

Enhancing Credibility of European Statistics

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Structure of the presentation

- European Statistics
- Why is credibility important?
- Concept of credibility
- Credibility enhancing initiatives
- Impact of these initiatives on the main components of credibility and changes over time
- Conclusions

European statistics (ES)

- Relevant, reliable, comparable statistics for Europe and on Europe produced by the European statistical system (ESS) on the basis of European law (programmes, "statistical law" establishing general principles and specific sectoral legislation) and gentlemen's agreements
- ESS is a partnership between National Statistical Institutes (NSIs) and other statistical authorities in the EU and EEA/EFTA + Eurostat

ES/ESS challenges

- Complicated European context
- Public authority powers assigned to Eurostat vs partnership model – Excessive Deficit Procedure; Macroeconomic Imbalance Procedure (currently in the legislative process)
- Moving from cooperation to coordination (under the EU policies and rules)
- Increasing demands and substantially reduced resources

Why is credibility important?

- European Statistics (ES) are massively used for EU policy making
- Policy-making at European (and national) level applies numerical targets and threshold values with administrative consequences – statistical numbers are given a meaning and precision going beyond the traditional understanding of statistics (statistics replace a political debate)
- ES are at the heart of the new economic governance for (genuine) EMU

Concept of credibility

- Difficult to grasp
 - Power of inspiring belief and capacity for belief
 - Objective and subjective features
 - Key components: professionalism (expertise) and trustworthiness
 - Concepts, methodology, quality (scientific credibility)
 - Integrity
 - Independence
 - Transparency and accountability
- } Governance

Credibility enhancing initiatives

- Legislative: COM proposal to revise EC regulation on European statistics (2012), COM Decision on Eurostat (2012), COM proposal for a regulation on the provision and quality of statistics for the MIP (2013)
- Other: Communication on Robust Quality Management (2011), the revised Code of Practice and ESS quality assurance framework (2011), preparation of a new round of peer reviews (to be launched end 2013)

Quality

- A buzzword, everybody agrees
- Difficult to measure (indicators such as non-response rate, standard error and customer satisfaction do not reflect "total quality")
- Quality approaches developing in time – outputs, processes, organisations
- Fragmentation - until the adoption of the CoP – a milestone in the ESS quality management

Quality criteria of the statistical output

- OECD:** relevance, accuracy, credibility, timeliness (and punctuality), accessibility, interpretability, coherence (within dataset, across datasets, over time, across countries)
- ESS:** relevance, accuracy, timeliness and punctuality, accessibility and clarity, coherence (within dataset, across dataset), comparability (over time, across countries)
- ECB:** accuracy/reliability, methodological soundness, timeliness, consistency
- IMF:** prerequisites of quality, accuracy and reliability, assurances of integrity, methodological soundness, serviceability (timeliness and periodicity), accessibility, serviceability (within dataset, across dataset, over time, across countries)
- FAO:** relevance (completeness), accuracy, timeliness, punctuality, accessibility, clarity (sound metadata), coherence, comparability
- UNESCO:** relevance, accuracy, interpretability, coherence
- UNECE:** relevance, accuracy (credibility), timeliness, punctuality, accessibility, clarity, comparability (across datasets, over time, across countries)

Eurostat's approach(es) to quality

Fit-for-purpose paradigm

We distinguish between:

- General European Statistics subject to our standard quality management in full compliance with the CoP
- Special purpose indicators "with authority" with "audited" quality (quality assurance mechanism)
- Experimental/innovative statistics (sufficiently reliable for the given purpose e.g. political analysis)

Eurostat's approach(es) to quality – 4-level quality assurance

Continued

Level 1 = CoP: Principles (standards)

Level 2 = CoP: Indicators (how the standards can be demonstrated)

Level 3 = Quality Assurance Framework (what methods and tools can be used)

Level 4 = Process-specific quality assurance, adapted to the needs of the process (e.g. for government finance statistics)

Eurostat's approach(es) to quality

Continued

We consider statistics to be fit for purpose if methods are based on a broad consensus by the communities concerned: scientific, professional, political and results are sufficiently reliable for the intended purpose (adequate granularity, timeliness, accuracy, etc.)

Eurostat's approach(es) to quality

Continued

The broad consensus on methods is supposed to be achieved by:

- A clear definition of user needs including an understanding (and acceptance) of the political purpose
- A close dialogue between producers and users
- An open debate with the scientific community
- A targeted communication with the media

Independence

From scientific independence (in the production of statistics) enshrined in the Treaty to professional independence in the development, production and dissemination – principle of regulation on European statistics further elaborated in the CoP

Europe-wide legal standards and guarantees are necessary, but enforcement is crucial – recognition of co-responsibility of governments, monitoring by external bodies

Integrity

The underlying concept of the CoP

Pillars of integrity:

- Legality
- Equity
- Social legitimacy
- Justification
- Confidentiality
- Sincerity

Transparency and accountability

Minimum standards: reporting on compliance with the CoP and surveillance of Eurostat and ESS as a whole by ESGAB.

Accountability to parliaments as democratically elected bodies (regular statistical dialogues with parliaments, annual reports, financing)

Conclusions

- Values have always played an important role in the statistical profession, however credibility of official statistics is a permanent battle, often against perceptions
- Professionalism, governance and institutional factors have a significant influence on credibility of a statistical authority
- Credibility is enhanced by a reputation for good management, incl. burden of respondents and efficiency