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OPINION

of the European Statistical Governance Advisory Board (ESGAB), concerning professional statistical independence and staffing resources in the Hellenic Statistical Authority (ELSTAT)

The European Statistical Governance Advisory Board (ESGAB) is very concerned about the situation in the Hellenic Statistical System and the effect it is having on public confidence in Greek statistics and European statistics as a whole. ESGAB has been monitoring the situation in Greece particularly closely, after sizeable revisions to the government's deficit and debt statistics were published in November 2010. These revisions were needed to address methodological weaknesses and unsatisfactory technical procedures in the National Statistical Service of Greece, the General Accounting Office and the Ministry of Finance.

Much has been achieved since 2010 to improve the situation through the collaboration of the Greek authorities and the European Commission (Eurostat). ESGAB welcomes the progress that has been made and the fact that since November 2010, the Greek government's deficit and debt statistics have been published by Eurostat without reservation. However, despite this progress, ESGAB continues to be concerned that the measures now in place to strengthen the Hellenic Statistical System are still being undermined by a lack of resources and pending legal cases. These concerns have been raised by the Good Practice Advisory Committee (GPAC)¹ and were referred to in an ESGAB Opinion² in March 2015.

The third GPAC report, published in January 2017, states that the number of staff in ELSTAT, at 70% of the 2010 level, is 20% below the minimum level required for the delivery of the statistical programme³. This significant shortfall implies that Greece does not comply with Principle 3 of the European Statistics Code of Practice, which requires that sufficient resources should be available to statistical authorities to meet European Statistics requirements⁴. Concrete action needs to be taken quickly to address this shortfall. ESGAB therefore urges the Ministry of Finance to implement the initiatives put forward by GPAC concerning staff recruitment and a more flexible organisational structure in ELSTAT.

The responsibility for taking decisions relating to statistical methods, standards and procedures lies solely with the President of ELSTAT and is stipulated in the law establishing ELSTAT as an independent authority⁵. However, professional statistical independence is undermined by the fact that the President of ELSTAT, and senior officials acting on the authority of the President,

¹ <http://www.statistics.gr/en/good-practice-committee>

² <http://ec.europa.eu/eurostat/web/esgab/opinions>

³ <http://www.statistics.gr/en/good-practice-committee>

⁴ <http://ec.europa.eu/eurostat/web/products-manuals-and-guidelines/-/KS-32-11-955>

⁵ Law no. 3832 (amended), Article 14: <http://www.statistics.gr/documents/20181/42f49b16-cab6-41c2-89ce-97ad4329c2e4>



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can be personally liable for paying the costs of defending their professional decisions if these are challenged in court. It is absolutely crucial that such officials should have the confidence to be able to take professional decisions without the fear, or threat, of expensive legal action. ESGAB finds this situation very disturbing, as a President of ELSTAT may at some point have to take professional decisions which are politically controversial. ESGAB therefore strongly endorses GPAC's recommendation that senior officials of ELSTAT should not have to pay the legal costs of defending their professional decisions in the courts. This change would send out a clear signal that the Greek government is putting into practice its commitment made in 2012 to guarantee and defend the professional independence of ELSTAT⁶. In this regard, ESGAB notes that there is a plan to legislate for State indemnification of the ELSTAT President and calls for this to be executed and implemented as soon as possible.

At the current time, long-running legal proceedings are in fact under way, against the former President of ELSTAT and two senior colleagues, for allegedly conspiring to artificially inflate the 2009 government deficit figures. Disappointingly, these legal proceedings, which are widely considered to have a substantial political context, have dragged on without a clear conclusion since 2011. The longer these proceedings take, the greater the damage to the credibility of the institutions tasked with upholding public confidence in Greek statistics. GPAC, the European Commission⁷, the International Statistical Institute⁸, the Royal Statistical Society⁹, and more recently the American Statistical Association¹⁰ have all expressed their strong concern about the ongoing legal battle and its effect on public confidence in Greek statistics.

Paradoxically, while legal proceedings are under way against three officials who the European Commission considers to have properly implemented European statistical standards, no legal action has been taken by the Greek government to bring to account those responsible for the misreporting, during two different periods, of Greek deficit and debt data, which was detected following the transmission of revised figures in 2004 and 2009¹¹. This lack of action not only sends out the wrong message to all those who may have manipulated, or who might seek to manipulate, official statistics in Greece; it also reinforces the perception that administrators and politicians are not taking the implementation of professional statistical independence sufficiently seriously and reflects unfavourably on the European Statistical System as a whole. The professional independence of statistical authorities is the cornerstone of good statistical governance. The Greek government now has in place the necessary legal and administrative instruments to assure professional independence, but this is not enough. The stated commitment of the government to secure adequate and stable resources, and to guarantee and defend the professional independence of ELSTAT, must now be seen in practice.

⁶ <http://www.statistics.gr/documents/20181/c5b9264e-815e-4f74-9955-467d14cad474>

⁷ <http://ec.europa.eu/eurostat/web/ess/-/european-commission-calls-on-greek-authorities-to-defend-independence-of-elstat>

⁸ <https://www.isi-web.org/images/news/2016-09/ISI%20Statement%20on%20Greece.pdf>

⁹ <http://www.rss.org.uk/Images/PDF/influencing-change/rss-Letter-John-Pullinger-Karolos-Papoulias-Greek-statistics.pdf>

¹⁰ <http://www.amstat.org/asa/files/pdfs/POL-ASALetterRegardingAndreasGeorgiou2017-03-27.pdf>

¹¹ [COM\(2010\) 1 final "Report on Greek Government Deficit and Debt Statistics \(p. 6\)"](#)