

# ESGAB Annual Report 2017

## Executive summary and recommendations

This year's Report focuses on the importance of good governance to maintain and increase trust in official statistics, accessing administrative and privately-held data, and the practical challenges of coordinating National Statistical Systems (NSSs). It further reviews how well Eurostat and National Statistical Systems are implementing improvement actions arising from recommendations in ESGAB's previous reports and in the reports from the last round of peer reviews. The Report also looks back over the first nine years of ESGAB's existence, describing how ESGAB's role has evolved over this period, the issues which the Board has raised and the lessons learned for the future.

The Code of Practice is a key tool for building trust in official statistics and should be widely promoted as a mark of quality at national and European levels. It is particularly important that the Principles of the Code, and the associated indicators, are highly visible to EU citizens. Therefore, the Code should be given prominence on the websites of Eurostat and NSIs. Furthermore, references to the Code in statistical outputs should become standard practice within the European Statistical System (ESS).

There is some concern that the transposition of the new European Regulation on General Data Protection<sup>1</sup> into national legislation could be a source of difficulties for some countries if the specific requirements of statistical work and the existing right of access to administrative data for statistical purposes are not taken into account. This is an issue which National Statistical Institutes (NSIs) should follow closely and, when possible, they should be actively involved in the transposition process.

Where data are provided by private sector organisations for the compilation of official statistics, access to the data needs to be sustained over time. Also, it should be possible to check the methodology on which the data are based as well as their quality and security.

The coordinating responsibility of NSIs established in amended Regulation (EC) 223/2009 has triggered a new dynamic for the implementation of coordinating methods and procedures in most Member States. However, changes in the organisational structures are still required in many countries. In particular, teams producing European statistics in Other National Authorities (ONAs) should be clearly identified and differentiated within the organisation and should be staffed by individuals endowed with the necessary professional qualifications for their statistical work. Furthermore, the government should provide these units with enough resources to allow for the production of statistics in full compliance with the Code of Practice.

If the dissemination of statistics produced by ONAs is via their press offices, there is a risk that the image of independence and impartiality of the NSS could be significantly damaged. An alternative dissemination strategy, using a common national web interface (implemented and updated by the NSI) to publish European statistics, was followed last year by some EU

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<sup>1</sup> Regulation EU 2016/679 on General Data Protection

countries. This development is very welcome and other countries should be encouraged to follow this dissemination pattern.

The quality of the data published outside the ESS can influence the credibility of European statistics. This is particularly true for the statistics that enjoy wide coverage in the media. ESGAB therefore suggests that Member States extend the coordination task of NSIs to other national statistics in the near future.

ESGAB strongly welcomes the current work on the revision of the Code of Practice to keep up with the changing landscape of European statistics, and hopes that the revised Code will be finalised by the ESS Committee soon. ESGAB recommends that a third peer review exercise, based on the revised Code, should take place by 2020.

Establishing the cost of statistical products is important in order to assess the relative demand on resources of different statistical products and to provide a basis for setting future priorities. In its 2015 and 2016 Annual Reports, ESGAB recommended that NSIs and Eurostat should improve their cost accounting systems and provide estimates of the costs of producing European Statistics. ESGAB is pleased to see that progress is being made in this area and recommends that the cost calculations for the main categories of statistics are based on a harmonised approach across Member States.

ESGAB welcomes and strongly supports NSIs' efforts to successfully implement improvement actions that are dependent on a decision by a separate government body and/or by the national Parliament. ESGAB is of the opinion that the establishment of Commitments on Confidence in Statistics would be the best solution to address some of the improvement actions required to ensure compliance with the Code of Practice, in particular the actions which depend on authorities outside the NSI.

Over ESGAB's first nine years, the Board has put a strong emphasis on professional independence and the coordination of statistics at national and European level. ESGAB is now firmly established and well-recognised within the ESS. While the Code of Practice provides a sound framework for good statistical governance, monitoring compliance with the Code is, and will remain, an essential task within the ESS in order to maintain confidence in European statistics and in European statistical authorities.

## 2017 Recommendations

**2017/1** Eurostat, National Statistical Institutes and Other National Authorities responsible for producing and disseminating European statistics should give more prominence to the Code of Practice as a quality mark on their websites if the Code is not already clearly highlighted on their main web pages.

**2017/2** Eurostat, National Statistical Institutes and Other National Authorities should refer to the Code of Practice as a matter of routine in press releases that relate to published statistics, where this is not already the case.

**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 Other National Authorities from accessing administrative data for statistical purposes at the required level of detail.

**2017/4** Where data are provided by private sector organisations to Eurostat, National Statistical Institutes or Other National Authorities, 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.

**2017/5** Eurostat and National Statistical Institutes should openly inform the public about their privacy and data security policies.

**2017/6** Producers of European statistics in Other National Authorities 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.

**2017/7** In accordance with the Code of Practice, the Heads of National Statistical Institutes should ensure that Other National Authorities release statistical publications in an impartial manner that allows clear differentiation from political statements.

**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.

**2017/9** In light of the fact that a revised Code of Practice 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 Code should be assessed in a third peer review exercise by 2020.

**2017/10** Eurostat should work with National Statistical Institutes to develop a more harmonised approach to the method of calculating the cost of European statistics by main categories of statistics.

**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 Code of Practice, in particular those which are still open because further progress depends on authorities outside the National Statistical Institute.