



**ESAC Opinion on
the Draft Strategic Priorities
for the European Statistics Annual Work
Programme 2019**

General comments

The Annual Work Programme (AWP) 2019 is the second annual work programme under the extended European Statistical Programme (ESP) 2018-2020. At the same time, the AWP 2019 should look ahead and embrace demands and opportunities beyond 2020.

It is appreciated that the strategic priorities for the AWP 2019 are underlining measures to keep European statistics as the primary source of relevant and trusted data for users at European, national, sub-national, and regional levels. Here the quality of official statistics is crucial. That some additional resources are available to realise the AWP 2019 is good news too.

The modernisation of statistics is important and there are major projects and processes going on in many statistical domains to achieve the efficiency and effectiveness of statistical processes. More attention could be paid to collaboration, coordination and harmonisation, because these actions would not only provide cost savings at European and national levels but also allow for comparative statistics at European and even global levels.

It seems that the priority 'People's Europe' is missing from the draft strategic priorities proposed. We need statistics on the main areas where the citizens are the centre of interest. These statistics are those which empower citizens' engagement and participation. Enhancing statistical literacy would support developing the priority of 'People's Europe'.

1. Political Context

When describing how Eurostat is going to meet user's needs, the Code of Practice is mentioned. The Code of Practice has recently been revised and it would be helpful to know in which fields of statistics the new elements will be taken into account.

It is mentioned that timeliness will be promoted. Could Eurostat provide information about how this aim is intended to be achieved (methodological approach, increased human resources, combination of human resources and reorganising working methods etc.)? An increasing call for shortening the deadlines of data transmission is very much supported provided that it does not put data quality at risk or unduly increase response burden.

While it is important to address the statistical needs of EU citizens and policy-makers, the specific statistical needs of journalists, who have an important role in informing public opinion, should also be taken into account.

2. Cross-cutting Priorities

Dissemination and communication of statistics

Developing innovative open data dissemination services is a step in the right direction. So is taking user-orientation as a point of departure in developing the Eurostat website.

In addition, the planned actions concerning myth-busting and fact-checking are very much welcomed. Although in Annex 2 some ideas are listed, more information is needed on how these actions would be implemented. Easy access to data (e.g. user-friendly databases for non-experts), the needs of potential users (i.e. current non-users) and tailored data for media should be taken into account.

Also, with regard to the ESAC Opinion on the draft strategic priorities of the European statistics Annual Work Programme 2018 (ESAC doc. 2017/18), it is important to include actions that promote statistical literacy. Statistical literacy is an ongoing process, particularly in schools. In order to have more inclusive societies and more reliable statistics, the focus of the actions should not only be Eurostat users, but also those who do not yet use statistics (or not 'aware' users, who are, however, potential respondents). Relevant actions would aim to provide a better understanding of their profile, and would measure the impact and outcomes of policies to promote statistical literacy.

Methods and IT solutions for production of statistics

The development of more timely and disaggregated statistics across domains is much appreciated. So is the goal of harnessing multiple data sources. Here though, it could be mentioned that an important aim is to advance the geocoding of statistics and the integration of statistical and spatial sources.

Supporting skills for current and future statisticians

This section is important and should refer also to the promotion of statistical literacy among users.

3. Priorities Related to Key Policy Areas

The user needs, information requirements and development measures described in section 3 of the draft strategic priorities are well-founded. Many of the expected achievements rely upon the major modernisation processes across the statistical domains, such as better and enlarged use of administrative data sources, and achieving a full breakthrough of integrating statistical and spatial data sources.

Economic Governance and Economic and Social Performance

As there already exists a large set of statistical indicators, it is important to specify which statistics should be developed and how Sustainable Development Goals are taken into account in this area.

ESAC welcomes the planned work on satellite accounts for education and training. To achieve the aim of providing information for skills and human capital, detailed data concerning professions and industrial sectors should be provided. Training in the business sector has to be taken into account as well. A (cross-country) monitoring of education-related employment behaviour would be a key element of a European labour market policy.

Collaborative Economy

ESAC welcomes the planned new initiatives to assess the size of the 'Collaborative Economy'. However, the current placement of this initiative under the 'Business statistics' heading suggests too narrow a focus afforded to this potentially very important exercise. In its current shape, the work programme risks limiting the focus to the economic impact of the 'Collaborative Economy' on businesses in the traditional economy. It thus omits the impact on work and employment conditions for individuals. Therefore, we suggest broadening the focus to include issues such as the extent of work in the 'Collaborative Economy', the characteristics of workers engaged in the new forms of work, the nature of the work, its advantages and disadvantages, and consequences for working conditions and the quality of working life. The 'Collaborative Economy' is a subject of labour market statistics and should be taken into account in relevant surveys (e.g. the labour force survey).

More information on the planned actions is required, e.g. what is the exact definition of the 'Collaborative Economy' (which industries are included?), consideration of legal decisions, sustainable access to data, data quality, etc.

ESAC recognises that the Commission Communication from 2016¹ uses the term 'Collaborative Economy', which describes an exchange between individuals, stemming from initiatives based on peer-to-peer networks and participation of a community. However, such a narrow focus does not fully reflect new developments related to the emergence of online labour markets where matching labour demand and supply is done through profit oriented businesses (internet platforms, intermediaries, apps), and where risks are disproportionately shifted onto workers, while profits are not shared equally. What is more, the term 'Collaborative Economy' suggests an inherently positive character of these new phenomena, which is not helpful for evidence-based policy debate. Instead, terms such as 'crowd work', 'crowdsourcing', 'gig economy' or 'platform economy' allow for a much wider focus and are a more appropriate description of these new business models.

Economic globalisation

In general, further work on statistical information on economic globalisation is welcomed by ESAC. However, priorities should be set according to the methodological advances of the individual projects. For example, more methodological work on global value chains still has to be done. Also, the concept of

¹ <http://ec.europa.eu/DocsRoom/documents/16881>

business functions and their relationship to and their advantage over the classification of economic activities is not exactly clear. Within the concept of business functions the distinction between core and supporting functions is questionable because some supporting functions like marketing or distribution may well constitute the core function of some enterprises. Furthermore, the mainly qualitative questions make it difficult to draw quantitative conclusions about the importance of international sourcing in the economy and make it difficult to relate the results with analyses based on International Trade or Input-Output-Statistics.

Similar methodological concerns apply to the EuroGroups Register, where further improvements in the Member States are necessary.

In addition, it is very important both for users and producers of statistics, that cross-country and ESS-ESCB cooperation be improved, including collaboration on the early warning system, the treatment of multi-national enterprise restructuring cases, and the profiling of enterprise groups.

Business Statistics

Concerning the Framework Regulation on European Business Statistics (FRIBS), ESAC welcomes the Commission's aim of further improving the consistency, quality and harmonisation of European business statistics, in particular by providing fit-for-purpose statistics to formulate and monitor Union policies that affect businesses, while keeping the reporting burden on these businesses to a minimum.

In this context, ESAC welcomes the proposed improvements in the overall availability of information for the services sector in the context of 'short term statistics', particularly as the frequency of the provision of such data is to increase from a quarterly to a monthly basis.

ESAC proposes that Recommendation ESRB/2016/14 of the European Systemic Risk Board, which concerns the closure of real estate data gaps, should be reflected in the construction data required and their breakdowns. In particular, the data need regarding construction starts and completions as well as vacancy rates should be addressed by including them in the proposed regulation.

The point on the closure of real estate data gaps, mentioned above, is a more general one. Given the growing importance for economic and, in particular, financial stability analyses, there is a good case to be made for upgrading efforts to increase data availability on commercial property markets.

It is of paramount importance that Balance of Payment (BOP) and International Investment Position (IIP) statistics remain internally coherent and comprehensive. It is in the interest of the overall quality of European BOP and IIP statistics produced by the ESS and the ESCB, particular quarterly international trade in services statistics, that the consistency between Regulation (EC) No 184/2005 and Guideline

ECB/2011/23 be preserved. Close cooperation between the ESCB and the ESS must be ensured when defining, amending or updating such requirements, as well as all other business statistics requirements (e.g. to address data needs in the field of 'globalisation') that would directly or indirectly affect the compilation of BOP and IIP statistics.

The possibilities provided with the implementation of FRIBS, in particular the use of the exchanged microdata, is not only seen as an important opportunity to reduce the burden on importing enterprises but also as a big step forward in the modernisation of the European Statistical System.

In general, the redesigning of the innovation survey (CIS) is positive and therefore welcomed by ESAC. However, it is not clear if the planned modifications will improve data quality; for some variables these measures will result in breaks in time series (e.g. innovation expenditures or the expansion of some questions addressed to all innovators).

Regarding the data transmission – is a shortening of the deadlines intended? If yes, a careful analysis of the impact on the quality of data is required, particularly regarding the turnover volume, as estimates would have to be used because of lack of availability of SUS/SBS data.

Concerning the statistical pilot projects (innovation activities), which are planned for 2020, more details are needed.

Migration statistics

It will be very important to improve efforts to promote the added value of high quality migration statistics. The relevant action points agreed in the Budapest Memorandum of the 103rd DGINS Conference are:

"2. To continue efforts to 'mainstream' migration-related topics in a wider range of social and economic statistics...These efforts should also target the provision of data, including statistics on longitudinal aspects, which further support the analysis of the integration of migrants and their descendants in their destination countries.

3. To support and promote efforts to develop and implement common population and migration-related definitions, in order to further harmonise and standardise migration statistics across the ESS. This should take into account the need to establish concepts and definitions that are statistically sound, relevant and applicable in the face of new emerging types of migration and the growing use of administrative data sources.

4. To support the identification, assessment and adoption of new methods and data sources, particularly the increased use for statistical purposes of administrative data sources of appropriate quality ensured through ongoing quality assessment – either single registers, linked data from several administrative sources or combined with survey sources, and the opportunities offered by new data sources (e.g. Big Data). These efforts include, where

appropriate, implementation of the outputs of the ESS Vision 2020 ADMIN project. Administrative registers for migration statistics should be subject to regular and sustainable quality assurance measures; the statistical use of data and the improvement of data quality should be part of the register purposes.

5. To promote access to administrative data sources for statistical purposes, to support high quality national registers, which would in particular support the development of migration statistics as requested by users and stakeholders."

Pursuing the modernisation of social statistics

The measures presented in this section correspond very well to earlier opinions and recommendations of ESAC. This is appreciated because developing statistics and establishing new production systems are multi-annual tasks.

Developing new statistics is certainly important, though challenging from many aspects. In order to largely benefit from developing new statistics, thought could be given to innovation (maybe utilising Horizon 2020) and innovation through co-creation (innovative partnerships in the ESS and beyond; involving users and various stakeholders, such as academia representing various sciences and interesting actors in the new information market).

Improving and integrating data and indicators for monitoring the circular economy and SDGs in an EU context

High quality data on environmental statistics form an important basis for an effective environmental policy. To minimise the burden on respondents, appropriate administrative data and existing surveys should be used before new surveys are established. The strengthening of the cooperation with other organisations is a further instrument to reduce response burden and is therefore supported by ESAC.