



## **ESAC Opinion on the draft Work Programme 2023**

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## General recommendations

The draft 2023 Work Programme (WP) has been submitted to the ESSC on 28 April. This is the third annual work programme for European statistics under the Single Market Programme 2021-2027 (SMP).

The structure of 2023 WP is the same as in the previous years, presented in the three annexes that systemically consider important measurable phenomena for European policies and, ultimately, to improve the life of European citizens.

The 2023 WP for European Statistics has to take into account the two years of the COVID-19 crisis and the uncertainty concerning its evolution, and the implications of the Russian invasion of Ukraine on the European economy and society. Both are huge external shocks with potentially different outcomes across the EU. The impact of climate change will also have to be considered in conjunction with these shocks. Under these circumstances, Europe has to take important and fast decisions and the 2023 WP must be the primarily tool for the development, production and dissemination of European statistics as the basis for accurate, informed decisions in the EU.

The topics considered by ESAC in the 2023 WP and further detailed below are: Impact of the Russian invasion of Ukraine on the EU; Impact of the COVID-19 crisis on health and social-economic activities of EU; The Recovery and Resilience Facility; European Green Deal, Climate change and digitalisation; European regional statistics; Communication and dissemination of statistics; Statistical literacy; Modernisation of European statistics; Modernisation of labour market statistics based on businesses; Third round of Peer Reviews.

ESAC congratulates Eurostat and the European Statistical System (ESS) for the high-quality statistics delivered in this difficult period, despite the restrictions imposed by the COVID-19 crisis and the recent shocks mainly caused by the Russian war on Ukraine.

As a general consideration, ESAC underlines that official statistics needs to develop new tools to collect, analyse and disseminate statistical information that quickly allows reacting to external shocks such as those of the last years regarding the pandemic, the war on the border of Europe, and climate change, that produce different effects across EU.

ESAC emphasises that in a time like this where “uncertainty” is very relevant, it is important to quickly collect the right statistical information on the impact of these “continuous” new crises in order to take anticipated and informed decisions.

ESAC also understands that the timeliness of the statistical information is becoming the most significant element for a good social-economic European governance. This implies that data helping official statistics to fulfill the need for timeliness for the national and European interests should be quickly available.

The crises generated by the COVID-19 pandemic and by the Russian invasion of Ukraine suggest the following general recommendations:

- (i) ESAC considers it is still important that the European Statistical Recovery Dashboard introduced in 2020 and reinforced in 2021 and 2022 will be further improved in terms of coverage, functionality, and timeliness in the 2023 WP. The users represented by ESAC found this tool very useful and welcome the further developments as announced by Eurostat.  
However, ESAC suggests that the WP should have a dedicated space and operative structures, as suggested last year, to immediately react to acute crisis situations, identify relevant available information, collect new data if needed, and ensure comparability organising and coordinating activities with common dissemination.

For example, following the Russian invasion of Ukraine the large impact on European citizens can already be observed, but a dashboard with structured statistical information on this crisis is not yet available. Rapid access to new microdata collected is also key for researchers who play an important role in analysing the impact of these crisis situations.

- (ii) ESAC suggests that the ESS activities should support policy-making and public debate to overcome the negative effects of the pandemic and the war on the border of Europe. ESAC appreciates that its request for the previous WP to produce statistics in support of the Recovery and Resilience Facility has been taken into consideration. The Recovery and Resilience Facility aims at mobilising investment and frontloading financial support in the first years of post-COVID-19 recovery. The evolution of this work, that ESAC recommends, should include the identification of a package of indicators among those produced, or to be produced, and tools that should be useful for the Recovery and Resilience Facility, in order to quickly allow to describe the situation ex-ante the actions of the Facility; produce the data for the monitoring, and realise the ex-post analyses;

ESAC has recently given an opinion (ESAC/2022/01) on the data sharing for the regular development and compilation of official statistics that we wish to reiterate here:

*ESAC wishes to recommend to the European Parliament and the Council, during the negotiations of the Data Act proposal, that the conditions for B2G data-sharing as foreseen by the proposal are at least not made even more restrictive and, on the contrary, that the co-legislators could explore ways to relax these conditions in the direction of a sustainable data-sharing framework for regular development and compilation of official statistics (for B2G data sharing to become operational even if limited to exceptional situations in the context of the Data Act);*

*Alternatively, if the Data Act regulation will remain insufficient for a sustainable data sharing framework for the regular development and compilation of official statistics, ESAC recommends supporting the need to amend Regulation (EC) 223/2009 on European statistics, in order to address the issue of access to privately held data there. Indeed, this would be coherent with the current Data Act proposal that allows for the modification of sectoral legislation.*

## **Recommendations on key areas of the programme**

ESAC wishes also to give advice on specific topics of relevance for the users represented in the Committee:

### **1. Impact of the Russian invasion of Ukraine on the EU**

ESAC strongly recommends identifying all statistical information to evaluate the social and economic consequences of the Russian invasion of Ukraine.

Statistics on how Ukrainian refugees, as well as other refugees, integrate into the Union in terms of health, education, employment, social inclusion, housing, and active citizenship are certainly needed.

Energy statistics on prices, and the energy dependency of the EU on Russia, have to be monitored continuously.

ESAC sustains special attention on reporting statistics on international protection for the year 2022 in 2023.

## 2. Impact of COVID-19 on health and social-economic activities in the EU

The statistical evaluation of the prolonged health crisis and its impact on health, economic and social development due to the COVID-19 pandemic is still a high priority topic for ESAC. Timely data assessing economic recovery and sustainable development are still necessary. ESAC welcomes the proposal in the WP 2023 to further modernise social statistics with a reinforcement of the role of the indicators.

## 3. Recovery and Resilience Facility and the impact of inflation

ESAC welcomes that its request for the previous WP to produce statistics in support of the Recovery and Resilience Facility (RRF) has been taken into consideration. At present, the new shock due to the Russian invasion of Ukraine and the high level of inflation have produced a new negative impact on the economic and social outlook. Thus, ESAC recommends identifying a more complete package of indicators among those produced, or to be produced, that allow describing the situation ex-ante for the actions of the Facility; producing the data for the monitoring and realising ex-post analyses, and understanding how the RRF plan has been affected by the additional shock of the war at the border of Europe. It will be equally important to carefully monitor the impact on the nature and inequalities of the growing inflation that might challenge both the recovery and the European Green Deal objectives. ESAC also supports the ambition of the Commission expressed by Vice President Dombrovskis to introduce a more territorially oriented method of monitoring in the RRF Scoreboard when possible.

## 4. European Green Deal, climate change and digitalisation

The new economic situation of high energy costs and the European dependence on Russian oil and gas poses new challenges for the European Green Deal and official statistics.

The coverage of statistical needs is even more complex, since the European Green Deal affects many economic sectors. In this context, ESAC considers the prioritisation of the needs even more important. The dashboard "Statistics for a European Green Deal" presented on the Eurostat website is a good example on how to prepare and disseminate relevant data in a concise form.

ESAC welcomes the special focus on statistics on the environment, transport, innovation and experimentation, research, health, population, skills, disability and accessibility, agriculture, use of pesticides, and waste.

## 5. European regional statistics

ESAC welcomes the continuous growth of statistics to support territorial development policies providing timely and complete statistical indicators on regions, cities, and rural areas to monitor and evaluate the effectiveness of territorial improvement. For ESAC, granularity is an important issue to take into consideration. This is essential to provide support for the commitment made by the Commission in the 2022 work programme that "*Territorial impact assessments and rural proofing will be strengthened, so that the needs and specificities of different EU territories are better taken into account*". Furthermore, it will be essential to provide sufficient statistical support to operationalise the "*Do not harm to Cohesion*" principle as expressed in the 8th Cohesion Report.

## 6. Communication and dissemination of statistics

ESAC suggests using different dissemination channels to improve the communication and dissemination of statistics according to the typology of users. ESAC welcomes that Eurostat's

social media presence will be further developed and interactive digital publications and dashboards with statistics and data related to the Commission's headline ambitions will be promoted. Consideration could be given to promoting these dashboards and tools more, e.g. through the NSIs.

ESAC underlines that the use of visualisation tools is increasingly important in order to attain even less technically experienced users and suggests the translation into all EU official languages of some thematic visualisation tools.

## 7. Statistical literacy

ESAC recommends that the improvement of statistical literacy for the public at large is an important activity in the WP 2023. ESAC considers the improvement of statistical literacy for a public-at large a crucial issue, therefore the inclusion of actions for achieving this are welcome, as well as the development of a measure to monitor the level of statistical literacy across all EU countries.

ESAC welcomes that the Eurostat website will be further reviewed and suggests that appropriate interfaces will be offered to meet the expectations of modern and different types of users. ESAC also considers that the conventional presentation of metadata should be complemented with a simpler version in order to facilitate the understanding of the indicators by a wider public (including the non-expert users).

## 8. Modernisation of European statistics

ESAC fully welcomes the progress in the modernisation of the production of European Statistics as reported in the WP 2021, WP 2022 and now continued in the WP 2023. ESAC confirms the recommendation to the ESS to heavily invest in innovative methods of data collection and trusted smart statistics methods including Artificial Intelligence (AI) and methods for Big Data analysis.

ESAC suggests that the modernisation process of the ESS should move in two directions. Firstly, to move experimental statistics of the NSIs after the period of experimentation into production, while reporting on the (possible) limits of validity. In addition, the ESS has to invest more in methodologies and tools of statistical learning for decision making and natural language processing. The second direction that ESAC suggests is to move the ESS towards systematic collaborations with European universities for research and training in accordance with the European Master in Official Statistics that has to be better valorised in this regard.

ESAC welcomes that in Eurostat, a special focus is given also to the IT field. The development of trusted smart statistics and innovative experimental statistics has to be supported by an IT infrastructure that allows the interoperability of information systems for the exchange of data and metadata in the ESS.

ESAC agrees that exploiting new technologies and new data sources will continue to figure among the main challenges.

## 9. Modernisation of labour market statistics based on businesses

The public consultation on the modernisation of labour market statistics based on businesses (LMB) has just ended and ESAC would like to comment on some issues raised in the consultation.

In the structure of earnings survey (SES) and the labour cost survey (LCS), the extension of the survey coverage is discussed. Regarding the extension of the survey coverage to enterprises with less than 10 employees, ESAC points out that additional burden is difficult to

bear especially for small enterprises. Therefore, for the LCS such an extension should be reconsidered. The relatively small contribution of small enterprises to the total sum of labour costs does not justify the high burden of the extensive questionnaire on labour costs. For the SES, ESAC is in favour of measures to reduce the burden on small enterprises, such as a reduction in the question schedule, higher aggregation levels or weaker accuracy requirements. In both surveys, reducing the periodicity from 4 to 2 years, the additional benefits cannot outweigh the increase in costs and burden.

Regarding gender statistics, the gender pay gap (GPG) is one important indicator. So far, the focus is mainly the unadjusted GPG. However, supplementing the unadjusted GPG indicator in the survey years of the SES with an adjusted GPG indicator (Leythienne, Perez-Julian, Gender pay gaps in the EU, Working Paper 2021, KS-TC-21-004) would highlight different aspects of the topic and yield additional insights.

#### 10. Third round of Peer Reviews

ESAC welcomes that Eurostat will continue implementing the third round of peer reviews in the ESS in close cooperation with NSIs, as well as the current cycle of quality reviews of Eurostat's statistical processes and output.