

Coordination of the national statistical system

- development of a roadmap
(activity A.6)

Mission on 6-9 March 2017



..... at your disposal



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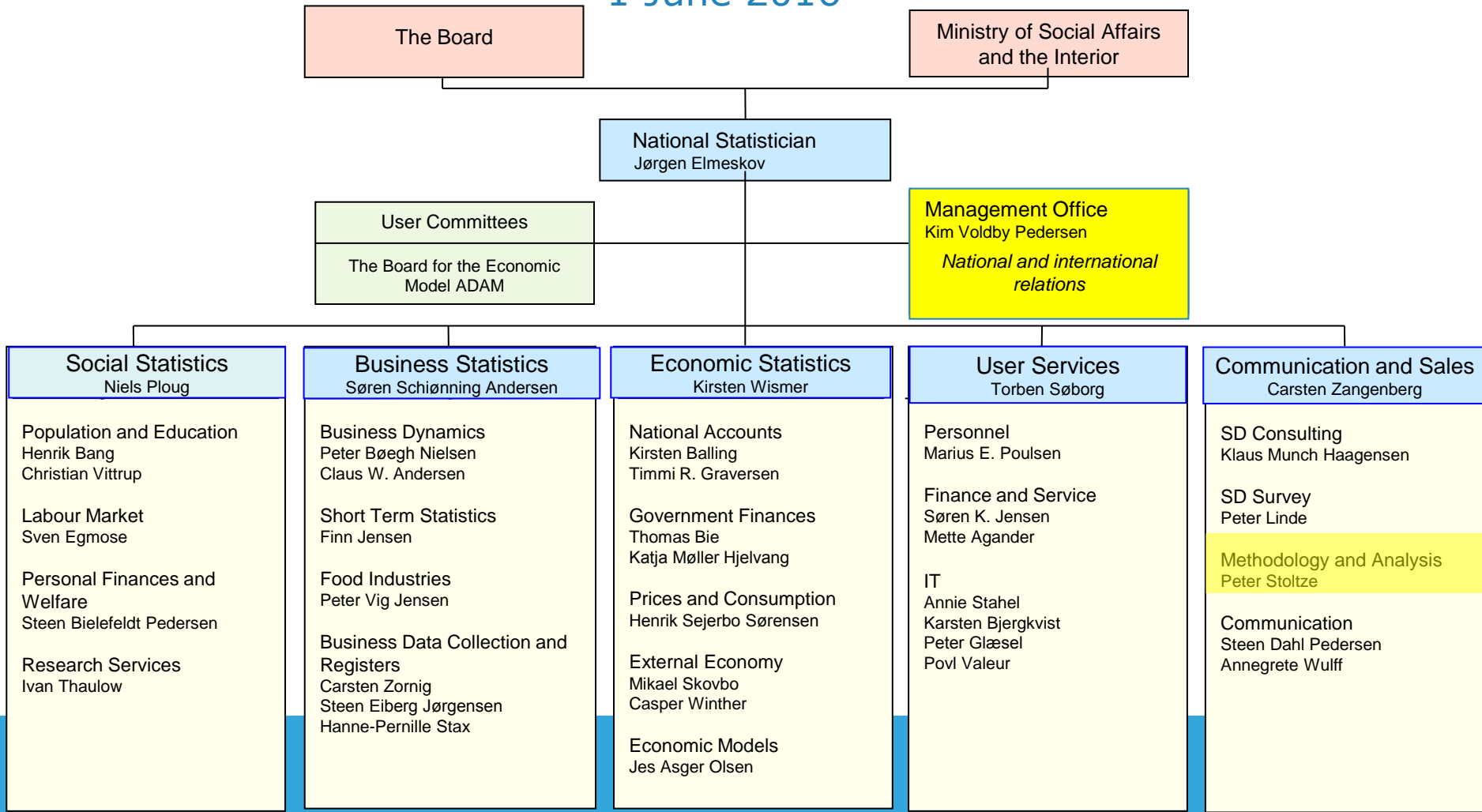
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Organizational chart for Statistics Denmark

1 June 2016







. . . but also a nice city!

Formulating a coordination policy/strategy

Coordination and quality assurance in the Danish statistical system



Jerusalem, 6 March 2017

Kim Voldby

Outline of the presentation



- 1. Purpose of the mission**
- 2. Coordination and quality assurance in the Danish statistical system**
 - a. Coordination as a concept
 - b. A Danish action plan for official statistics
 - c. Drivers behind the Danish coordination and quality assurance initiative
 - d. Three preconditions for successful coordination
 - Two different approaches to coordination and quality assurance are introduced
 - e. A new Danish law on Official Statistics is in the pipeline
- 3. Reflections on potential challenges to be addressed in an Israeli context – based on the Danish experiences**

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TO DO

1. Draw up **a realizable roadmap** for the coming years to initiate coordination and quality assurance programs in Israel's NSS – based on the experience gained by Statistics Denmark.



Coordination as a concept

- What is coordination?



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- **Formally**, Statistics Denmark (SD) is empowered to coordinate statistical production in Denmark according to 'the Act on SD'
- However, **in practice** SD only exercises 'soft coordination'
- Even **the EU coordination committee** composed of ONAs and chaired by SD is working on the basis of soft coordination – focus on exchange of views and of information

International experiences

Two deciding factors for ensuring efficient production, independence, data security, and common high quality standards in statistical systems:

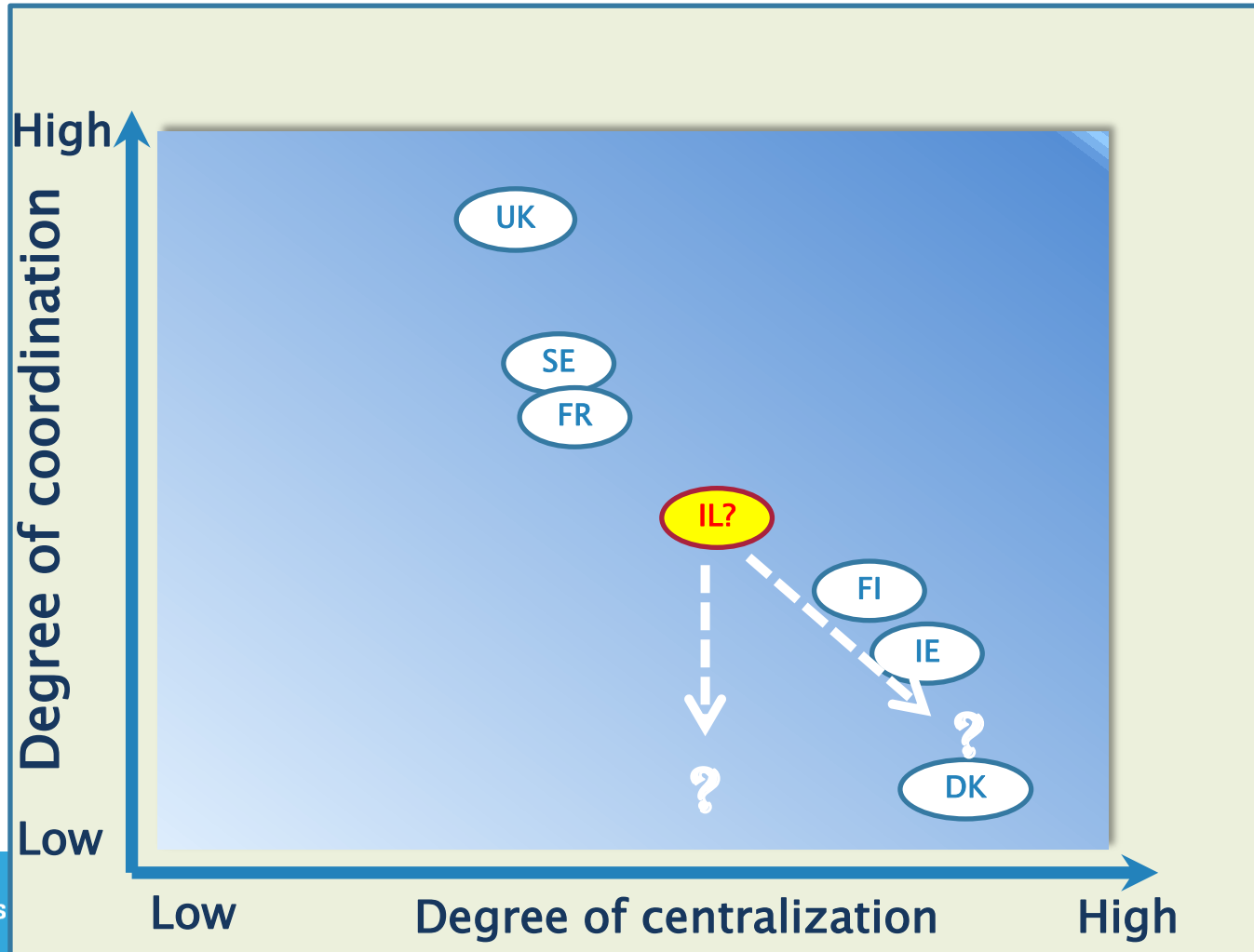
1. Degree of centralization



2. Degree of coordination

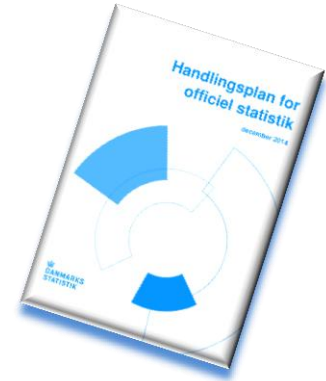


Degree of centralization and coordination in selected countries



A Danish action plan for official statistics

- A Danish action plan for official statistics was drawn up in the **summer and autumn 2014**
- Sets out:
 - **the challenges** facing statistical production in Denmark
 - **possible scenarios** for a better coordinated and more coherent statistical system
- Drafting the action plan was **an ongoing process of acknowledgment**
- Consulting other national stakeholders was an even bigger **eye-opener**



New demands from the EU

The revised EU-regulation 223 puts increased demands on publicly produced statistics

- Increased demands for professional and organizational **independence**
- Higher degree of **compliance with the Code of Practice (CoP)**
- Extension of the **coordinating role** of NSIs:
 - Program development and reporting,
 - Quality assurance and monitoring,
 - Methodology,
 - Data transmission and communication

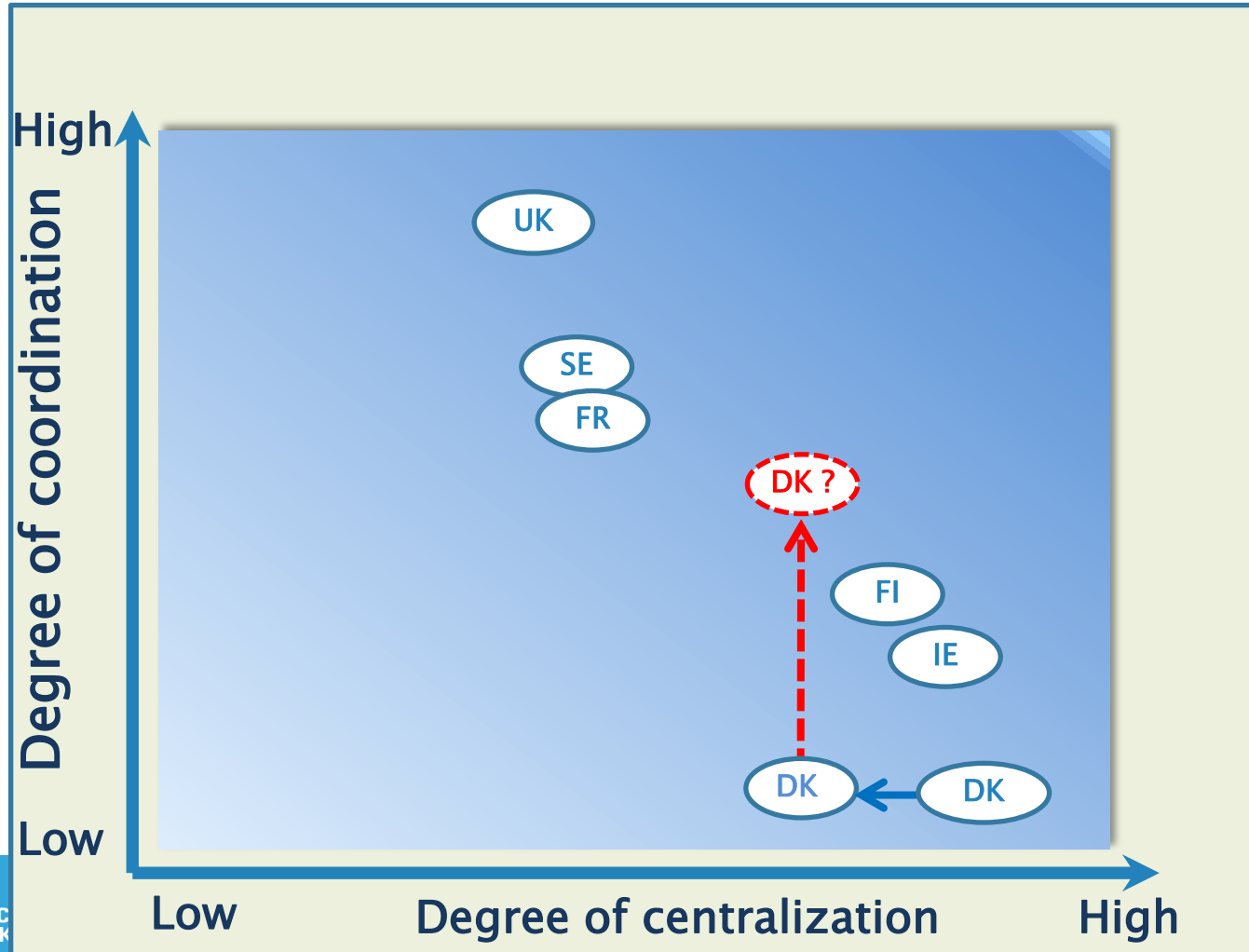


Characteristics of the Danish Statistical System

- A relatively **high degree of centralization** – with a **tendency of increased decentralization** in the last few years



Degree of centralization and coordination in selected countries



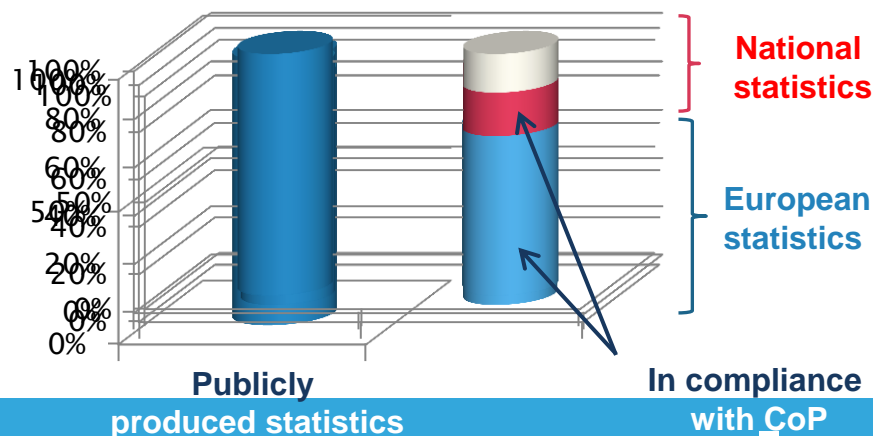
Characteristics of the Danish Statistical System

- A relatively high degree of centralization – with a tendency of increased decentralization in the last few years
- The concept “official statistics” does not exist
- There are no commonly accepted quality standards for national Danish statistics
- No institutions or agencies have the mandate to create such national standards – nor to monitor or enforce such standards



European and Danish statistics

- The **scope of publicly produced statistics is unknown**
- **European statistics** make up a majority of the total amount of statistics produced in Denmark
- **SD uses the same quality standards** for Danish and European statistics – CoP
- **A key question** is whether the same guidelines and quality standards shall apply for European statistic and Danish statistics produced outside of SD
 - Can we accept that Danish statistics do not adhere to the same quality standards as European statistics?
 - Does it make sense to have two different quality assurance frameworks?



Preconditions for successful coordination

1. a **delimitation** of publicly produced statistics as well as official statistics,
2. a set of common, recognized **quality standards** for official statistics,
3. a procedure for the **monitoring and enforcement** of the quality standards for official statistics.



Publicly produced statistics – suggested definition

Statistics that:

- 1) are published by a **public institution**,
- 2) **add to our understanding of society**, i.e. enlighten key areas of society, which broadly includes the population and its living conditions, labor market, the environment, businesses, and the public sector as well as general economic developments,
- 3) are published with a **fixed frequency**,
- 4) cover the **entire country**,
- 5) are **publicly available** in print or online.

Operationalization:

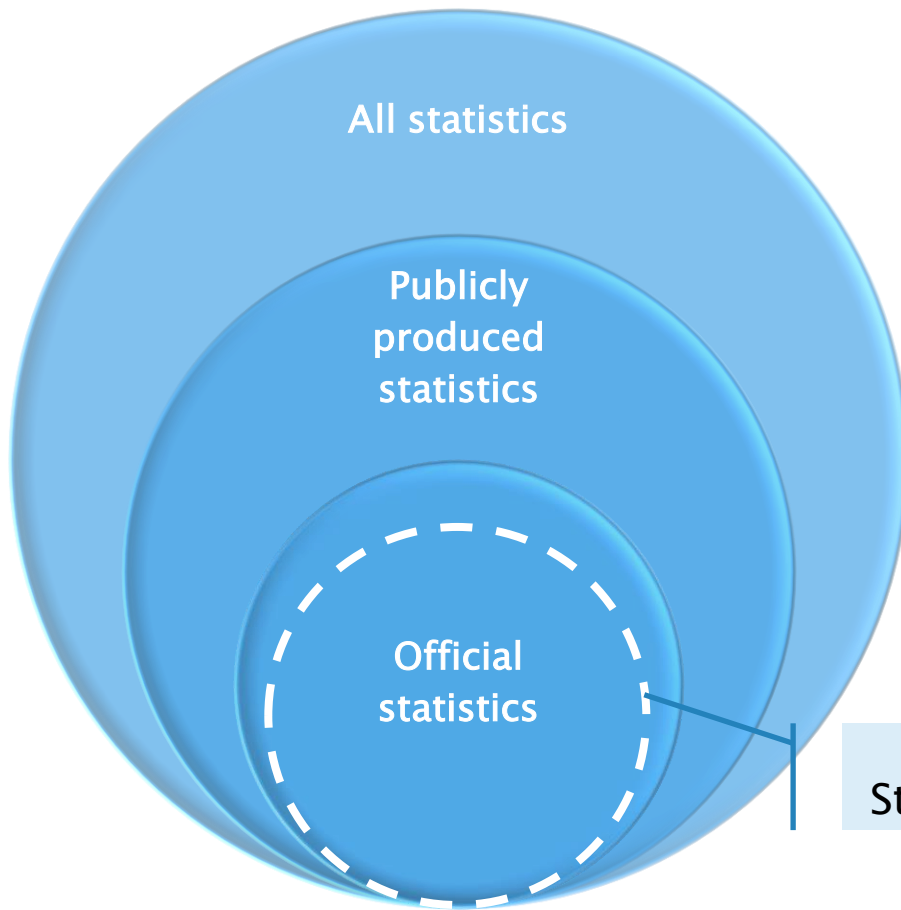
- An annually updated list of statistics **based on reporting** from ministries and their affiliated institutions

Official statistics – suggested definition

- **Official statistics** is publicly produced statistics that comply with a set of quality standards
- It is suggested that such **standards become the same as for European statistics** – i.e. CoP
- Accordingly, official statistics is composed of:
 - European statistics in compliance with the CoP
 - National statistics in compliance with the CoP



Statistics vs. official statistics



of which European
Statistics is the major part

Preconditions for successful coordination

1. a delimitation of publicly produced statistics as well as official statistics,
2. a set of common, recognized **quality standards** for official statistics,
3. a procedure for the monitoring and enforcement of the quality standards for official statistics.



Suggested quality assurance framework

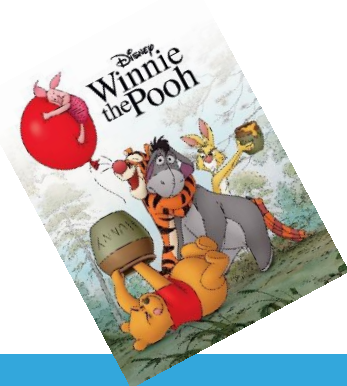
- CoP provides the most thorough set of quality standards
- Currently only valid for European statistics and national statistics produces by SD
- As part of the implementation of the revised 223, the Director General of SD has developed a set of guidelines for European statistics based on the CoP
 - A revision of the Danish statistics law currently in the pipeline proposes that the guidelines for European statistics shall be used as a quality framework for identifying which national statistics qualify as official statistics.



Guidelines laid down by the Director General of SD

The Danish guidelines:

- is a 'Pixi version' of the CoP and the European Quality Assurance Framework, and
- is adjusted to a Danish context



Institutionelle rammer

Institutionelle og organisatoriske faktorer har en afgørende indflydelse på effektiviteten og troværdigheden af en statistikmyndighed, der udvikler, producerer, og formidler europæiske statistikker. De vigtigste faktorer i denne forbindelse er faglig uafhængighed, kvalitetsforpligtelse, statistisk fortrolighed samt upartiskhed og objektivitet.

Faglig uafhængighed. " Statistikmyndigheders faglige uafhængighed af politiske, regulerende eller administrative myndigheder og organer og af aktører fra den private sektor sikrer europæiske statistikkers troværdighed.

Bemyndigelse til at indsamle data. " Statistikmyndigheder har en klar retlig bemyndigelse til at indsamle data til europæiske statistiske formål. Myndigheder, virksomheder og husholdninger og den brede offentlighed kan ved lov pålægges at give adgang til eller levere data til europæiske statistikker, hvis statistikmyndighederne anmoder om det.

Tilstrækkelige ressourcer. " Statistikmyndigheder har tilstrækkelige ressourcer til at opfylde behovene i forbindelse med udarbejdelse af europæiske statistikker.

Kvalitetsforpligtelse. Styrker og svagheder ved statistikkerne afdækkes systematisk og regelmæssigt med henblik på løbende forbedring af proces- og produktionskvaliteten.

Statistisk fortrolighed. " Det skal garanteres, at dataleverandørernes (husholdninger, virksomheder, personer, myndigheder mv.) identitet beskyttes, og at de leverede oplysninger behandles fortroligt og kun anvendes til statistiske formål.

Uafhængighed og objektivitet. " Udvikling, produktion og formidling af europæiske (og nationale) statistikker sker uafhængigt og på en objektiv, professionel og gennemsigtig måde, således at alle borgere behandles på lige fod.

* = lettere sprogligt udtrykt i forhold til den officielle oversættelse af CoP

Retningslinjer	Kriterier	Eksempler på god praksis
1. Udarbejdelsen af europæiske statistikker er fagligt uafhængig. Brugerne skal kunne regne med, at statistikken er produceret på grundlag af objektive metoder og uden hensyntagen til politiske eller økonomiske interesser.	Statistikmyndigheden har truffet initiativer, der sikrer, at den statistikproducentens uafhængighed kan arbejde fagligt uafhængigt, fx i lovgrundlag, uafhængighedsmandat, funktionsbeskrivelse, organisatorisk placering eller lignende.	Den faglige uafhængighed sikres for Danmarks Statistik i Lov om Danmarks Statistik. Loven fastlægger, at Danmarks Statistik er fagligt og politisk uafhængig, og at organisationen har hjemmel til at indsamle data.

Preconditions for successful coordination

1. a delimitation of publicly produced statistics as well as official statistics,
2. a set of common, recognized quality standards for official statistics,
3. a procedure for the **monitoring** and **enforcement** of the quality standards for official statistics
 - a. Official European statistics
 - b. Official national statistics



Re 3.a) Official European statistics is subject to a legally binding monitoring and enforcement procedure



- **Delimitation:**

- European Statistics as **defined in EU 2009/223**

- **Standards:**

- **CoP**
- **Guidelines** laid down by the Director General of SD, based on the CoP

- **Monitoring:**

- Annually monitoring of the **ONAs' compliance with the guidelines** conducted by SD
- Annually monitoring of **SD's compliance with the CoP** conducted by Eurostat and ESGAB

- **Enforcement:**

- **Obligatory** - the ONAs' compliance with the guidelines is **reported** annually to the Government and is subject to a **Government decision**¹⁾.

1) This procedure is expected to be laid down in a new act on official Danish statistics currently under way in the legal process, to be adopted in the beginning of 2018.

Re 3.b) Official national statistics is subject to a voluntary monitoring and enforcement procedure¹⁾ - voluntary labelling



- **Delimitation:**

- List of publicly produced statistics updated annually
- Each public producer identifies the statistics they wish to have evaluated for the "label" official statistics.

- **Standards:**

- Guidelines for official national statistics are the same as guidelines for European statistics, based on the CoP

- **Monitoring:**

- Undertaken for all statistics identified by public producers for official statistics labelling

- **Enforcement:**

- Compliance with the quality standards for an identified statistics will grant the label official statistics
- A list of official national statistics is published every year and a common dissemination portal for official statistics is set up

1) This procedure is expected to be laid down in a new act on official Danish statistics currently under way in the legal process, to be adopted in the beginning of 2018.

A new Danish law on Official Statistics is in the pipeline

- Planned to be part of the **October 2017 law programme**
- Adoption of the new law is a precondition for:
 - introducing **the concept of Official Statistics**
 - assuring a **commonly agreed quality standards**
 - introduction of **a monitoring and enforcement regime**
- Pre-hearings and bilateral consultations among stakeholders during the drafting process revealed that **an obligatory coordination** and quality assurance mechanism **will not fly**
- It is yet too early to conclude to what extend **a voluntary monitoring** and enforcement procedure will succeed



The content of the draft proposal for Official Statistics

- Purpose
- The organization of Official Statistics
- Data confidentiality and data security
- The organization of Statistics Denmark
- Exchange of data for statistical purposes
- Access to data for statistical purposes
- A common dissemination platform for Official Statistics

Reflections on potential challenges to be addressed in an Israeli context – based on the Danish experiences

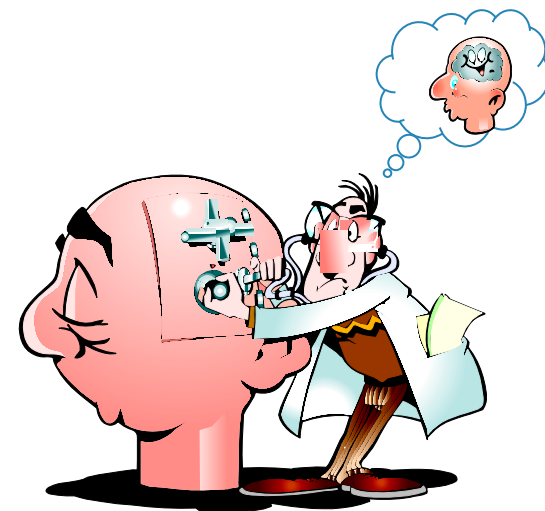
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Is there a lesson to be learned?

1. a. Is there a **burning platform**?
b. Political and institutional **support**?
2. The **nature of the statistical legal framework** in Israel?
3. A '**stick**' or '**carrot**' driven process?
4. Need for **strategic reflections before setting out**?

* * * * *

5. A need to introduce **the concept of 'official statistics'**?
6. Delimitation and mapping of **the NSS**
7. Involvement of **stakeholders**
8. Choice of **quality standard**
9. **Monitoring compliance** with quality standards



1.a. Is there a burning platform?

- i. Is there a need for coordination?
- ii. What are **the drivers** for establishing coordination and quality assurance?
- iii. What are **the nature of the drivers**:
 - political?
 - financial?
 - statistical?

1.b. What kind of political and institutional support is there for coordination and quality assurance?

- i. Is there a **political request** for and a **political will** to support coordination?
- ii. Who are the **supporters and opponents**?
- iii. Do we as statisticians live in a **statistical “bubble”** – to what extent is there a **request for high quality statistics** at all?
- iv. Is the public aware of the importance of reliable/high quality official statistics?
 - or are they **satisfied with ‘alternative facts’**?



2. The nature of the statistical legal framework in Israel?

- i. Does **the existing legal framework** provide a **sufficient** mandate/basis for coordination in the NSS?
- ii. Why has **the mandate** for coordination given in the current statistical law **not been implemented/enforced**?
- iii. Is there a **need for a revision** of the statistical law?



3. Should the coordination be 'stick' or 'carrot' driven?

- i. What '**sticks**' do we control (legal instruments, sanctions etc.)?
- ii. What '**carrots**' do we have (access to statistical data, funding, training etc.)?
- iii. What is our **choice of coordination approach**?
 - is there a **mixed mode**?



"One day Alice came to a fork in the road and saw a Cheshire cat in a tree.

'Which road do I take?' she asked.

'Where do you want to go?' was his response.

'I don't know', Alice answered.

'Then', said the cat, 'it doesn't matter.'"

4. Is there a need for strategic reflections (paper) before setting out?

- i. What are **the alternatives**?
- ii. Are some alternatives more **realistic** than others?
- iii. **Which road to take?**
- iv. What are the overall **goals, challenges and possibilities**?



5. Is there a need to introduce the concept of ‘official statistics’?

- i. If so, **how is the concept** of 'official statistics' **delimited**?
- ii. Who shall be authorized to decide **which statistics are part of official statistics**?
- iii. ... and **the quality criteria** for being classified as official statistics?



6. Delimitation and mapping of NSS

- i. How do we define **the concept of statistics** in order to delimit the composition of the NSS?
- ii. Who **shall be authorized to** decide on this definition?
- or is it a **collective decision** to be taken by all statistical stakeholders?
- iii. By which **means** - legal instruments or other tools? - shall this definition be laid down?



7. Involvement of stakeholders in setting standards and in monitoring

- i. How do we organize the **involvement of:**
 - i. **external producers** (NSS)?
 - ii. **internal stakeholders**?
- ii. How do we establish the **organisational set-up** internally and externally?



8. Choice of quality standard

- i. What are **the alternatives**?
- ii. On what basis do we **prioritize among the alternatives**?
- iii. **Do ICBS have a stronger say** than other stakeholders when choosing and operationalizing the quality standards?



9. Which tools to choose for monitoring compliance with quality standards?

- i. What are **the tools**?
- ii. Which instruments are **the most profitable assuring** coordination and quality assurance?
- iii. Which instruments are **the most cost-efficient**?
- iv. How will the different tools be **perceived and accepted** by the other national stakeholders?
 - are some tools not 'political' acceptable?
- v. Who shall be made **responsible** for exercising the quality monitoring? – ICBS or an external body?
- vi. Who shall **monitor the ICBS**?



**“Good statistics are
much, much
cheaper than
wrong decisions”**



Janez Potocnik,
Former European Commissioner for the Environment