

European Statistical System peer reviews: an efficient means to implement the European Statistics Code of Practice?

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Abstract

This paper presents the methodology for the peer review of the European Statistical System (ESS) and how it worked in practice. It explains the reasons for opting for an audit-like methodology, sheds a critical look on what has worked best and what less and draws certain conclusions for the future. It will present a view on whether the methodology contributed not only to the efficient run of the exercise but also whether it improved the quality of the peer reviews as a tool for enhancing the quality of the ESS.

Keywords: European Statistics Code of Practice, peer review, audit-like methodology.

1. Introduction

The European Statistical System (ESS)¹ underwent a peer review in 2013-2015 to assess how it had implemented the European Statistics Code of Practice² (CoP) since the first peer review in 2006-2008. Organising another peer review was already envisaged in the 2008 Commission

¹ The ESS is the partnership between Eurostat, the national statistical institutes (NSIs) and other national authorities responsible in each Member State for the development, production and dissemination of European statistics. This Partnership also includes the statistical institutes of the EEA and EFTA countries.

² <http://ec.europa.eu/eurostat/documents/3859598/5921861/KS-32-11-955-EN.PDF/5fa1ebc6-90bb-43fa-888f-dde032471e15>

Report to the European Parliament and the Council³ on the outcomes of the first exercise. The European Court of Auditors also encouraged a second peer review in its Special Report No 12/2012⁴, which stated that ‘Peer reviews remain the most important tool for independently assessing the status of implementation of the code by Eurostat and NSIs.’

The two exercises shared a number of elements, but they also differed in many significant respects. The first round took place shortly after the adoption of the CoP in 2005, and thus it mainly sought to raise awareness of the CoP. The premise of the second round was that compliance with the CoP had been largely achieved. Therefore its aim was to identify remaining challenges to compliance with the CoP and to further enhance its implementation. Another key objective was to strengthen external trust in European statistics by demonstrating that the ESS remains unequivocally committed to complying with the CoP and that it is constantly seeking to improve the quality of European statistics by respecting the Principles of the CoP as a fundamental element of the common quality framework in the ESS.

The ESS was the owner of the peer reviews. The European Statistical System Committee (ESSC), the ESS’s decision-making body, launched, guided and monitored the exercise. It set up a Task Force, consisting of 14 voluntary ESS members and an ESGAB representative, with Eurostat providing its secretariat, to develop the peer review methodology and tools. The Task Force’s mandate was later expanded to guiding the implementation of the exercise and giving methodological advice. The ESSC was kept informed of the work of the Task Force throughout the exercise, and it was invited to endorse all methodological developments.

The National Statistical Institutes (NSIs) nominated national coordinators who were responsible for coordinating and organising the exercise at the national level. At Commission level Eurostat dedicated a three-member team of its staff to manage the exercise.

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0621:FIN:EN:PDF>

⁴ http://www.eca.europa.eu/Lists/ECADocuments/SR12_12/SR12_12_EN.PDF

2. Methodology

The methodology for the second round was inspired by the first round, but there were several noteworthy new features and differences, in particular resorting to an audit-inspired approach as a methodological framework. This and other aspects related to the methodology are discussed below.

The methodology was piloted in the statistical offices of Iceland and Slovakia. The pilots led to a number of changes, such as dropping the envisaged inclusion of chosen statistical domains in the exercise and shortening the self-assessment questionnaire (cf. 2.5 below).

2.1. Scope

Peer reviews were carried out in the 28 EU Members States, four EFTA countries and Eurostat, and they covered the 15 Principles of the CoP. The coordinating role of the NSIs within National Statistical Systems (NSS) was included in the exercise because of the importance of the relationship between national statistical offices and other national authorities producing European statistics (ONAs). In order to gain more insight into how the ESS had evolved in the past years, the peer reviews also looked into cooperation between ESS members and the level of integration reached by the ESS.

Because of their role in the production of European statistics, the participation of ONAs in the peer reviews was seen as essential. Resource and time constraints, however, made it impossible to cover all ONAs. Therefore, it was agreed that each country's NSI selects up to three ONAs (more, less or none in some cases depending on country situation) based on criteria formulated by the Task Force and endorsed by the ESSC. The criteria were the importance of an ONA as a producer of European statistics and the potential damage for the credibility of European statistics caused by any quality failure in the statistics these ONAs produce.

The previous peer review resulted in a number of best practices for sharing in the ESS. This round aimed at taking this aspect to the next level, by identifying 'innovative' rather than best practices. Innovative practices were defined in the Guide for NSIs and Other National

Authorities and in the Guide for Peer Reviewers as ‘genuinely new ways which have made a difference in implementing the CoP and which could be applied in different national settings’.

2.2. Audit-like approach

The first peer review was an ‘in-house’ exercise, where the peer reviewers were drawn from the ESS - from NSI and Eurostat staff. In line with this ethos the final reports were the outcome of collaboration and discussion between the peer reviewers and the statistical offices. The approach had the advantage of the peer reviewers having an in-depth understanding of how NSIs and the ESS work, but it was criticised for lack of objectivity. As a response, the second peer review was based on an approach inspired by audit practices.

Therefore, whereas the previous peer review had been structured around CoP Principles, this round focused on issues. Using the material provided by the NSIs – self-assessment questionnaires and other documentation (cf. point 2.4) – the peer review teams assessed the state of play with regard to CoP implementation in each NSI. Based on the analysis they then identified issues where they thought implementation was lacking or could be improved. These issues were probed in the course of interviews during five-day peer review visits to each statistical office, and formed the basis for the peer reviewers’ recommendations.

Provision of concrete evidence to substantiate replies and explanations was of critical importance. The guides for NSIs and ONAs and for the peer reviewers defined evidence as ‘supporting documentation or other type of elements (e.g. websites, electronic tools) which support the replies’.

Following the visit each NSI was presented a draft of the report prepared by the peer review team so that the NSI could point out any inaccuracies, misunderstandings or errors. NSIs could not, however, comment on the findings and recommendations per se. Any request for correction had to be backed by evidence. The peer reviewers - as the owners of the reports with full responsibility for their contents, impartiality and objectivity - decided on whether to

make the requested changes. Ultimately NSIs could present diverging views on the peers' findings and recommendations in a specific chapter of the report.

In line with the issue-based method, findings and recommendations for improvement in the country reports were presented in thematic issue groups rather than by CoP Principle, as was the case previously. This had a profound impact on the Commission's report to the European Parliament and the Council on CoP implementation and coordination⁵, which was structured around a composite group of issues.

2.3 Outsourcing

As another response to the alleged lack of objectivity, the organisation of the exercise was outsourced. The contractor, selected in line with the Commission's tendering procedures, hired 20 independent peer reviewers following criteria set out in the tender specifications, and organised and monitored their work. Each review was conducted by a team of three peer reviewers who, amongst other requirements, were to have in-depth knowledge of the ESS and experience in official statistics. A number of the peer reviewers had held management positions in NSIs, whereas others were drawn from academia or were working as consultants. Some were active NSI staff, but hired as independent experts and not as representatives of their NSI.

Outsourcing excluded Iceland and Slovakia, which had already been peer reviewed at the piloting phase, and Eurostat. Eurostat was peer reviewed by ESGAB, the European Statistical Governance Advisory Body, which is mandated to monitor the implementation of the CoP by the Commission (Eurostat). Eurostat review followed the methodology applied to the NSIs to the extent possible, with some adaptations owing to the specific nature of Eurostat.

⁵ <http://ec.europa.eu/eurostat/documents/64157/4372828/Report+EP+and+Council+EN/fe6c689e-29ec-4cd1-aba9-88435dd8176b>

2.4. Self-assessment questionnaires and other tools

The Task Force developed three self-assessment questionnaires to be completed by the NSIs. The first, on implementation of the CoP (SAQ), was based on the Quality Assurance Framework of the European Statistical System (QAF)⁶. The second, on the coordinating role of the NSIs, was structured around the different areas where NSIs' coordinating activities within the NSS are manifested. The third questionnaire, on cooperation and integration within the ESS, was organised in line with the business domains of a Statistical Office as developed by the ESS Sponsorship on Standardisation. ONAs completed the SAQ or a shorter version of it especially designed for them. In addition to the questionnaires, the peer reviewers were provided with a set of core documents. These included descriptions of the NSI and the NSS together with related documents such as statistical programmes, annual reports and training plans, or summaries thereof. They were also provided with key statistical legislation.

In addition the Task Force developed Guides, one for the NSIs and ONAs and another for the peer reviewers. Three workshops – one for national coordinators, one for the peer reviewers, and a joint one for the two – were organised to explain the exercise, to provide targeted support and to harmonise the understanding and the application of the methodology.

2.5. Peer review visits

Five-day peer review visits to NSIs to further probe identified issues were an integral part of the exercise. Each visit began with a general session, where the NSI presented itself and the NSS and ended with a meeting with senior management. The visit agenda was agreed between the peer review teams and the NSIs in the six-week period leading up to the visit. The NSIs chose and invited the persons to be interviewed, including ONA participants and representatives of stakeholders, such as the media and the academic community. A closed

⁶ <http://ec.europa.eu/eurostat/documents/64157/4392716/ESS-QAF-V1-2final.pdf/bbf5970c-1adf-46c8-afc3-58ce177a0646>

session with junior staff, defined as staff with up to five years of experience in the NSI, was a set feature in each visit.

2.6. Improvement actions and monitoring

All statistical offices prepared improvement action plans in response to the peer reviewers' recommendations. In order to drive implementation and avoid impasses, improvement actions had to be SMART, i.e. Specific, Measurable, Achievable, Realistic and Time scaled. Implementation started as of publication of a plan at Eurostat's website. In order to ensure progress and maintain momentum, the end of 2019 was set as a deadline for implementation.

The peer review reports and improvement actions plans are available at Eurostat webpage⁷.

3. How did it work?

3.1. Objectives

The main objectives of the peer reviews were to drive internal improvement and enhance external trust in the ESS and European statistics. The internal objective was largely met: the peer reviews inspired self-reflection and galvanised statistical offices to make needed changes. Whether the external objective was met is less clear for the time being. On one hand the simple fact that the system itself took action to assess its compliance against a self-imposed set of Principles was seen to increase key stakeholders' trust in the system. On the other hand it was thought that trust-building could backfire if external beneficiaries were to focus on identified weaknesses rather than the system's commitment to quality and improvement.

As a conclusion, who is the intended beneficiary of the peer reviews – statistical offices, ONAs and the ESS or external stakeholders – should have been clear from the outset. This would have helped to better delineate the objective as either an internal 'legacy' exercise to

⁷ <http://ec.europa.eu/eurostat/web/quality/peer-reviews>

address outstanding issues related to CoP compliance, or an external, forward-looking exercise to tackle underlying higher level issues, such as governance.

3.2. Scope

The scope of the exercise was very broad. Identifying innovative practices and looking in-depth into the issues of cooperation and integration in the ESS in addition to the core business – CoP implementation and coordination – proved to be too ambitious in view of the available time and resources. A clearer definition of the objectives would have enabled to focus the scope either on CoP implementation or on more meta-level aspects, such as good governance as a prerequisite and enabler of high quality.

The success of ONA participation was mixed. ONA involvement was seen as critically important, and it succeeded in improving cooperation between NSIs and ONAs, irrespective of the initial level of ONA engagement. This said, success was mitigated by the lack of feedback to ONAs and their low visibility in the country reports.

The two ‘add-ons’, cooperation and integration and identification of innovative practices, proved to be distractions rather than value-adders. Identifying innovation, in particular, backfired in that the practices identified were of extremely variable calibre. Recognising innovation would have required specific expertise and knowledge on recent developments in various statistical fields.

3.3. Audit-like approach

The audit-like approach worked well on the whole. It was a clear step forward and it underscored the objectivity of the exercise. It could have worked even better, though, had it been taken further and been reinforced by a set of predefined minimum requirements against which to base peer review findings and recommendations. Similarly, the nature of the evidence as proof of implementation should have been more clearly defined. Doing so would have helped to further harmonise the final reports.

Focusing on problematic areas enabled the peer reviewers to focus on issues where progress was needed. Consequently, the final peer review reports and the Commission Report to the European Parliament and the Council, rather than mechanically ticking off implementation Principle by Principle, offer a more in-depth analysis of country situations and allow drawing causal links between Principles and issues. This said, the approach limited the comparative measuring of progress made following the first round of peer reviews, since the relationship between CoP Principles and Indicators and issue-groups was not one-to-one. In addition, since there was no predefined hierarchy of what constituted ‘issues’, there is considerably variation in the weight, quality and number of recommendations in the final reports.

3.4. Outsourcing

The intended objectives of outsourcing – objectivity and independence – were met. Some statistical offices felt, however, that there was a trade-off between the increase in independence and objectivity achieved by the use of external reviewers and the level of knowledge and understanding of the working of the NSIs and the ESS. A mix of internal ESS reviewers and external reviewers, with a team chair with ESS management experience, was seen as the best option, balancing knowledge and objectivity. The status of (peer) reviewers, would however also depend on the objective of an exercise (legacy, trust-building, other) and its beneficiaries (internal ESS or external – policy-makers, other external stakeholders). Whereas mixed teams could be better for a legacy exercise, trust-building exercises by their nature would require external, independent expertise.

3.5. Self-assessment questionnaires and other tools

The self-assessment questionnaire (SAQ) enabled and drove internal reflection. Overall, however, the SAQ was long and unwieldy, both to complete and to read. There was significant duplication and overlap, partly owing to the SAQ being based on the QAF. The peer reviewers were faced with a wealth of information and found much of it repetitive. Clearly any future SAQ should be shorter and the questions better fit for purpose, determined by intended beneficiaries and objective. Using the SAQ with ONAs was problematic, the full SAQ being

too comprehensive and the shorter version too light. The ONA questionnaire should have been more tailored for the specific and varied ONA situations.

3.6. Improvement actions

The SMART method proved useful, and helped statistical offices to formulate realistic and achievable improvement actions. This said, the nature of some recommendations made applying the SMART approach difficult or even impossible.

4. Conclusions

The methodology developed for the second round of peer reviews worked well on the whole. It contributed to the efficient run of the exercise; in spite of the tight timetable and resource constraints the exercise was conducted as planned, and it terminated on schedule. Adoption of the audit-like approach, in particular, improved the quality of the peer reviews. It helped to respond to the perceived lack of objectivity in the previous round by increasing accountability and, together with the use of independent peer reviewers, by boosting external credibility.

Some features, notably the SAQ, ONA participation and identification of innovative practices, were less successful. These, however, were mostly directly linked to the question of the objective and beneficiaries of the peer reviews and to the scope of the exercise. Had this been clearer, at least some of the difficulties could have been avoided.

The objective and intended beneficiaries are therefore key questions for any future exercise. The ‘Who for?’ – statistical offices, ONAs, policy-makers or other external stakeholders – would determine the ‘What for?’, i.e. for internal improvement, as basis for the launch of a an action/policy, for external trust-building, or another purpose. Answers to these questions would help choose the assessment basis: implementation of CoP Principles or underlying higher-level issues, such as governance as an enabler of quality. This in its turn would allow clearly delineating the scope and determining the type of expertise needed, be it internal, external, policy-related or technical.

In conclusion, the methodology for the second round succeeded in improving the quality of the peer reviews, in particular with regard to accountability and objectivity. The peer reviews, however, gave rise to a number of questions of critical importance for any future action related to the CoP, the answers to which should determine their nature.

5. References

European Court of Auditors (2012), Special Report No 12/2012, Did the Commission and Eurostat improve the process for producing reliable and credible European Statistics?

European Statistical System Peer Reviews (2013), Guide for NSIs and Other National Authorities

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