COMMISSION DECISION

of 2004

adopting the Financing Decision for the Statistics Programme for strengthening institutional capacity, to be funded by the Transition Facility

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession 2003, in particular Article 34 thereof,

Whereas:

(1) Pursuant to Article 75 of the Council Regulation (EC) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, commitment of any expenditure shall be preceded by a financing decision adopted by the Commission.

(2) For grants and contracts in connection with sectoral programmes, the adoption of a work programme according to Article 110 of the Financial Regulation can be considered, pursuant to Article 15 of the internal rules for implementation of the 2004 budget\(^1\), to constitute the financing decision as defined in article 75 of the Financial Regulation, provided that it defines a sufficiently precise framework.

(3) Article 34 of the Act of Accession provides the possibility of granting a temporary financial assistance, the Transition Facility to the new Member States to address the continued need for strengthening institutional capacity in certain areas through actions which cannot be financed by the Structural Funds.

(4) The actions funded by this Decision in the area of statistics, are eligible for funding according to Article 34(2) of the Act of Accession.

(5) Pursuant to Article 34(4) of the Act of Accession, the Transition Facility is implemented in accordance with Article 53(1)(a) of the Financial Regulation.

\(^1\) SEC(2004) 120 of 11.3.2004
The measures provided for by this Decision are in accordance with the opinion of the Committee on Aid for Economic Restructuring in certain countries in Central and Eastern Europe, rendered on 08/10/2004.

HAS ADOPTED THIS DECISION:

Article 1

The Commission approves a Financing Decision for an amount of € 9.0 million as Transition Facility to finance the activities set out in point 4.5 in the Annex.

Article 2

1. Contracts covered by the Financing Decision shall be signed no later than 15 December 2005.

2. The deadline for execution of contracts shall be 15 December 2007.

Article 3

1. The programme will be implemented by the European Commission according to article 53.1 (a) (centralised implementation) of Council Regulation (EC, Euratom) Nr. 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Commission (the Financial Regulation: FR)

2. The programme will be sub delegated to Eurostat for implementation. Eurostat will be responsible for launching tenders, call for proposals, signing grant and other contracts and carrying out payments.

Done at Brussels, […]

For the Commission

[…]  
Member of the Commission
FINANCING PROPOSAL 2004
TRANSITION FACILITY MULTI-BENEFICIARY PROGRAMME
FOR STATISTICAL INTEGRATION

1. IDENTIFICATION

PROGRAMME: Transition Facility
CRIS: 2004/016-835
YEAR: 2004
COST: € 9.0 million
IMPLEMENTING AUTHORITY: European Commission
EXPIRY DATE: 15 December, 2005 (contracting)
15 December, 2007 (execution of contracts)
SECTOR Code: 16362
BUDGET LINE : 22-03-01
PROGRAMMING AND IMPLEMENTATION: Mr Van Maele (DG Enlargement),
Mr Wurm and Mrs Junker, Eurostat (in sub-delegation)

2. SUMMARY

2.1 The purpose of the multi-country Transition Facility Statistical Integration Programme is to integrate the new Member States further into the European Statistical System, to adopt and implement new acquis and to considerably improve the quality of data in key statistical areas.

Beneficiary countries will thus be Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic and Slovenia.

The current Financing Proposal is based on a strategic document developed in early 2003 outlining the main challenges in statistics for the period 2003-2006 and solutions to face them. It has been developed in a long discussion process, together with all intervening parties: beneficiary countries, Member States, other donors and international organisations.

2.2 The objectives of the Transition Facility programme for statistical integration are:

- To further process of integrating the beneficiary countries’ National Statistical Offices (NSOs) into the European Statistical System (ESS) by strengthening the institutions of National Statistical Offices (NSOs) and their co-ordinating role of the statistical system in the country;
- To support the building and improvement of administrative capacity of the NSOs enabling them to better meet the needs of their users with particular emphasise on areas of new and evolving acquis;
- To strengthen the confidence of users in statistical information by intensifying the efforts to improve the quality of statistical information.
2.3 The Programme will support the agencies responsible for collecting and disseminating official statistics in the beneficiary countries, referred to here as the National Statistical Offices (NSOs).

2.4 The principal activities will consist of the implementation of common sectoral pilot projects in several key areas. The entire emphasis for the beneficiary countries will be on the compliance with new acquis requirements and on improving considerably the quality of statistical data. In particular the programme addresses the following items:

- Implementation of common sectoral projects corresponding to data production for new and/or evolving acquis communautaire;
- Improving the data quality through a set of appropriate specific small-scale projects.

Project work encompasses activities such as workshops and meetings for transfer of methodology, specific statistical advice, pilot/test data collection, assessments, drafting of inventories and reports, training, traineeships and dissemination of statistical data. Common projects will address common weaknesses mainly relating to new and changing acquis requirements and be implemented by a majority of countries whereas the specific small-scale projects will address particular weaknesses in a given statistical area in only a few countries. After the implementation of these projects the beneficiary countries will have an improved capacity to implement new acquis requirements in selected key areas and confidence in the statistical output of the NSOs will have increased.

Further details of these activities and projects together with the outputs expected to be achieved are presented in section 4 and Annex 2.

2.5 An independent external evaluation of the 1999, 2000 and 2001 Multi-Beneficiary Phare programmes was carried out by the EMS Central Office during 2003. The evaluation confirms that the statistical programmes were well designed, well implemented and well monitored at programme and project levels. Recommendations made in the report and corrective actions identified will be followed through into this Programme.

2.6 The Commission will be responsible for the Programme, with Eurostat taking delegated management responsibility from DG Enlargement for the implementation of the programme. The implementation of the activities will be the subject of grant contracts awarded to the National Statistical Offices (NSOs) of the Beneficiary Countries for a maximum amount of € 8.0 million. The remaining amount of approximately € 1.0 million will be committed through service contract(s) following a call for tender as defined in the Financial Regulation.

3. **Strategy**

3.1 Reliable statistics are essential for developing, managing and monitoring the effect and the status of implementation of Community policies.

They are a key infrastructure component of a market economy, to assist the design of relevant and well-targeted national and local policies aiming at promoting in a mutually reinforcing way competitiveness, employment and
social progress and sustainability. Statistics, which are credible and trusted by citizens and the media, give transparency to democratic processes.

3.2 Since several years statistical co-operation programmes were essential to ensure that relevant and timely data was available to support the enlargement process, and to assist candidate countries in their efforts to comply with the statistical requirements of membership. Multi-beneficiary programmes focussed on the common interest of NSOs in acquiring standard European skills and methodologies.

3.3 A Strategy Paper entitled “Strategy for statistical co-operation with Accessing and Candidate Countries for the period 2003 - 2006” was developed in early 2003, involving all the stakeholders into its discussion and final design. This paper analysed remaining problems and identified objectives for a four year period, with a particular emphasis on the full integration of the new Member States into the ESS in a mid-term horizon.

3.4 The present Financing Proposal is a direct result of the strategic reflections summarised in the document attached hereto in annex 4, and this second phase of the 2003-2006 statistical programme builds on the achievements of the previous programmes. After the implementation of this programme the countries involved will have achieved as a result a greater extent of integration into the ESS. They will have improved their capacity to provide statistical data in accordance with the new or evolved accquis requirements. Finally, the quality of data will have considerably improved in selected statistical areas and public confidence into them will be increased.

3.5 Continuous support for statistical integration is, however, necessary during the remaining period to support the full integration of the New Member states into the European Statistical System and to introduce more widely quality aspects into the statistical systems.

3.6 Previous programmes have proved very successful and result oriented in using the multi-country approach. For reasons of economy of scale, synergy and co-ordination effects, the timing aspect and better co-ordination of all the stakeholders, the multi-country approach is most appropriate for this statistical integration programme and can thus not be replaced by a set of national programmes. However, existing national programmes for the New Member states will complement the activities implemented within the Multi-Beneficiary Programme.

3.7 Multi-country statistical co-operation programmes have achieved visible results in the past. The new Member States are now in a position to provide statistical information according to the accquis requirements in almost the same scope and timeliness as the old Member States. Co-operation programmes have greatly contributed to this achievement. The current integration programme will yield further results related to the new accquis requirements and data quality.

4. OBJECTIVES AND DESCRIPTION

4.1 The objectives of this 2004 Multi-country Transition Facility Statistical Integration programme are in line with the long term strategic approaches as laid down in the “Strategy for statistical co-operation with the acceding and candidate countries for the period 2003-2006”. The Programme’s overall objectives can be summarised as follows:
1. To further the process of integrating the beneficiary countries’ NSOs into the European Statistical System by strengthening the institutions of the NSOs and their co-ordinating role of the statistical system in the country;

2. To support the building and improvement of administrative capacity of the NSOs enabling them to better meet the needs of their users with particular emphasis on areas of new and evolving acquis;

3. To strengthen the confidence of users in statistical information by intensifying the efforts to improve the quality of statistical information.

Priority areas of work should correspond to areas of weakness, including those identified within recent assessment reports and data availability studies as well as during previous programme implementation.

4.2 To meet these objectives, the immediate objective for the 2004 Multi-Country Transition Facility Statistical Integration Programme will be to:

- improve the production, collection and dissemination of statistical information in line with Community methods in certain key areas related to new acquis requirements (see project descriptions in annex 3)
- improve the quality of statistical information in given statistical areas.

4.3 This Transition Facility Statistical Integration Programme is based on a multi-annual (2003-2006) indicative approach. It is the second of four annual programmes and will provide support to common sectoral pilot projects and specific small-scale projects.

It will aim to achieve the following specific results:

- Increased production of statistical information in areas covered by newly adopted or recently evolved acquis, including the publication and dissemination of these statistics.
- Increased coverage of high quality data in Eurostat’s databases.
- Increased level of integration into the European Statistical System and its planning structures.

4.4 The activities to be undertaken aim to increase the capacity to produce comparable data related to new acquis requirements and to disseminate statistics in specific areas and will be sectoral projects of a pilot nature.

These projects will normally include an assessment of the state of art in the area concerned with special emphasis on the quality, specific statistical assistance and training on the project to assist in the development of appropriate techniques, test data collection and publication and dissemination of results. In all cases, they focus on applying EU standards in areas of newly adopted or recently evolved acquis or improving the quality of existing statistical information.

As far as appropriate, pilot surveys will also be used to collect data. Such data collection projects will employ a common methodology, conform to EU standards. They will produce results in the form of useful or high quality statistics in priority sectors within a relatively short time period. The areas chosen are in direct relation with newly adopted acquis communautaire and will support general EC policies.
4.5 The common pilot projects selected under the 2004 Transition Facility Programme and the estimated resources allocated to each activity are presented in detail in annex 3. They shall cover the following areas:

**Macro-economic statistics**
- Evaluation of GNI inventories
- Improvement of quarterly national accounts
- Quality improvements for the Harmonised Consumer Price Index (HICP)
- Setting-up Foreign Affiliates Statistics (FATS)

**Innovation statistics** (Implementation of the 4th Community Innovation survey)

**External trade and INTRASTAT** (Improvement of data quality)

**Business statistics**
- Improvement of the quality of the business register
- Improvement of SBS data quality
- Implementation of the Survey on Vocational training in enterprises
- Improvement of data quality of the Principal European Economic Indicators (PEEI)
- Improvement of data quality in certain areas of transport statistics

**Social statistics**
- Improvements in data quality stemming from the Time use survey
- Quality improvement in Unemployment statistics
- Improvement of quality for Labour cost and earning statistics
- Improvement of quality and availability of Migration statistics
- Implementation of the European Core Health Interview Survey (ECHIS)
- Improvement of statistics on causes of death

**Agriculture, environment and regional statistics**
- Quality improvement for Meat statistics
- Quality improvement for Milk statistics
- Improvement of data coverage for Local territorial units
- Quality improvement for Water statistics
- Quality improvement for Waste statistics

In addition to these common projects, specific small-scale projects will be implemented. A number of proposals exist for specific topics in the area of national accounts, regional statistics, business statistics, social statistics, household statistics, agriculture statistics and others. Test data collection and improvement of data sources as well as methodological studies and improvements will be important elements of these specific small-scale projects aiming mainly at improving the data quality. No support will be given to routine operations and care will be taken to avoid any duplication of funding sources.
Priority areas for common pilot projects were identified by Eurostat in close collaboration with other services of the Commission. Criteria for selection are their relevance to the newly adopted or recently changed acquis, the quality of the existing statistics, and the relationship with the *acquis communautaire*. Project proposals are confirmed by the beneficiary countries in order to receive their commitment for participation.

Proposals for specific small-scale projects were initiated by the beneficiary countries themselves and agreed in principle with Eurostat. They are meant to accommodate differences in weaknesses between the countries for some very specific areas. These projects mainly address data quality issues, which are topical in the various countries in different areas.

Appropriate project related activities will be selected for support. These may include measures like:

- **Project workshops and meetings.** Participation should allow obtaining a common view on the methodology to be applied for the given project, to assess its progress during the course of the project and to evaluate its success at the end of a project.

- **Project related training.** The aim is to acquire and improve knowledge either on new or recently amended methods and trends or for the production of high quality statistics.

- **Project driven statistical assistance** to cover specific needs for project implementation. This assistance will be provided by the NSO of a Member State with relevant and well developed experience in the field usually for one or two specialists from the beneficiary country. The assistance is rendered for specific problems and shortcomings in a given project that exist for a single country.

- **Support to project related test/pilot data collection or inventories and reports:** This activity will support the beneficiary NSO to implement a pilot survey within a pilot project or a small-scale project to either produce data related to new acquis requirements or to improve the quality of existing data.

For the common pilot projects and the specific small-scale projects, priorities are based on their relevance to the *acquis communautaire*. Each country will provide a medium term strategic plan, outlining their plans in relation to the projects. From these plans, annual work plans outlining specific objectives and tasks to be accomplished each year, consistent with medium term strategies, will be provided for discussion and approval by Eurostat prior to the use of these funds.

At least annual progress reports, outlining the implementation of the *acquis communautaire*, and reviewing achievements in the context of each annual plan, will be delivered by each NSO to Eurostat.

**5. Budget**

The Commission contribution to the Transition Facility Multi-Country Statistical Integration Programme will be € 9.0 million for 2004. The programme will expire on 15 December 2005 for contracting and on 15 December 2007 for execution of contracts. An indicative timetable, with a breakdown of activities and an indicative budget allocation, is given in the project descriptions in Annex 3.
Allocations for 2004 are planned as follows:

- **Common Pilot and sectoral projects**  € 8.275 million
- **Specific small-scale projects**  € 0.725 million

**TOTAL**  € 9.000 million

Co-financing for the purely Institution Building programme provided by the beneficiaries will be 2% by bearing certain infrastructure and operational implementation costs, through financing the human and other resources, required for the effective and efficient absorption of the transition facility projects. The amount is limited to 2% due the existing commitment of the beneficiary NSIs to implement the programme and due to the foreseen high amounts of grants in the programme.

5.3 The programme will be split into projects. To the extent possible the components will be implemented by awarding direct grants to the National Statistical Offices of the beneficiary countries. Direct grants are given based on the fact that all the NSOs of the beneficiary countries are THE institutions inside the public administration of the country being responsible for collecting, producing and disseminating official statistical information. The NSOs might be supported in this undertaking by other services of the public administration but the final responsibility for official statistical information lies with the NSOs. They have therefore, a de-jure and de-facto monopoly to carry out the statistical activities enshrined in the projects included into this Financing Proposal.

The award of these grants will be subject to an Award Decision by the Commission (College).

The following indicative amounts are set: direct grants, which will be awarded to the NSO will have a total maximum amount of € 8.0 million. The remaining allocation of approximately € 1.0 million not distributed through grants will be committed through service contract(s) to be awarded via a tender procedure following the rules of the Financial Regulation. The tender procedure is expected to be launched during the first half of 2005.

5.4 The programme is closely co-ordinated with the efforts of other supporting assistance programmes in the area to avoid duplication and ensure proper co-ordination.

6. **IMPLEMENTATION ARRANGEMENTS**

6.1 The programme will be implemented by the European Commission in accordance with the Financial Regulation (article 53 (1) a) (centralised implementation)).

6.2 The programme will be sub delegated to Eurostat for implementation. Eurostat will be responsible for launching tenders, call for proposals, signing grant and other contracts and carrying out payments.

6.3 The Management Group for Statistical Co-operation MGSC, where the management of each NSO meet normally once or twice a year with Eurostat, will act as a forum for discussing issues relating to statistical cooperation between the partner countries and the Commission.
6.4 All contracts must be signed by 15 December 2005.

6.5 Execution of all contracts must end by 15 December 2007. Budgetary commitments, which have not given rise to payments during three years counted from the date of the legal commitment will be de-committed.

7. **Monitoring and Evaluation**

7.1 The Commission services in charge of implementation of the programme (Eurostat) shall:

- Monitor the implementation of the programme on the basis of reports prepared by the Beneficiary countries;

- Organise assessment and evaluation reviews to provide better insight into the performance of the beneficiaries and the impact of the activities as appropriate;

- Sign contracts with independent experts, if appropriate, to follow the progress of the programme and its components and carry out an ex-post evaluation after completion of the programme or parts thereof.

7.2 In order to facilitate these activities, a detailed set of indicators of achievement will be defined according to the objectives and targets of the Programme (see Log Frame Matrix in Annex 1 and project fiches in Annex 2).

7.3 The information gained through the various evaluation mechanisms of Eurostat will enhance the public authority task of the Commission, Eurostat for the statistical part of the acquis, to report at least yearly upon the status of compliance of candidates with respect to the acquis communautaire.