. In addition, they are a prerequisite for informed debate and an antidote to fake news.

Official statistics are widely based on information from surveys, questionnaires and administrative data, imposing burdens and costs on respondents and statistical offices and lack of timeliness and constraints of coverage on users of statistics.

Access by providers of European statistics<sup>i</sup> to new sources of privately held data, often associated with digital activities, holds out promise of reducing costs, improving timeliness and enhancing coverage of statistics.

During the pandemic, many national statistical institutes and central banks have on an ad hoc basis gained access to different datasets of this nature and, consequently, been able to inform in close to real time about economic and societal developments relevant for dealing with the pandemic, such as mobility patterns. This has happened at very limited costs. The value of this effort and the contribution by businesses have also been acknowledged at political level.

Against this background, ESGAB attaches great importance to the Data Act establishing permanent paths of access to such datasets by statistical institutes and central banks as providers of European statistics.

Access can take many forms, including outright transfer of data, exchange of algorithms, and remote access regimes, and the choice of form should reflect costs for enterprises and statistical institutes, commercial value of data, and the need for statistical institutes to integrate new data with other datasets, to provide richer statistics. Institutional arrangements need to be established that, on the one hand, favour the common good of high-quality statistics and, on the other hand, protect enterprises against perceived risks of high costs and leakage of proprietary data to competitors.

Producers of European statistics need to recognise such fears even though history shows their strong track record of protecting data and of efforts to minimise costs to information providers.

The new data sets will also prove extremely important for socially valuable research such as the scientific evaluation of policy measures. Therefore, the producers of European statistics should set up appropriate modes of access to these data to external researchers. These modes of access need not only protect the identity of individuals, households and enterprises as it is the case for 'traditional' data sets. They also need to take the commercial value of data in the digital economy and the data security concerns of the private data owners properly into account.

Giving producers of European statistics access to new sources of data does not come free for the enterprises concerned. Both set-up costs and on-going costs are involved. At a societal level, however, these costs are low compared with the gains from better statistics and from alleviating other statistical reporting burdens affecting the business sector, for which, by public policy decision, no compensation is paid. This needs to be kept in mind when considering appropriate financing structures for data access.

Overall, the emerging digital economy will provide a rich source of data that needs to be harnessed for the production of official statistics which, at the same time, needs to accommodate justified concerns by private data owners.

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<sup>i</sup> In the EU, two systems, the European Statistical System (ESS) and the European System of Central Banks (ESCB) develop, produce, and disseminate European statistics, within their respective spheres of competence but under separate legal frameworks reflecting their corresponding governance structures.