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BOOK ON THE HISTORY OF THE CES

**CHAPTER 8: THE FUNDAMENTAL PRINCIPLES OF OFFICIAL STATISTICS: THE
BREAKTHROUGH OF A NEW ERA**

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1. 1989 was clearly one of the great turning points in the history of Europe and even of humanity. The in-depth changes in the economic, social and political structure of Central and Eastern European transition countries that began during the second part of 1989 have been described in detail in chapter VI. Most of these changes had important consequences, not only in the organisation of statistical systems, but also in the statistical paradigm itself.
2. In the former centrally planned economies, the statisticians' main duty was to check that the most important economic results were in accordance with the orientation given by the Central Planning Authority. To this end, statisticians were in charge of a huge national bookkeeping activity. Separate information was requested by the ministries in charge of economic sectors, while no real decision was taken at the level of the production units. After the fall of the Berlin Wall and the collapse of the communist system, the market-oriented system obliged a far greater number of people with economic and social responsibilities in society to take decisions. Such decisions implied the use of an adequate information system and, in particular, sound and relevant statistical information. Moreover, it was vital for statisticians to gain the confidence of the public in the information they were to produce.
3. In the early months of 1990, statisticians from Central and Eastern Europe were fully aware that it was not so easy to face this new challenge and to gain the indispensable trust of the public. They were looking for new references, new landmarks, to serve as a framework in which to fulfil their duties. Such references were maybe not so different from the strictly technical point of view, but were totally different where the conception of the statisticians' role in society was concerned. They recognised that economic and social statistics should be both legitimate and credible, i.e. they should include certain characteristics:

- Impartiality: they should be produced in an objective and independent way, removed from any pressure by political or other interest groups, particularly regarding the choice of techniques, definitions concepts and methodologies;
- Reliability: they should reflect as closely as possible the reality they represent; to this end, only scientific criteria should be used to select the sources, methods and procedures that are used;
- Relevance: statistics should be compiled only if they meet the recognised needs for a large variety of users;
- Transparency: official authorities in charge of the collection and production of statistics should also make public all information on the sources, methods and procedures, as well on the laws, regulations and measures under which the statistical system operates.

4. The essential confidence in official statistics of all categories of users can be reached only if all stakeholders accept certain good practices, so that suppliers of raw data respond favourably to the requests for information placed on them by statistical offices.

5. The CES Bureau decided to organise two main events before the meeting of the 38th plenary session of the CES held on 11-15 June 1990: firstly, a "Consultation" on 23 February, the purpose of which was "to initiate a process through which the Conference would ... re-consider its role" in the context of "the recent changes in the pattern of international co-operation in the region"; and secondly, a "transition workshop" on 21-23 May 1990. During these meetings, the need for stating "in transition countries fundamental principles for official statistics, applicable to all countries, and particularly needed" was pointed out. The Polish delegation proposed to prepare a draft for a "Statistical Convention" that was effectively presented during the 38th session of the CES (document CES/647). A working group was created, with Poland as lead country, and the participation of Bulgaria, France, Romania, Spain, Switzerland, Turkey, Eurostat and the International Statistical Institute (ISI). This group was asked to prepare a final document to be submitted to the 39th session of the CES, taking into account "relevant results obtained by other international institutions, in particular the work done by the ISI on ethical guidelines for statisticians". The working group was also asked to look carefully at the legal status of the document and to prepare accordingly "a text that would be located as high up in the hierarchy of instruments as possible, without necessarily being a legally binding instrument".

6. The working group met three times, in Paris on 13-14 September 1990, in Warsaw on 9-11 January 1991, and in Budapest on the occasion of the Seminar for NSO Presidents on 7-8 March 1991. This third meeting was very important since it proposed to draft the document in the form of a "Resolution" insisting on the fundamental principles more than on technical statistical tools, and asked a "drafting sub-committee" to try to present this resolution in the form of "Ten Commandments". The drafting subcommittee (Eurostat, France, Switzerland) met in Paris on 19 March 1991 and produced the document CES/702 that was endorsed with some amendments by the 39th session of the CES as the Fundamental Principles of Official Statistics in the Region of the ECE. While endorsing this document, the CES decided to ask its Bureau to present the document for adoption by its parent body, the UN Economic Commission for Europe, during its 47th plenary session in April of 1992 and recommended to governments of the member states of the ECE to create a fair juridical, institutional and budgetary infrastructures to provide the environment necessary to apply these principles.

7. The 47th session of the ECE warmly welcomed this resolution on 15 April 1992 and adopted it as its Decision C(47). During a follow-up seminar held in Jachranka (Poland) on 27-29 September 1993, Wilhem de Vries (CBS, the Netherlands) proposed to summarise the Resolution as follows:

- Principle 1: Relevance, impartiality and equal access
- Principle 2: Professionalism
- Principle 3: Accountability
- Principle 4: Prevention of misuse
- Principle 5: Cost-effectiveness
- Principle 6: Confidentiality
- Principle 7: Legislation
- Principle 8: National coordination
- Principle 9: International coordination
- Principle 10: International statistical cooperation

8. In looking at the "matters arising from the 47th session of the ECE", the 40th session of the CES "expressed its satisfaction with the approval of the ECE decision C(47)" and "reiterated its views that this decision can be considered as one of the major results of cooperation in recent years"; it "hoped that the decision would further strengthen the production of impartial statistics in the region" and "was of the opinion that decision C(47) is of universal significance". It therefore "expressed the wish that the contents of the decision be communicated by the Chairman of the Conference to the UN Statistical Commission and to the other Regional Commissions of the UN".

9. The Working Group on International Statistical Programmes and Co-ordination (a working group of the UN Statistical Commission) contacted the regional statistical divisions with a view to having ECE decision C(47) circulated to all countries in their regions and to obtaining their opinions concerning the possible application and usefulness at the regional and global levels of the principles set out in the decision. 61 countries replied to the round of consultations and all of them but two agreed with the ten principles, which meant that, with the 45 member countries of the ECE in 1993, more than 100 UN member countries were in favour of a declaration of principles and agreed with the "European" principles. In these conditions, the 16th session of the Working Group, held in Geneva on 13-16 September 1993, decided to submit the resolution to a special session of the UN Statistical Commission in 1994, with just a few amendments aimed at deleting any reference to the European context. The Resolution was adopted at the global level in April of 1994 in New York as the UN Resolution on Fundamental Principles of Official Statistics.

10. After the adoption of the Resolution by the ECE and the UN Statistical Commission¹, several other international or supranational organisations contributed to a strong endorsement of the principles by actively using them as a point of reference in their relations with their member countries as well as the terms of their multilateral responsibilities. Let's quote inter alia: IMF's SDDS and GDDS; the assessment of the quality of the statistical data available in the candidate countries for the recent wave of accession to the OECD by reference to the UN Principles; the chapter on Principles in the EU's Council regulation on Community Statistics adopted in February of 1997; the guidelines on good practices submitted to the 16th International Conference of labour statisticians convened by the ILO in October of 2000; the creation of the Consortium PARIS21 by the World Bank, the UNDP and the OECD in November of 1999, etc.

11. The Principles, as well as discussions on good practices, were organised in all regions of the world, including developing countries, during the past 10 years. Some national "charters" were adopted, such as the British Green Paper in 1998. The UN organised many seminars all over the world, for instance in Prague in March of 1998 or in Singapore in January of 1999, to discuss how to go from the Principles to Good Practices (and how to keep outsiders out of the systems!). A number of papers and articles were presented in seminars, conferences, congresses or were edited in statistical journals (see

¹ This part will be largely developed in the final text of the chapter.

Bibliography). The Ten Commandments are, ten years after their adoption by the ECE, a world reference that no government, no statistician and no citizen can ignore.

12. The transition towards a market economy was, of course, the major event in the world during the past 15 years. It not only took place in Central and Eastern Europe but also in many other countries such as China or Vietnam. Various other major changes are transforming our world at the dawn of the 21st century:

- The globalisation of the markets driven by the progress in transportation and communication technology, the liberalisation of trade, investments and financial markets and a change in enterprise organisation and strategy result in an interdependence of national economies. On one side, certain national instruments (e.g. fiscal and monetary policies) are becoming less effective and, on the other, certain domestic policies (industrial, social and environmental standards) are assuming an international dimension;
- A new conception of the role of the States: “less direct management, more regulatory activities”;
- In many parts of the world, economic (and sometimes monetary) and political integration areas have been created; of course the most accomplished area of integration is the European Community, but it is also the case in Asia, e.g. with the creation of the ASEAN, in Latin America with the MERCOSUR or in Africa with the UEMOA²;
- The rapid technological evolution, especially in the field of new information technologies and the increasing weight of the invisible services (intangibles);
- It is also increasingly clear that it will be impossible to reach sustainable growth only through means of economic growth, and that human development, respect of the natural environment and respect of democratic rights are equally important.

13. The consequences of these changes on the production and dissemination of statistical data are obviously very important. The UN Resolution on Fundamental Principles of Official Statistics has certainly played a major role in the implementation of these consequences.

ANNEX:

Text of the Resolution

BIBLIOGRAPHY:

to be prepared

² UEMOA: Union Economique et Monétaire Ouest-Africaine. Since this Union groups only francophone countries with the exception of Guinea-Bissau (lusophone), only the French acronym is used.