

The EU statistical program for 2008-2012¹

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The European Union's statistical program for 2008-2012 builds on the previous program to include new fields, principally statistics on crime, the business activity of foreign affiliates, workers' skills, and measurement of innovation and globalization. But the driving force behind this planned regulation is the search for more efficient and better-quality processes and lower costs—for official statistical agencies and survey respondents alike.

As provided under European Union (EU) legislation (box 1), a multi-annual statistical program defines the guidelines, main areas, and objectives of planned actions for the production of "Community" (i.e., EU) statistics.

Source: European Community, 2007



Improving quality, meeting user needs more effectively, and keeping the statistical burden under better control

In fact, the regulations that govern EU multi-annual statistical programs explicitly mention European policy priorities as a justification for expanding given categories of statistics.²

These priorities may differ substantially from one five-year program to another.³ For instance, Article 2 of the 2003-2007 work program emphasized Economic

and Monetary Union, the European Union enlargement, competitiveness, sustainable development, and the Social Agenda.

The draft regulation for the 2008-2012 work program⁴ stresses economic aspects: prosperity, competitiveness, innovation, and growth. Social and demographic issues are not neglected either, with a focus on solidarity and human development, economic, social, and regional

cohesion, sustainable development, and demographic challenges. Lastly, the draft regulation lists security and further EU enlargement as areas to be covered.

As these priorities have been designated for the EU 2008-2012 statistical program, they should guide the expansion of the fields covered by EU statistics. The changes will be discussed in the section on "Innovations" below.

In addition to these adjustments in the scope of coverage, the 2008-2012 program introduces two major cross-cutting "policy" changes with respect to the 2003-2007 program:

– European Statistics Code of Practice. Promulgated in the European

Box 1: Legal basis of EU statistical program

The requirement for a European Community multi-annual statistical program stems from Article 3, Paragraph 1, of Council Regulation (EC) no. 322/97 of 1997, which stipulates that the program shall define the guidelines, main fields, and objectives of the actions planned for a period not exceeding five years. The Regulation constitutes the framework for the production of all EU statistics.

The development of a Community statistical program fits into the larger context of Article 285, inserted by the Treaty of Amsterdam (1997) in the Treaty establishing the European Community (Treaty of Rome). This article lays the new constitutional basis for Community statistics and defines the broad principles that should guide its foundation. It comprises two paragraphs:

- The substance of the first is that "the Council, acting in accordance with the procedure referred to in Article 251,⁵ shall adopt measures for the production of statistics where necessary for the performance of the activities of the Community."
- The second paragraph stipulates that "the production of Community statistics shall conform to impartiality, reliability, objectivity, scientific independence, cost-effectiveness and statistical confidentiality; it shall not entail excessive burdens on economic operators."

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1. Originally published as "Le programme statistique européen 2008-2012," *Courier des statistiques* (French series), no. 121-122, May-December 2007, pp. 23-26, http://www.insee.fr/fr/ffc/docs_ffc/cs121e.pdf. The text has been slightly updated and revised for this translation.

2. The first paragraph of Article 285 of the Treaty establishing the European Community justifies the inclusion, in regulations on EU multi-annual statistical programs, of an article setting out the main priorities of Community policies that should guide the program.

3. From the program regulations alone, it is not possible to conclude whether the differences in priorities reflect a policy choice by the EU or an implicit awareness of the lack of quality statistics in the fields concerned.

4. http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP_DS_ABOUTESTAT/PGE_DS_ABOUTESTAT_01/TAB_ESS/PROGR_QUINQ.PDF. This is the seventh consecutive five-year program.

5. I.e., in co-decision with the European Parliament: the latter must approve the related draft regulation in exactly the same terms as the Council, neither institution prevailing over the other.

Commission recommendations of May 25, 2005, the Code defines 15 principles tracked by nearly 80 specific indicators, to promote improvement in the quality of statistics in the European statistical system (ESS).⁶

– Reduction in the response burden. In keeping with an ever stronger political resolve,⁷ the draft regulation repeatedly emphasizes this objective. One aspects worth noting here is the re-engineering of business and trade statistics.

The introduction of the Code has had a direct consequence on the draft regulation for the 2008-2012 program. Article 3, entitled “statistical governance and quality” at this stage of the text's adoption procedure, stresses the need to apply the Code's principles to the execution of the statistical program. In particular, the Article highlights the necessity of establishing an institutional and organizational environment conducive to the efficiency and credibility of national statistical systems.

These two major changes—the European Statistics Code of Practice and the determination to reduce the response burden—should not conceal other cross-cutting aspects of the 2008-2012 program:

– Negative priorities. Already noted in the 2003-2007 program,⁸ the difficulty faced by the European statistical

system in meeting Community requirements is featuring ever more prominently in EU debates (box 2).

– Taking greater account of user needs. This should be achieved by improving communication with existing discussion forums and via

user surveys. A third approach will be to strengthen the role of the European Advisory Committee on Statistical Information in the Economic and Social Spheres (CEIES).⁹

– Access to microdata. To meet growing demand from researchers,

Box 2: The European debate on minimizing the statistical burden - “negative priorities”

The production of statistics to meet EU requirements is placing an ever greater burden on national economies. This development has been debated at EU level in recent years. Discussions have focused on what are called “negative priorities” (the statistical products that can be the first to be withdrawn) and the concomitant notion of “prioritization” (classifying statistical products by relevance and production cost, and assigning priority to the top-ranking products).

Ahead of the November 2004 Statistical Programme Committee (SPC), 14 countries responded to Eurostat's invitation to designate negative priorities. The resulting list includes the following items, among others: agricultural statistics, intra-EU trade (Intrastat), industrial production surveys (Prodcum), business statistics (short-term and structural), transportation statistics, national accounts (inclusion of illegal activities: unreported work, legally forbidden activities, etc.) and, to a lesser extent, tourism statistics, cultural statistics, and statistics on income and living conditions. These were simply suggestions, the vast majority of which were not adopted in practice.

The Ecofin Council of June 7, 2005, noted that the capabilities of national economies were limited: “Priority[-]setting in this respect would also need to be conducive to a reduced regulatory burden on respondents, simplified legislation and the freeing up of resources for new statistical developments.” The Council stated that “[r]elevance for EU and EMU [Economic and Monetary Union] policy[-] making should be the overarching benchmark for assessing future and existing European statistical requirements,” adding that “benefits and costs should be carefully balanced and reflected in the method and implementation details.”

At the February 2006 SPC, the working group on prioritization submitted a report recommending a method for evaluating statistical products. The method rests on three principles: user needs (chiefly at EU level), cost assessment, and criteria specific to official statistics (including linkage between the different dimensions of the concept of quality in the EU statistical system).

The Communication from the European Commission of November 14, 2006, adopted two lines of action for this strategic approach: simplification and priority-setting. It noted that this process “will be supported by an improved planning process involving closer collaboration with the Member States.” The document describes the priority areas for simplification that were being envisaged at the time: Intrastat, structural business statistics, Prodcum, re-engineering of business statistics, and agricultural statistics.

All these proposals and approaches culminated in the Community multi-annual statistical program for 2008-2012. For example, the concept of negative priorities is reflected in Article 4, entitled “Prioritisation, efficiency and flexibility,” which calls for the cost-effectiveness of statistical products to be taken into account. It asks for an “ongoing review of statistical priorities, with a view to making best use of available resources [...] and to minimising the burden imposed on respondents. Prioritisation shall aim at balancing additional costs and burdens for new statistical requirements¹⁰ by reducing statistical requirements in existing domains of Community statistics.”

Cost-benefit analyses should be undertaken for each statistical domain. Eurostat believes that these analyses would be relevant at detailed level and should chiefly concern the largest operations as well as new statistics.

6. See C. Madinier, J.-L. Lhéritier, and J.-P. Puig, “The introduction of a Code of Practice, pillar of the new statistical governance in the European Union,” in this issue, pp. 9-15.

7. In policy terms, the goal of increasing the competitiveness of EU enterprises involves a “reduction of the administrative burden on enterprises.” Official statistics must participate in this reduction effort.

8. “The ESS faces growing difficulties in meeting the statistical information needed to monitor the ever-increasing policy requirements of the Community. This arises both in previously determined Community policy areas (e.g. Euro, Agriculture, Regional Policy, External Trade, Transport etc.) where the statistical systems are well established, as in, more particularly, new policy domains.” http://eur-lex.europa.eu/LexUriServ/site/en/com/2001/com2001_0683en01.pdf.

9. An *ad hoc* draft regulation proposes that CEIES should be consulted on the statistical program.

10. New requirements will be subject to preliminary studies on their “financial” implications.

the draft regulation calls for the development of harmonized strategies and tools for accessing anonymized microdata (collected during the production of EU statistics).

– Quality label. Feasibility studies should determine whether procedures and standards for labeling EU aggregates can be introduced.

Innovations regarding tools and the statistical products to be developed

The draft program for 2008-2012 calls for the introduction of several “cross-cutting” tools. We shall distinguish here between full-fledged *statistical* tools and other types of tools. Statistical tools include the implementation of the new version of the EU classification of economic activities (known as NACE Rev. 2) and the establishment of an EU register of multinational enterprises. The second category includes *communication* tools such as the greater use of the Internet (for dissemination and for certain stages of EU statistical production) and the development of a data warehouse. Another tool that is not, strictly speaking, statistical consists in promoting technical cooperation. This should allow closer coordination among system participants in order to avoid duplication.

The multi-annual program aims to increase the efficiency of the production and dissemination of EU statistics. For example, it has introduced innovations in statistical procedures, such as an increase in exemptions from response requirements for small countries and a greater reliance on EU samples. The program also emphasized cooperative solutions through the expansion of ESSnets, centers of excellence¹¹ where small groups of experts from different countries are encouraged to develop technical tools to improve the work of all system participants.

The 2008-2012 program should address the increase in cross-cutting statistical requirements—such as structural indicators, sustainable-

Box 3: A multi-annual program that emphasizes burden reduction

The Community's multi-annual statistical program is a Regulation of the European Council and Parliament. It defines the guidelines for the development of EU statistics in the years ahead.

The multi-annual program is implemented via annual programs—defined in Regulations adopted by the European Commission—which describe the statistics to be produced in various domains.

Each domain is broken down into different statistical products. Because of the policy priorities discussed in this article, the statistics naturally cover a wide range of topics.¹² Consistently with the objective of the 2008-2012 program, Eurostat proposes tools and procedures for improving quality and efficiency in each domain and for each product.

But perhaps the most noteworthy feature of the entire text describing the annual program for 2008 is the emphasis on reduction of the statistical burden. For a large number of statistical products, the program explicitly contains a specific section outlining “actions that will simplify work and reduce the burden on Member States and/or respondents” in all statistical domains.

With the simplification of the Intrastat system,¹³ the most spectacular measure concerns macroeconomic statistics.

For demographic and social statistics, the use of existing administrative sources or, in some cases, estimates will be expanded for migration and asylum data. The possibility of conducting a single collection of crime data will be examined (the collection would be performed with the aid of the United Nations).

For business statistics, a number of required variables have been withdrawn from the new regulation on structural business statistics, which comes into effect in 2008. The MEETS (Modernisation of European Enterprise and Trade Statistics) project will place special emphasis on avoiding redundant data collection from businesses. The number of variables for maritime statistics has been reduced in step with the modernization of the Maritime Directive.

The same goal of reducing the collection burden prevails for agriculture (forestry and fisheries) statistics. The use of more standard collection methods and heavier reliance on administrative sources should lessen the response burden for businesses. Synergies will be sought between the various European Commission units that collect data on fisheries.

For multi-domain statistics, increased standardization of environmental indicators among international organizations should help to reduce the workload for Member States.

With regard to statistical tools, the most significant progress in burden reduction should come from the development of common standards for data and metadata management and transmission.

development indicators, and the monitoring of EU enlargement through the collection of statistics from countries that are candidates or pre-candidates to accession.

A review of specific statistical fields shows that the desired changes are consistent with the policy priorities listed in the first section of this article.

11. Formerly CENEX.

12. For example: improvement and creation of new indicators on crime; development of methods and specifications for pilot studies on *ad hoc* modules for structural business statistics; development of basic environmental statistics; and measurement of R&D internationalization.

13. The procedure for simplifying the collection of these statistics is a very thorny issue that is still under debate. In particular, some countries—including France—want a guarantee that the simplification will not degrade the quality of these data, which are crucial in a number of areas such as the balance of payments and national accounts.

The measurement of prosperity, competitiveness, innovation, and growth is clearly emphasized. Statistics on innovation, globalization and entrepreneurship are a key development objective for the multi-annual program. The need for a precise measurement of the use of new technologies remains as acute as ever. The introduction of FATS (Foreign Affiliate Trade Statistics) is presented as a driving force in the EU statistical system. At the explicit request of the European Parliament, which wants to have the means to better assess competition conditions, the draft multi-annual program contains a request for a comparison of transportation costs and their breakdown by component (taxes, duties, wages, etc.).

Solidarity and human development, economic, social, and regional cohesion, sustainable development,

and demographic challenges are among the drivers of the Community multi-annual statistical program. Accordingly, there should be greater emphasis on statistics on older workers. New information on local labor-market conditions will be encouraged. Statistics on labor-force skills, productivity, and breakdown by age category will be expanded, in cooperation with the appropriate EU political authorities. Statistics on health, safety at work, and disabilities will also be a priority. Statistics on culture and creative sectors will be consolidated. In parallel with the development or improvement of specific indicators, the environment will be the focus of research aimed at constructing an accounting framework for tracking its economic flows. Lastly, the program will place greater emphasis on migration and asylum statistics.

The measurement of security will be encouraged, with efforts focusing more specifically on crime and criminal-justice statistics. By contrast, the multi-annual program does not incorporate significant innovations

regarding statistics on further EU enlargement.

Emphasis on response-burden reduction starting in 2008

The Community's multi-annual statistical program is implemented via annual work programs that provide more detailed work objectives for each year and via specific legislation for major actions.

In keeping with the spirit of the 2008-2012 program described above, the 2008 annual work program¹⁴ calls for an extension of the scope of coverage of official statistics. It also contains plans to develop tools for improving quality and efficiency.

But perhaps the most remarkable aspect of the draft program for 2008 is the significant emphasis on reducing the response burden. For many statistical products, the program explicitly features a specific section on "actions that will [...] reduce the burden on Member States and/or respondents" (box 3). ■

14. http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP_DS_ABOUTESTAT/PGE_DS_ABOUTESTAT_01/TAB_ESS/2008-PROGRAMME%20EN.PDF