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EUROPEAN STATISTICAL COOPERATION

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INTRODUCTION

1. The construction of the European Union began in 1951, when the Treaty creating the European Coal and Steel Community (ECSC) was signed in Paris. This treaty led to free movement of coal and steel and free access to sources of production in France, Germany, Italy and the three Benelux countries. By 1953, the need for statistics to support decision making in this new Community was recognised and a first European statistical department was created. Over the ensuing years this grew into what is now called Eurostat.

2. By 1957, the ECSC had developed into the European Economic Community (EEC). The Treaty which created the EEC marked the birth of European legislation on statistics, making it possible to construct the vast body of Regulations and Recommendations governing statistics collected for a wide range of domains from Agriculture to Youth statistics, and known in 'Eurospeak' as the 'acquis statistique communautaire' or simply the 'acquis statistique'.

3. The EEC has changed beyond recognition since the early days, growing from six Member States to become the European Union with twenty-seven Member States in 2007. The world itself has also been transformed, with major changes in the way it trades and in work patterns, the growth in multi-national companies, and the rise in international trade in services – almost unheard of fifty years ago.

4. To meet these challenges, not least of which is globalisation, the European Statistical System has introduced a number of checks and balances to ensure that the statistics collected respond to user needs and that the data provided is conceptually sound, harmonised between Member States, consistent over time, reliable, and timely.

I. EUROSTAT'S MISSION

5. Today the mission of Eurostat can be stated simply: *to provide the European Union with a high-quality statistical information service.*

6. There are three main elements to this mission:

- *The concept of statistical service:* Eurostat's mission is not only to provide rough statistical data, but also to deliver all the elements necessary for their comprehension, their interpretation and their analysis. This includes delivering the "metadata" associated with the data (definitions of the concepts used, sources of information, methods of calculating, etc.), but also the tools set up to allow easy access to this data, in particular using modern communication technology.
- *The quality of the data:* it is a fundamental concern of Eurostat; that the data delivered meets certain minimum standards as regards quality. To this end, Eurostat drew up with the statistical institutes of the Member States a “**Quality Charter**” which defines these standards. In addition, Eurostat is committed to a policy of Total Quality Management, to permanently analyse and improve our statistical production processes.
- *The user community:* Eurostat's main users are the different services of the European Commission, who need harmonised, consistent and reliable data to help them to define, implement, follow-up and evaluate the Community policies for which they are responsible. But there is also a wider use community which needs harmonized and reliable data. This includes the other Community Institutions, in particular the European Parliament, the national and local administrations of the Member States, the wider business community, the media, and more generally European citizens. This wider interest is behind the policy of free access to Eurostat data via the Internet.

II. THE EUROPEAN STATISTICAL SYSTEM

7. Eurostat does not directly collect statistical information from the data providers (companies, households, etc.). This work is carried out by the national statistical systems. The close co-operation between Eurostat and the national statistical institutes and more generally with the national statistical systems, within what is called the European Statistical System (ESS), is an essential element in the production of European Statistics.

8. The ESS is a network made up of all the government bodies which, at the various levels (regional, national and European) are responsible for drawing up, processing and disseminating the statistical information needed for the analysis of the economic and social life of the European Union. The EU focal point for the ESS is Eurostat. It is Eurostat's role to bring together all the various bodies in the system and, taking account of feedback from the users, to channel the resources in an efficient manner. The National Statistical Institutes play a pivotal role in representing all the players in the ESS in their country, for example, ministries and government departments, such as the customs service, that collect statistics as part of their normal work

9. To function properly, this network is guided by a number of decision-making and consultation bodies. Of particular importance are:

- ***The Statistical Programme Committee (CPS)***: this Committee, which meets three times a year, is composed of the Directors-General or Presidents of the statistical institutes of the Member States and the countries of the EEA.
- The task of the SPC is the general co-ordination of the multi-annual statistical programmes, so as to ensure that the agreed programme is consistent with the national statistical programmes. In particular, the SPC has the duty to give its opinion on the relevance of the Community statistical programmes, how they are monitored and on the associated costs incurred by the Community, the NSIs and the providers.
- ***The European Advisory Committee on Statistical Information in the Economic and Social Spheres***: This committee is generally known by its French acronym, CEIES. It brings together a wide range of users of statistics, including those from outside the general government organisations. The task of CEIES is to give its opinion on the relevance of the Community statistical programmes, on the way in which they are monitored and on the associated costs incurred by the Community, the national statistical institutes and the providers.

III. THE EUROPEAN STATISTICS CODE OF PRACTICE

10. Underlying the work of the ESS is the European Statistics Code of Practice, which was adopted in 2005. The Code sets out a number of principles to guide the institutional environment, statistical processes and outputs of a statistical authority. It is intended to improve trust and confidence in the independence, integrity and accountability of both National Statistical Authorities and Eurostat, and in the credibility and quality of the statistics they produce and disseminate, as well as promoting the application of best international statistical principles, methods and practices by all producers of European Statistics to enhance their quality. The Code of Practice is therefore a kind of "constitution" for the daily work of Eurostat, but also for the NSIs.

IV. THE PLANNING PROCESS

11. There are two main planning tools used by the ESS:

- *The five-year work programme* defines the main fields and objectives of the actions envisaged over a five year period. It provides a summary of statistical requirements viewed from the perspective of the policy needs of the EU and a financial framework for its implementation. The Community Statistical programme 2008-2013 was adopted by the

Commission at the end of 2006, and now must be approved by the European Parliament and the European Council. Although official statistics are used in support of almost all Community policies, the 2008-2013 programme is guided by the a number of over-arching policy priorities:

- prosperity, competitiveness and growth,
- solidarity, economic and social cohesion and sustainable development,
- security, and
- further enlargement of the European Union.

- *The annual programme* is a Decision of the Commission. It allows Eurostat to plan its work taking into account Commission priorities, as expressed in its Annual Policy Strategy, and the priorities in the five-year programme.

12. Statistical co-operation activities are a key part of both the five-yearly programme and the annual programmes.

V. WHY CO-OPERATION IN STATISTICS?

13. Statistics have a dual role in society: they provide information on which to base policy decisions, and they are a tool for measuring the progress of the different policy areas. Moreover, in a market economy, businesses will rely on statistics to provide them with information on which they may partly base their decisions to invest in a country.

14. Therefore a basic principle of statistical cooperation is that it should help build a sustainable system that is capable of producing the statistics needed to satisfy national needs.

15. International donors are also interested in having reliable statistics, providing indicators of the effect of their assistance to beneficiary countries. To achieve these goals, a number of bodies, particularly the European Union but also others such as the World Bank and individual countries, have supported the building up national statistical capacities, particularly in transition countries and in the Mediterranean region.

16. From the EU point of view, technical co-operation in statistics is crucial for the purposes of providing the basis for formulating EU policies towards partner countries; for example, discussions on possible bilateral trade agreements need data on trade flows between the EU and partner countries. The work necessary to build up this statistical information system is a collective international effort, in which the Commission plays a key role together with other international and bilateral donors.

VI. THE PHARE PROGRAMME

17. International statistical cooperation was a feature of Eurostat's work from the early days, focusing mainly on cooperation and standardisation of definitions and methodologies with other international organisations. But the political upheaval in Eastern Europe from 1989 onwards brought about a radical change in that policy.

18. The **Phare** programme (the acronym is taken from its French title: *Pologne, Hongrie Assistance à la Reconstruction Economique*) was set up in July 1989 initially to support the transition of Poland and Hungary to democracy and to market economies. It quickly expanded to become the main channel of EU assistance to the Central and Eastern European countries, encompassing a further eleven countries: Albania, Bosnia Herzegovina, Bulgaria, Czech Republic, Estonia, Former Yugoslav Republic of Macedonia, Latvia, Lithuania, Romania, Slovakia and Slovenia.

19. Statistical cooperation has always been part of Phare: it was clear from the beginning that the statistics produced for a planned economy would no longer meet the needs of emerging market economies and the challenges of globalisation. As a result, the Phare statistics programme was designed to help build the sustainable statistical systems needed in transition countries to provide policy makers with the information they need as a basis for their political decisions, and to measure progress in their economic and social development.

20. The original objectives of this co-operation in statistics were to:

- Strengthen the statistical system of partner countries, in line with the UN Fundamental Principles;
- Strengthen the standing of the National Statistical Institutes (NSIs), including their role as co-ordinators of all statistical work in the country;
- Promote international comparability of the statistics produced by applying international standards;
- Assist in the collection and production of reliable, objective and comparable statistics for relevant policy areas, and transfer 'know-how' so that the statistical offices are able to repeat the work at regular intervals;
- Promote the dissemination and use of statistics as the basis for evidence-based policy making.

21. The focus of Phare later shifted to assisting the 10 candidate countries from Eastern Europe to prepare for entry into the European Union in 2004 and 2007. This involved a major challenge, to progressively adopt the 'acquis statistique', harmonising countries' statistical systems with the European Statistical System and with European standards and methods in the sector, a massive undertaking.

22. Three other countries are also considered as candidates for membership of the EU, Croatia, the former Yugoslav Republic of Macedonia and Turkey, and a further four, plus Kosovo, are considered to be potential candidate countries. No timetable for full membership has been drawn up, but programmes are already underway to build up the statistical services of these countries to enable them to adopt the 'acquis statistique' in a structured manner.

VII. THE TACIS TECHNICAL ASSISTANCE PROGRAMME

23. While Phare focused on the thirteen countries of Central and Eastern Europe, a different EU instrument was launched in 1991 to provide technical assistance to the newly independent states of the former Soviet Union. **Tacis** (Technical Assistance to the Commonwealth of Independent States) has provided grant-financed technical assistance to 12 countries of Eastern Europe and Central Asia

(Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan). Mongolia was also covered by the Tacis programme from 1991 to 2003, but is now covered by another programme.

24. The aim of Tacis was to enhance the transition process in these countries, to encourage democratization, and to strengthen the rule of law. The most recent Tacis programme, covering the period 2000-2006, was based on the principles and objectives set out in partnership and cooperation agreements (PCAs) and the trade and economic cooperation agreements concluded between the Union and these countries. It aimed to maximise its impact by concentrating on a limited number of initiatives targeting:

- assistance for institutional, legal and administrative reform;
- support for the private sector and assistance for economic development (promotion of small and medium-sized enterprises, development of the banking and financial systems, promotion of private entrepreneurship, etc.);
- assistance in addressing the social consequences of transition (reform of the health, pension, social protection and insurance systems, assistance for social reconstruction and retraining, etc.);
- development of infrastructure networks (transport networks, telecommunication networks, pipelines, border crossings, etc.);
- better environmental protection and management of natural resources;
- development of the rural economy.

25. Although not mentioned as a separate priority in this list, it is obvious that reliable statistics are needed to underpin work in almost all of these areas. Statistical cooperation started in 1994 with a multi-beneficiary project, covering all Tacis countries. Since 1996 individual projects for each country have been the standard.

VIII. THE MEDSTAT CO-OPERATION PROGRAMME

26. The EU's co-operation activities have not been limited to Eastern European neighbours; a Euro-Mediterranean partnership was established in 1995 as a result of the Barcelona Conference that year. The MEDA programme is the EU's principal instrument for the implementation of this partnership. The Medstat regional statistical co-operation programme is a sub-programme of MEDA. Medstat was launched in 1996, with the aim to improve comparability and harmonisation of statistics in several different sectors, as well as to improve the information system and to provide training in statistical methods.

27. An important element of the Medstat programme is the development of a 'road map' for each country, setting out the steps needed to implement its national statistics development strategy (NSDS), as well as identifying the parts covered by Medstat and other international assistance projects. It is hoped that this tool will be used to maximise the benefits of international co-operation for the country.

IX. THE EUROPEAN NEIGHBOURHOOD POLICY

28. Since 2004, EU relations with its neighbours are governed by the European Neighbourhood Policy (ENP), which brings together under one policy six of the Tacis countries and ten Mediterranean countries¹. The ENP aims at preventing the emergence of new dividing lines between the enlarged EU and its neighbours and to offer them the chance to participate in various EU activities and share some of the benefits of enlargement. Examples of such activities are within the fields of good governance, human rights, principles of market economy and sustainable development.

29. A corner stone of the ENP is the country Action Plan which covers a number of key areas, including statistics. The main areas of interest are likely to remain trade and investment flows, national accounts, business statistics, migration, labour statistics, and poverty reduction. But new areas such as Energy, Transport, Environment, and more broadly, Sustainable Development, are emerging as priority, so that the development and harmonisation of statistics on these subjects will need to be considered for future projects. And regardless of region, capacity building activities like legislation, strategic programming, statistical training and quality issues will remain of great importance.

30. The implementation of this new policy will of course also require new statistical work. This co-operation will continue the Tacis and Medstat work of strengthening of the technical and organisational infrastructures, though the current format of assistance is likely to change, with more focus on regional activities. Because both Medstat and Tacis programmes are still running, until the end of 2008 and 2009 respectively, no statistical projects have been agreed yet within the ENP framework.

31. The statistical assistance for these countries will be implemented through the European Neighbourhood and Partnership Instrument (ENPI). Although the Mediterranean and European countries covered by the ENPI are a very heterogeneous group, it is hoped that the ENPI will be able to benefit from the best practices from both the Tacis and Medstat programmes.

X. STATISTICAL COOPERATION WITH OTHER PARTS OF THE WORLD

32. Eurostat also works to promote good governance through statistics in other parts of the world. This includes monitoring and co-ordinating EU efforts to build statistical capacity in countries outside Europe within the framework of international commitments such as the UN's Millennium Development Goals; and encouraging best practices from the European Statistical System to be applied in third countries through mutual contacts, training, study visits and attendance at meetings. However, no technical assistance programmes of the scale of Phare, Tacis or Medstat exist for these countries.

¹ ENP countries are Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine Authority, Syria, Tunisia, Ukraine

CONCLUSION

33. The current European Statistical System was not created overnight, it was built up over a long period, constantly being improved and refined. New eras brought new challenges, for example, adapting to six rounds of enlargement between 1973 and 2007, the introduction of the Single Market, the introduction of the Euro, and globalisation. The most important aspect is that the tools are in place to help Eurostat and the European Statistical System to adapt as required, while assuring a high-quality statistical information service to its users.

34. As a good neighbour, the ESS wants to share its experience with its European and Mediterranean partners, to help them build up the structure and tools needed to meet these and future challenges.

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