

ESS priorities beyond 2020

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1. Introduction

The European Statistical System (ESS) is the partnership between the statistical authorities of the EU and EFTA countries and Eurostat. The main strategic document guiding its work is the current European Statistical Programme (ESP) which originally covered the period 2013–2017 and has recently been extended until 2020. The next ESP will start in 2021 and will coincide in duration with the EU multiannual financial framework (MFF). The Commission proposal for the MFF beyond 2020 will be presented during 2018. Therefore, it is opportune for the ESS to agree on its strategic priorities and to discuss and present the ambition of the next ESP.

The purpose of this document is therefore to establish ESS strategic priorities beyond 2020 with a view to providing early input in drawing up the draft next ESP. The document begins with an assessment of the ESS's current situation. It continues by considering the most important external factors influencing the work of the ESS in the future and then outlines common aspirations for the future of the ESS. Finally, it establishes the strategic priorities on which the ESS should focus in the period after 2020 in order to realise those ambitions.

2. The ESS today

This chapter reviews the current situation of the ESS with a summary of its main characteristics.

Overall, the ESS has achieved much in recent years, notably through the collective adoption and implementation of the ESS Vision 2020. Implementation of the Vision has contributed substantially to a closer and more focused way of working together within the ESS. Cooperation within the system has improved and there is more trust and mutual respect. Much has been done to intensify our focus on users and to modernise our statistical production systems. On the other hand, the speed of progress could be faster, especially in view of ever-growing demand for new, more timely and detailed statistical products and services.

At present, the ESS is mainly characterised by the following:

- a systematic focus on quality, which is one of the biggest comparative advantages in relation to other statistics providers; the ESS commitment to quality was expressed in the joint Quality Declaration adopted by the ESS Committee in September 2016;
- its role as a key player in the international statistical community; it provides harmonised statistics for the greatest number of statistics covering the largest populations;
- commitment to ongoing development and modernisation; the system is constantly reflecting on its position, role and outputs, and adapting to new realities, thus ensuring

its long-term service capability; however, the system is struggling to adapt fast enough to keep up with changes in the environment;

- high reputation among users, especially professional ones;
- strong institutional setup based on Regulation (EC) No 223/2009 on European statistics, which itself derives from the Treaty on the Functioning of the European Union;
- systematic decline of the available resources; ESS funding is currently at a level that jeopardises the sustainability of statistical services provision;
- limited flexibility in reacting to new user needs, mainly due to the lengthy EU legislative procedure, which is necessary to create or amend legal bases governing data provision; on the other hand, EU legislation provides a strong basis for ensuring consistency and comparability of European statistics;
- lack of motivation of many survey respondents to provide data reflected in declining response rates; perception of statistical data needs as an administrative burden;
- heterogeneity in sizes, ages, approaches, styles and perspectives of the ESS partners; this requires a lot of effort for coordination and often results in an unsatisfactory ambition in common solutions; at the same time, the diversity of experiences makes it possible to develop solutions together that would be difficult to find in isolation;
- the ESS's constituents, except for Eurostat, are part of various national administrations; this makes balancing national and EU rules, directions and interests necessary and challenging.

3. Statistics in a changing world

The ESS has to adapt and develop in the light of important developments in its external environment. Societies and economies are undergoing significant changes that call for new statistics. At the same time, user demands as to how statistical insights should be conveyed and faulty conceptions countered are changing. New data sources are proliferating, offering up new statistical opportunities and at the same time exposing statistical authorities to competition. The European Union is being challenged and new ways of working together may be needed in order to fulfil both European and national statistical needs. Furthermore, budget pressures associated with ageing populations and the aftermath of the financial and economic crisis imply a severe squeeze on the traditional financing of national statistical authorities. The following sub-sections address these challenges in turn.

3.1 Changing economies and societies

Rapid technological change, consisting principally in growing use of digital technologies, creates new economic activities that need to be covered by statistics. The expanding so-called "sharing economy" is an example of a newly created business model that needs to be reflected in statistics. Many service sectors are undergoing profound changes, while statistics are still

biased towards coverage of goods-producing activities. At the same time, measuring some of those new activities is challenging, especially when they are taking place across borders.

Technological development is one of the enablers of globalisation that has altered the way enterprises are organised across borders. Increased mobility of (in particular, intangible) assets and production across borders expose existing statistical metrics to new challenges – interpretation of GDP being a prime example. But more generally, statistics need to describe the new reality of globalisation.

One particular aspect of globalisation is increasing migration flows. To some extent, political events have triggered recent migration patterns but, more generally, large international income disparities combined with greater knowledge thereof and better opportunities to migrate have created migratory pressures. Migration and migrants are often poorly covered by statistics, while the economic ramifications of migration have become more serious. With increased migration, the need to monitor the integration of immigrants in labour markets and societies more generally has increased.

Technology, globalisation and migration act as important vectors for labour market developments. New forms of work are emerging, such as in the so-called "gig economy". The increased fluidity of workers and jobs makes it harder to follow and interpret traditional concepts of employment and wages. The social challenges associated with changing labour market patterns require better coverage of these emerging forms of work.

While environmental performance has improved in many respects, the focus on the environment – and sustainable development in the broader picture – has increased, and thus there is a growing need for better, comparable and joined-up statistical coverage. Likewise, while income levels have generally improved, there are concerns about dissatisfaction within certain population strata that calls for greater emphasis on measuring life satisfaction, etc.

3.2 Fast changing data uses and user needs

Over the last couple of years the statistical user environment has changed considerably. In addition to paper publications, online databases, traditional press, research articles, etc., statistics, like any other type of news, are now published and commented on in social media. When posts are shared, statistics referred to in messages of different kinds spread very quickly to a wider audience and are subject to immediate feedback from stakeholders and ordinary citizens. In this way, headline figures and any striking results receive great attention within minutes of publication.

The extended dissemination of statistics through social media implies that the average user profile of official statistics is shifting towards non-experts. The importance of ordinary citizens' statistical literacy is growing. There is little space (e.g. on Twitter) and time for any kind of analysis and detailed explanation by experts. Statistical news releases and other dissemination channels are therefore expected to provide visual aids and compact interpretations that can be re-used quickly. The line between statistics and analysis is becoming blurred.

Users' attitude to data quality also seems to have changed. More and more users seem to care more about timeliness than about accuracy. They expect statistics to be made available faster, as they have plenty of non-official alternative sources of quantitative information available on the Internet.

In these circumstances, users' trust has been jeopardised by the increasing misuse of statistics (such as misinterpretation, selective presentation designed to fit a predefined message, etc.) and the proliferation of unreliable figures generated outside official statistics. The more media attention is given to such manipulative messages and fake news, the less people are able to distinguish the quality of the data and recognise trustworthy data. Consequently, they may distrust any further figures mentioned in the press and social media, even if they originate from official sources. This so-called "post-truth reality" undermines the authority that official statistics has had as a trustworthy evidence base.

This tendency created by the "post-truth" environment mainly affects ordinary citizens, who often may not have the knowledge to judge the reliability of figures and their sources. In contrast, professional users' trust (e.g. among policymakers, academia, researchers and media) remains high, even if they are not always able and/or willing to understand the messages the figures tell and the meaning of data production methods applied by statistical authorities.

In order to maintain trust in official statistics, it is necessary to find ways to better promote its value as "hard evidence" for fact-checking and knowledge building, and the channels through which they are communicated. Moreover, the level of statistical literacy among professional users is an important factor that directly impacts the way figures are subsequently presented and explained to the ordinary citizen. Intentional misuse of data cannot be prevented, but well-designed actions can help limit misunderstandings caused by a misleading presentation and interpretation of statistical results.

3.3 Data revolution

The rapid development of the digital information market continues to create opportunities for official statistics in terms of harnessing new data sources and modern dissemination methods. While they potentially offer better timeliness, higher granularity and insight into phenomena that have not been measured so far, the accessibility, stability and usability of new data sources remains an issue. Once robust methods to integrate these new data sources are developed and agreed, statistical authorities might be able to offer new statistics or improve existing ones. Additional potential may be unleashed with the semantic web, which could offer large amounts of structured input data highly relevant for official statistics production, provided that its standards are defined in a suitable way.

In the age of the data economy, data have a growing market value and those data that are relevant for official statistics are particularly precious, as they can be attributed to individual persons, businesses and countries. This change in attitude to data is a major shift in the competitive situation of statistical authorities in relation to commercial organisations processing and publishing quantitative information. Official statistics have become part of a global digital business that monetises the data.

While until recently statistical authorities had the major competitive advantage of having almost exclusive access to input data from both statistical surveys and administrative records, the situation now looks quite different. Data are being created in a variety of ways at incredible speed via social media, mobile networks, smart connected devices and other automatic data generators (the Internet of Things). Almost 100% of such data are held by the private sector and subject to terms and conditions accepted by customers, often virtually through a quick click on the 'Agree' button. Access to those data is generally not regulated in other aspects than data protection, so that statistical authorities have few possibilities to

experiment with processing them for statistical purposes and even fewer possibilities to include them in the regular statistical process.

3.4 Future of Europe

At the beginning of March 2017, the European Commission launched a debate on the possible future paths for Europe up to 2025 by publishing its White Paper on the Future of Europe. That document presents five scenarios for the EU. In addition, in a series of reflection papers, the Commission proposed common priorities and solutions for the EU27 grouped into five themes: the social dimension of Europe, harnessing globalisation, deepening the EMU, the future of European defence and the future of EU finances.

The White Paper and the reflection papers, while very strategic in nature, indicate the areas in which high demand for new European statistics can be expected in the years to come. This is highly relevant for setting priorities in response to the needs of EU institutions. In particular, apart from the five reflection papers (of which social dimension, globalisation and the EMU seem to be particularly relevant for ESS priorities), the White Paper identifies the following "Drivers of Europe's Future": new technologies, climate change, migration, security threats at our doors and within our Union, Europe's changing place in an evolving world, the legacy of the economic crisis, the ageing population, and the rise of populist and nationalist rhetoric. These priorities and drivers at Union level give clear guidance on which aspects of European policy will be in focus in the years to come. The ESS should carefully consider such messages and try to predict where comparable European statistics will likely be requested to underpin the related policy areas.

The scenarios and reflections presented by the European Commission confirmed that the demand for official statistics to underpin evidence-based policy-making will not diminish. The EU and its Member States will continue to demand comparable statistics to design, implement and monitor Union and national policies. They will also continue to use statistical indicators to assess quantitative targets and thresholds. European statistics will remain an important part of the sound evidence base needed for the Union's activities, and EU and national policymakers will remain among the main users of European statistics. Consequently, whichever combination of scenarios the EU eventually implements, the ESS needs to continue the established partnership, look for more synergies, further increase the quality of European statistics and promote the value of European statistics.

Nevertheless, when speaking of the future of Europe and its implications for the ESS, the basic dimension of uncertainty should be borne in mind. The outcome of the discussion at the political level will also be decisive for demand for European statistics. Given the strong link between the EU and the ESS, any change in the EU set-up will likely impact the ESS set-up and demand for European statistics as well.

3.5 Budget constraints

Mega-trends in public finances have resulted in a systematic decrease in the budgets available to government bodies, including national statistical authorities. Moreover, the current uncertainty about the future of the EU might have financial implications for the ESS. At the same time, as a result of the data revolution, data on individuals and businesses have become a commodity with an increasing market value, while official statistics (at least the standard output) have remained a public good expected to be of the highest quality and offered to all

users free of charge. In many domains, statistical production based on traditional data sources is reaching its limits with respect to timeliness, relevance and compliance with the requirement to reduce the burden on respondents.

To benefit from the data revolution and to modernise production systems by harnessing new data sources, statistical authorities need to ensure they have a modern infrastructure and staff with new skill profiles that are also in high demand in the private sector and thus expensive. Moreover, in some cases it might be difficult for statistical authorities to acquire the necessary input data for free.

Across the ESS, statistical authorities therefore increasingly face the challenge of prioritisation as a way to enhance efficiency. This may concern the scope and/or quality of statistics produced, for example, as well as choices regarding the use of modern technologies (including new data sources), which are generally expensive in the development phase. The former leads directly to lower user satisfaction in the areas that were given lower priority, while the latter does so indirectly by impairing the ability to innovate and to optimise the product offer.

4. A common vision for the ESS

We aspire for the ESS to remain the leading provider of reliable quantitative information on European societies. Our statistical products and services aim to adequately describe our changing society (e.g. globalisation, migration and the environment) and our work programme is continuously updated to reflect emerging trends and respond to changing demand for European statistics.

Our statistics transform data of different origins into coherent information, presenting a broad picture of evolving societal phenomena. Our statistics are accompanied by extensive but impartial explanations to facilitate use and interpretation. Along with a stable work programme, we aim to provide a more flexible selection of services to support more users in understanding societal phenomena and in their decision-making processes.

We appreciate intensive dialogue with new and existing users of our statistical information. Our ambition is to make our data, information, knowledge and expertise available in the form of flexible high-quality analyses and innovative statistical services. We actively engage with policy makers, scientists, citizens and other groups in society to find out what information they need and how we can provide it. By innovating together, we maximise the role data can play in our societies.

There is no such thing as free statistics. In a world where budgets for official statistics are declining, we have to continuously strive for further efficiencies. We would expect that new statistical obligations come with adequate additional structural funding by European and national governments. Furthermore, arranging funding for (joint) modernisation and innovation is essential. Making use of the growing availability of data and new technological capabilities enables us to boost data-driven decision-making and greatly improve our understanding of society.

We depend on a growing number of data sources in order to compile our statistics. Our tradition of running dedicated surveys and censuses is supplemented and substituted by using

administrative registers held by government institutions. Moreover, the growing number of (big) data sources held by private enterprises may offer further opportunities, e.g. to improve the timeliness and granularity of our products and services, while at the same time reducing response burden. It is of the utmost importance that working partnerships with all kinds of data providers are created, and that a firm legal basis is established that provides for data access to all relevant sources for statistical purposes.

In the complex environment posed by the European Union, we will ensure that the ESS focuses on topics requiring coordination between national statistical authorities, and will strive to cease activities that are becoming less important, in order to transfer resources to more important areas. In addition, we welcome experimentation and innovation, and have established networks and methods to effectively share experiences and best practices. In order to be both highly effective and realistic, we ensure that our work programme is at all times focused, practical, and geared towards activities that accommodate the needs of national statistical authorities and Eurostat and strengthens their position, for example with regard to the crucial area of data access.

In all the changes described above, the determination of the whole ESS remains to provide the highest possible quality, following the standards set up in the European Statistics Code of Practice. It is more important than ever to protect and promote timely information that is reliable and impartial. The main ESS assets are our knowledge and experience of data and metadata, harmonised concepts and standardised classifications, focus on privacy protection and scientific statistical methods.

5. Strategic priorities

In order to realise our common vision, we need to formulate new strategic priorities for the ESS, taking into account its current stance ("The ESS today") and the dynamics of its external environment ("Statistics in a changing world"). The priorities are divided into three focus areas covering both our outputs (striving for "Satisfied users") and enablers for our work ("Suitable capabilities" and "Effective partnerships").

5.1 Satisfied users

Ambition: Ensure that European statistics reach all relevant users and respond to their needs.

Objectives to fulfil this ambition:

- continuing to provide existing statistical products and services at their current level of quality, taking into account the evolution of user needs, actual burden on data providers and available resources;
- further developing statistics to measure emerging phenomena in our societies, which in some cases are not well captured today, e.g.:
 - migration, economic and social inequality, new family structures, ageing population, unpaid and atypical work, subjective well-being, and other issues identified by the *Stiglitz-Sen-Fitoussi report* and the *GDP and beyond* initiative;

- environmental, climate change and energy issues, circular economy, globalisation, digital market, new production models caused by digitisation (such as the sharing economy, the blurring of boundaries between workers and self-employed, goods and services, producers and consumers), combining statistical and geospatial information;
 - other issues stemming from the discussions on the Future of Europe;
 - measuring progress towards 2030 sustainable development goals.
- quality-related improvements driven by user needs
- improving the timeliness, granularity and comparability of statistics as the quality elements where improvements in our outputs are most sought after;
 - reducing the inherent asymmetries in statistics on cross-border flows within the EU;
 - ensuring the high relevance of new and existing statistics through systematic dialogue with users.
- better communication of European statistics
- aligning statistical products and communication methods with the needs, level of knowledge and skills, as well as life or business situations and other characteristics of different user groups;
 - getting closer to citizens, especially the younger generation, in addition to professional users;
 - exploring the possibilities offered by new and existing communication channels; tailoring the choice of communication channels, services and messages to different user groups so as to bring statistics closer to users and ensure high end user value;
 - going beyond the publication of pure facts and figures to help users understand them; describing figures as attractively and clearly as possible, offering simple and clear messages, basic interpretation and visual aids ready to be re-used by the press through different communication channels; more focus on visualisation, infographics and interactive tools; being open to on-demand services;
 - moving from data to information and knowledge, and pushing boundaries towards more data analysis, story-telling and horizontal reports;
 - supporting fact-checking, thus contributing to the importance of trusted data and restoring the standing of facts;
 - promoting linked open data initiatives.

- more agility and interaction in responding to user needs
 - improving identification and analysis of data users and their needs;
 - upgrading existing mechanisms of two-way communication with users to discuss their needs, explore their difficulties in using statistics, anticipate their future needs, and offer relevant products and services;
 - exploring the possibilities of going beyond our traditional business model, for instance by offering experimental statistics, including blending our sources with third party data, certifying data published by non-official or non-statistical providers, offering linking of statistical and non-statistical data and data protection services, etc., while carefully considering the associated benefits, risks and implementation options.

- stronger user capabilities
 - guiding users and helping them understand how statistics can help shape solutions in private and business life (e.g. more story-telling);
 - promoting new uses of statistics;
 - helping to educate both professional users (policy-makers, journalists, researchers) and ordinary citizens, especially young people, to increase statistical literacy and reduce the risk of misinterpretation and manipulation of information based on statistics.

- promotion of the value of European statistics
 - systematically explaining and demonstrating the role of European statistics and their national components in underpinning evidence-based policy-making at EU and national levels;
 - underlining the authority of European statistics as a trustworthy source of evidence based on high-quality data and well-established methodologies harmonised across the EU and EFTA;
 - promoting European statistics as a key reference that is available to all interested users for fact-checking and any general interest.

5.2 Suitable capabilities

Ambition: The production of European statistics is based on making best use of available resources and reaping the benefits offered by modern technologies.

Objectives to fulfil this ambition:

- professional staff
 - ensuring that our staff, our most valuable asset, have methodological, IT, communication, organisational and management competencies (skills and

knowledge) that fit the needs of modern, innovation-oriented statistical organisations.

- adequate resources
 - making the case for more funding at both EU and national level to prepare for the future in terms of necessary knowledge and technology, and to achieve strategic objectives as set out in this document;
 - constantly exploring the possibilities for new financing opportunities for specific joint projects;
 - improving collective prioritisation on the use of available resources, selection of joint projects and their implementation;
 - identifying and using the ESS's potential of economies of scale, in particular regarding investments in and use of IT infrastructure and access to new data sources.
- making the best of the data revolution
 - stepping up analysis and exploitation of new data sources; investing in data integration with a view to benefiting from multiple data sources and unleashing the potential of big data to support statistical production;
 - where useful, acquiring access to privately-held data sources through a collective action, coordinated and led by Eurostat and supported by the adoption of an enabling EU legislation;
 - further enhancing the use of administrative data sources for statistical purposes.
- data protection leadership
 - ensuring the highest standards in data protection;
 - promoting the trustworthiness of ESS partners with regard to data protection and continuing to be seen as leaders in this area.
- development of new methods for producing statistics
 - being more agile, experimenting with data to optimise data sources and statistical products;
 - continuously seeking new and innovative ways to produce statistics, with state of the art methodologies, efficient processes and modern technologies, including digitisation and automation of statistical processes;
 - exploring the possibilities of improving statistical production based on the exchange of microdata between ESS members;
 - carefully considering ways to reduce the response burden.

- commitment to quality
 - keeping a strong focus on maintaining, promoting and monitoring quality in all elements (institutional elements, processes, quality of outputs);
 - upgrading and modernising the ESS common quality framework.

5.3 Effective partnerships

Ambition: Close collaboration between ESS partners and successful strategic cooperation with all relevant external parties to enable constant enhancement of European statistics.

Objectives to fulfil this ambition:

- working together in the ESS community
 - further enhancing the trusting and cooperative approach within the ESS partnership to strengthen common corporate culture and values, e.g. by supporting formal collective decision-making with informal, yet transparent and inclusive, strategic discussions;
 - fostering solution-oriented cooperation at expert level, including new formats like sprint sessions, hackathons, joint experiments, virtual communities of practice, etc.;
 - constantly identifying and making use of synergies between EU and national needs;
 - considering new forms of enhanced cooperation on specific topics, both multilateral and bilateral;
 - seeking ways in which we can help and support each other, for example in specialisation, sharing of generic tools, exchange of experts, pooling of IT resources, etc.;
 - exploring possibilities for strengthening the position of ESS members and the system as a whole.
- relations with external stakeholders
 - seeking ways to establish close relations with the relevant private sector organisations building on partnership; in particular, cooperating with the technology sector to ensure that statistical production and dissemination is based on modern technology (e.g. access to privately-held data for statistical purposes; integration of data from multiple sources; semantic web standards to support and feed statistical production; modern visualisation techniques);
 - enhancing cooperation with research and academia in developing methods for all phases of the statistical process, especially as regards developing methods and technical solutions for the use of big data and analytical interference from data and statistics;

- developing closer cooperation with media to support fact-checking, provide targeted explanation of statistics and training in how to use them, and receive instant feedback on statistical products and services;
- building constructive working relationships with national and EU data protection regulators, as well as with national mapping and cadastral authorities and other administrative data holders;
- cooperating with the education sector to enhance the statistical literacy of young people, promote statistical authorities as attractive employers and ensure that current and future employees can acquire relevant competencies;
- closely cooperating with the European System of Central Banks;
- cooperating with other international organisations for the benefit of global official statistics; remaining one of the leading members of the international statistical community.