

PEER REVIEW REPORT

ON COMPLIANCE WITH THE CODE OF PRACTICE AND
THE COORDINATION ROLE OF THE NATIONAL STATISTICAL INSTITUTE

ESTONIA

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JUNE 2015

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1. EXECUTIVE SUMMARY

Statistics Estonia (SE) can trace its origins back to the establishment of the State Statistical Central Bureau of the Republic of Estonia in 1921. However, SE can be considered to be a relatively “young” national statistical institute in that most of its modern development only dates from the foundation of the new state in the early 1990’s. It is a relatively small office with just 350 full-time equivalents employed. However, the workforce is highly skilled with over 55% holding a Master’s degree or higher and a further 20% have a Bachelor’s degree. It makes effective use of modern IT tools, promotes electronic data collection and, in accordance with the statistical legislation, makes maximum use of administrative data for statistical purposes. It also has an active policy of adopting, to the maximum extent, EU and other international statistical policies, standards, classifications and methodologies and, as a result, is highly compliant with international requirements. The Peer Review team identified a number of innovative or good practices, worthy of note, and some of these are detailed in the report.

The production of official statistics is underpinned by the Official Statistics Act (OSA), which was updated in recent years and is closely linked to the European Union’s Statistical Law (Regulation (EC) No 223/2009 of the European Parliament and of the Council). For example, the law explicitly states that official statistics must be produced “according to the statistical principles and quality criteria prescribed in Regulation (EC) 223/2009”. The right of access to administrative data for statistical purposes is comprehensively covered in the Act. Producers of official statistics have a right of access to administrative data, held not only by public authorities but also to administrative type data held by private entities. SE can also influence the structure and development of administrative data to make them more amenable to use for statistical purposes. The law also requires that administrative data must be used to the maximum extent in producing official statistics. Finally, the law provides for a Statistical Council and the preparation of, and reporting on, a rolling 5-year-Statistical Programme that is updated annually.

SE has a near monopoly position in respect to the production of official statistics in Estonia as it and Eesti Pank (the Central Bank) are the only producers of official statistics currently recognised under the OSA – and the latter is confined to producing monetary and balance of payments statistics. Official statistics are defined in the OSA as those statistics included in the Statistical Programme and over 90% of the Programme is determined by European Statistical System (ESS) requirements. This centralisation of statistical production allows a highly coordinated and structured approach to be adopted towards the production of official statistics by SE.

With the exception of the availability of adequate resources to meet all the requirements of the European statistical programme, the Peer Review team concluded that there is a very high level of compliance with the European statistics Code of Practice. In addition to addressing the resource issue, the team also identified a number of areas where it believes that the level of compliance could be improved or enhanced. The question of resources and the other issues are discussed, with appropriate recommendations, under three main headings as follows:

- Ensuring the availability of adequate resources to meet the requirements for European and National statistics;
- Strengthening the institutional environment and
- Further developing quality procedures and the service to users and data providers.

The implementation of some of the recommendations may require legislative/institutional changes and thus they are addressed to the appropriate “relevant authorities” without specific designation.

In these cases the Peer Review team assumes that SE will take the initial steps at national level in securing an appropriate response from these authorities to the recommendations.

RECOMMENDATIONS

Ensuring the availability of adequate resources to meet the requirements for European and National statistics

1. The relevant authorities should provide Statistics Estonia with adequate budgetary resources to ensure that all European statistical requirements, particularly those required under EU regulations, can be met in a satisfactory manner. (European statistics Code of Practice, indicator 3.1.)
2. The current salary levels applying in Statistics Estonia should be reviewed by the relevant authorities in order to ensure that staff of the required calibre can be recruited and retained on a sustainable basis. (European statistics Code of Practice, indicators 3.1 and 7.5.)
3. The service level agreement between the Information Technology Centre of the Ministry of Finance and Statistics Estonia should be reviewed in order to ensure an improved recognition of the critical importance of Information and Communications Technology to the operation of a modern national statistical institute and thus guarantee that Statistics Estonia's justified needs in this regard are addressed as a matter of the highest priority. (European statistics Code of Practice, indicators 3.1, 10.1 and 10.2.)
4. The Ministry of Finance should allocate the Information Technology budget for statistics directly to Statistics Estonia so that it can influence and determine in a more effective and prioritised manner the delivery of IT services required for the production of high quality statistics. (European statistics Code of Practice, indicators 3.1, 10.1 and 10.2.)
5. Statistics Estonia should review and develop its training programme to meet the emerging professional and managerial training needs of its staff, particularly in the context of the new process based organisational structure. (European statistics Code of Practice, indicators 4.1, 6.8 and 7.6.)
6. Statistics Estonia should introduce a staff mobility programme in order to meet the professional and managerial career development needs of its staff. (European statistics Code of Practice, indicators 3.1 and 7.6.)

Strengthening the institutional environment

7. The relevant authorities should amend the Official Statistics Act so that all public authorities producing European statistics are designated as producers of official statistics under the Act and hence made subject to its provisions requiring adherence to the European statistics Code of Practice. (European statistics Code of Practice, all Principles and Coordination)
8. Appropriate legal and other arrangements should be put in place so that, in principle, all European statistics are included in the annual Statistical Programme unless there is a clear reason for their exclusion. (European statistics Code of Practice, all Principles and Coordination)
9. Statistics Estonia should finalise and agree at the earliest opportunity a detailed memorandum of understanding with Eesti Pank covering the coordination of their respective statistical activities. (Coordination)

10. Statistics Estonia should endeavour to position itself to undertake more statistical work under commission outside the scope of the Statistical Programme, on the clear understanding that such work is undertaken in conformity with the provisions of the Official Statistics Act and the European statistics Code of Practice. (European statistics Code of Practice and Coordination)
11. The relevant authorities should amend the Official Statistics Act so that the definition of, and provisions relating to, the principle of statistical confidentiality are explicitly addressed in the Act. (European statistics Code of Practice, indicator 5.1.)

Further developing quality procedures and the service to users and data providers

12. Statistics Estonia should prepare and publish a quality policy statement. (European statistics Code of Practice, indicator 4.1.)
13. Statistics Estonia should further develop its quality tools, methods and related documentation as part of a regular and comprehensive system of self-assessment of its statistical processes and products. (European statistics Code of Practice, Principle 4)
14. Statistics Estonia should undertake on a targeted basis detailed quality assessments, involving external experts as appropriate, of its key statistical processes and products. (European statistics Code of Practice, indicator 4.4.)
15. Arrangements should be put in place so that the activities of the current and proposed user councils are formally overseen and coordinated by the Statistical Council in conjunction with Statistics Estonia. (European statistics Code of Practice, Principle 11 and Coordination)
16. Statistics Estonia should prepare and publish more analytical reports of its statistical outputs to meet the needs of users. (European statistics Code of Practice, Principle 15)
17. Statistics Estonia should address the Information Technology-related technical concerns of some researchers in regard to accessing confidential microdata for scientific purposes. (European statistics Code of Practice, indicator 15.4.)
18. Statistics Estonia should engage more actively with appropriate educational and other stakeholders in promoting statistical literacy. (European statistics Code of Practice, Principle 15)
19. Statistics Estonia should continue to work with other public authorities to reduce the administrative burden on respondents by entering into data sharing agreements and by developing automatic industry standard tools such as Extensible Markup Language (XML) and Extensible Business Reporting Language (XBRL). (European statistics Code of Practice, Principle 9)
20. Statistics Estonia should endeavour to have the overall administrative burden measured by the appropriate authorities so that the statistical burden can be clearly seen in the context of the overall burden on respondents. (European statistics Code of Practice, Principle 9)

2. INTRODUCTION

This peer review report is part of a series of assessments, the objective of which is to evaluate the extent to which National Statistical Institutes (NSIs) and the European Statistical System (ESS)¹ comply with the European statistics Code of Practice (CoP).

The CoP, which sets out a common quality framework for the ESS, was first adopted in 2005 by the Statistical Programme Committee and updated in 2011 by its successor, the European Statistical System Committee. The CoP – 15 principles and related indicators of good practice – covers the institutional environment, the statistical production process and the output of European statistics. The ESS is committed to fully complying with the CoP and is working towards its full implementation. Periodic assessments review progress towards reaching this goal.

The first global assessment, a round of peer reviews in 2006–2008, explored how the NSIs and Eurostat were progressing in implementing the parts of the CoP relating to the institutional environment and dissemination of statistics (principles 1–6 and 15). This resulted in reports for each NSI and Eurostat, available on the Eurostat website². These reports also include a set of improvement actions covering all the principles of the CoP; these informed the annual monitoring of the implementation of the CoP in the ESS in the period 2009–2013.

The scope of this second round of peer reviews is broader: the assessment of CoP compliance covers all principles; the CoP compliance of selected other national producers of European statistics (as well as the NSI) in each country is assessed; and the way in which statistical authorities coordinate the production and dissemination of European statistics within their statistical systems is explored.

It should be underlined that there is a fundamental difference between the reports in the previous round of peer reviews conducted in 2006–2008 and the reports from this round. In the 2006–2008 round compliance with principles 1 to 6 and 15 of the CoP was assessed by means of a four-level scale (fully met; largely met; partly met and not met) and improvement actions were agreed on all 15 principles. After five years of continuous development most of the improvement actions have been implemented and significant progress towards full compliance with the CoP has been made. Therefore, rather than stating the state of play for all principles of the CoP, the reports from the 2013–2015 round mainly focus on issues where full compliance with the CoP has not been found or further improvements are recommended by the Peer Review team.

In order to gain an independent view, the peer review exercise has been externalised and an audit-like approach, where all the answers to the self-assessment questionnaires have to be supported by evidence, has been applied. As in 2006–2008, all EU Member States, the EFTA/EEA countries and Eurostat are subject to a peer review.

Each peer review in the Member States and EFTA/EEA countries is conducted by three reviewers and has four phases: completion of self-assessment questionnaires by a country; their assessment by Peer Reviewers; a peer review visit; and the preparation of reports on the outcomes. The peer review of Eurostat has been conducted by the European Statistical Governance Advisory Board (ESGAB).

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

² <http://ec.europa.eu/eurostat/web/quality/first-round-of-peer-reviews>

To test and complete the methodology, it was piloted in two countries, Iceland and Slovakia, over the summer of 2013.

The peer review of Estonia was conducted by Gerry O'Hanlon (chair), Katalin Szép and Jan Matějček, who conducted a peer review visit to Tallinn on 13 to 17 April 2015. The programme of the visit is in Annex A and the list of participants in Annex B.

This report focuses on compliance with the CoP and the coordination of European statistics within the Estonian statistical system. The report highlights some of the strengths of Estonia in these contexts and contains recommendations for improvement. Improvement actions developed by Statistics Estonia on the basis of this report will be published within the four-week period starting when the final report is sent to the NSI.

3. BRIEF DESCRIPTION OF THE NATIONAL STATISTICAL SYSTEM

Legislation

The Official Statistics Act (241/2010) states that Statistics Estonia (SE) as the National Statistical Institute (NSI) is a governmental authority operating in the area of government of the Ministry of Finance. The duties of SE are: to produce official statistics pursuant to the provisions of the Official Statistics Act (OSA); to prepare in cooperation with Eesti Pank (the Central Bank of Estonia), representatives of public interest and the Statistical Council (SC) the Official Statistical Programme (OSP) to be presented to the Government of the Republic; to coordinate the production of official statistics; to coordinate the system of classifications; to provide clerical support to the SC; and to perform other duties arising from the law. In the performance of the duties specified in the OSA, SE shall be professionally independent within the meaning of Regulation (EC) No 223/2009 of the European Parliament and of the Council on European statistics. Furthermore, the OSA requires that official statistics must also be produced according to the principles and quality criteria prescribed in the Regulation on European statistics.

Other significant legal instruments that govern the activities of SE include: the Statutes of Statistics Estonia, which deals with organisational matters and structures; the Procedure for Protection of Data Collected and Processed by Statistics Estonia and the Procedure for dissemination of confidential data for scientific purposes.

Mission and vision of Statistics Estonia

The mission and vision of SE are included in its Strategy 2015-2020 and both are derived directly from the OSA. The mission, as the main task of SE, is “to provide reliable and objective information about Estonia”. In this way it supports democratic decision-making based on facts, as well as scientific research, by producing reliable statistics describing society. The vision underlines that official statistics are “the primary source of reliable information”.

Appointment of the Head of NSI

The head of SE is the Director General (DG), who is recruited through open competition. The Government of the Republic appoints the DG of SE to office for a period of five years at the proposal of the Minister of Finance. In order to fill the position of the DG a public competition is organised pursuant to the procedure provided for in the Civil Service Act for filling senior public service positions. Under the OSA the appointment process shall also be informed by the opinion of the SC on the suitability of the candidates. In the case of the most recent appointment this involved the SC interviewing the short listed candidates before delivering its opinion. The DG of SE may be released from the office by the Government of the Republic at the proposal of the Minister of Finance. As a safeguard, the Minister of Finance is required under the law to hear the opinion of the SC before taking any such action.

Organisational structure of the NSI

SE is located in a new purpose-designed office in central Tallinn. Around 400 employees work in this office. There are also small regional offices in Tartu and Viljandi. SE is financed by the state budget, income from charged activities and from other national or international bodies. The total expenditure in 2014 amounted to €9.2 million of which €8.4 million related to operating expenses and €0.8 million to information technology (IT) investments (the latter is administered by the Information Technology Centre of the Ministry of Finance which provides a service to SE). Just under €1 million of the total expenditure was financed by income from charged activities and EU supports.

The current process based organisational structure is closely aligned with the Generic Statistical Business Process Model (GSBPM) Version 4.0. There are eight Departments reporting to the Director General and to the two Deputy Directors General. One Deputy DG, with a focus on data collection and processing, has responsibility for the Data Processing and Registers Department, the Data Warehouse Department and the Metadata Department. The second Deputy DG, with a statistical outputs focus, has responsibility for the Enterprise and Agricultural Statistics Department, the Economic and Environmental Statistics Department, the Methodology and Analysis Department (including social statistics) and the Marketing and Dissemination Department. The final department, the General Department, which provides services across the organisation, reports directly to the DG.

National Statistical System

SE is formally designated as a producer of official statistics under the OSA and also acts as the general authority of the National Statistical System (NSS). The only other producer of official statistics under the OSA is Eesti Pank (the Central Bank of Estonia), which produces national balances of payments and financial sector and monetary statistics. Statistical activities undertaken by other public authorities are treated as administrative statistics but not recognised as official statistics under the OSA even though in some cases these statistics are provided to Eurostat and other international organisations.

The SC is an advisory body on statistical matters not only to Statistics Estonia and Eesti Pank, but also to the Ministry of Finance and the Government of the Republic. The underlying role of the SC is to strengthen the independence of official statistics, to make the production of statistics more transparent and to include society in the statistical production process on a wider scale. The specific tasks of the SC are: to advise producers of official statistics on the compilation of the OSP; to make recommendations to SE on the coordination of official statistics; to deliver to the Minister of Finance its opinion about the OSP before its approval; to give the Minister of Finance an estimate of the costs of producing official statistics; to make recommendations in the sphere of statistical legislation; and to express its opinion about the suitability of a candidate for the post of DG of SE and about any proposed early release of the DG from office. The SC is composed of 13 members - three representatives from SE, Eesti Pank and the Data Protection Inspectorate and ten members from among the representatives of users and respondents and from among statistical experts. SE has set up three advisory bodies: the Council of Regional Statistics; the Scientific Council of Social Statistics; and the Population Census Council. Five new advisory councils will be formalised before summer 2015 covering: Research and Development Statistics, Energy Statistics; Governmental Finance Statistics; Macroeconomic Statistics; and Environmental Statistics.

Statistical programme

The OSP is a list of demographic, social, economic and environmental statistical activities which is compiled each year for the following five years according to the national or international demand for statistics. Statistical activities are statistical surveys, censuses, publications, registers and projects. The OSP is prepared by SE, in consultation with the SC, and formally adopted by the Government and the Governor of Eesti Pank. It includes for each statistical activity its title, legal basis, statistical indicators, periodicity, reference period or moment, estimated cost and information on amendments planned to methodology.

In drafting the programme account is taken of the public interest, the existence of data sources, the response burden on respondents and the cost-effectiveness of the production of official statistics. Additionally, the state budget strategy and the draft state budget for the following year are taken into account. SE communicates directly with state and local government authorities in

the preparation and implementation of the programme. The DG of SE is required to submit to the SC and the Ministry of Finance an annual report on the implementation of the programme. This report includes an overview of the implementation of the programme, the administrative burden on respondents, user satisfaction with official statistics and an assessment of the quality of administrative records.

4. COMPLIANCE WITH THE CODE OF PRACTICE AND THE COORDINATION ROLE WITHIN THE NATIONAL STATISTICAL SYSTEM

4.1 STRENGTHS OF THE NATIONAL STATISTICAL INSTITUTE IN RELATION TO ITS COMPLIANCE WITH THE CODE OF PRACTICE AND TO ITS COORDINATION ROLE

Statistics Estonia (SE) can trace its origins back to the establishment of the State Statistical Central Bureau of the Republic of Estonia in 1921. However, SE can be considered to be a relatively “young” national statistical institute in that most of its modern development only dates from the foundation of the new state in the early 1990’s. The first Peer Review in 2006 found that it had made rapid progress in establishing itself as a modern statistical office over a relatively short period of time. On the basis of its detailed review of the current situation, the Peer Review team is strongly of the view that SE has made further impressive improvements over the intervening period and that it now compares favourably, not only with other smaller statistical offices, but with all NSIs throughout the EU.

The production of official statistics is underpinned by the Official Statistics Act (OSA), which was updated in recent years and is closely linked to Regulation (EC) 223/2009. For example, the law explicitly states that official statistics must be produced “according to the statistical principles and quality criteria prescribed in Regulation (EC) 223/2009”. The OSA clearly states that producers of official statistics shall be independent in their choice of statistical methodology and the appointment, dismissal, role and responsibilities of the DG of SE are set down in the law in a manner that accords with best practice. (CoP, Principle 1). The right of access to administrative data for statistical purposes is comprehensively covered in the OSA. Producers of official statistics have a right of access to administrative data, held not only by public authorities but also to administrative type data held by private entities. SE can also influence the structure and development of administrative data to make them more amenable to use for statistical purposes. (CoP, Principles 2 and 8). The OSA also requires that administrative data must be used to the maximum extent in producing official statistics. Finally, the OSA provides for a SC and the preparation of, and reporting on, a rolling 5-year-OSP that is updated annually. Overall, the Peer Reviewers consider that the Official Statistics Act of Estonia could serve as a very good template for the development of national statistical legislation.

SE has a near monopoly position in respect to the production of official statistics in Estonia as it and Eesti Pank (the Central Bank) are the only producers of official statistics currently recognised under the OSA – and the latter is confined to producing monetary and balance of payments statistics. Official statistics are defined in the OSA as those statistics included in the OSP and over 90% of the OSP is determined by ESS requirements. This centralisation of statistical production allows a highly coordinated and structured approach to be adopted towards the production of official statistics by SE. The coordination and development of the Statistical Programme is facilitated by the ability of SE to provide costing information on all statistical activities based on its detailed time recording system. (CoP, Principle 10)

In absolute terms SE is a relatively small office with just 350 full-time equivalents employed. However, the workforce is highly skilled with over 55% holding a Master’s degree or higher and an additional 20% holding a Bachelor’s degree. It makes effective use of modern IT tools, promotes electronic data collection and, in accordance with the statistical legislation, makes maximum use of administrative data for statistical purposes. It also has an active policy of adopting, to the maximum extent, EU and other international statistical policies, standards, classifications and methodologies and, as a result, is highly compliant with international requirements. One notable

example is its adoption of the Generic Statistical Business Process Model (GSBPM). Not only has it adopted the GSBPM for the management and development of its statistical products and processes but it has also aligned its organisational structure to the model to streamline its overall approach. (CoP, Principles 7, 8 and 10).

SE has a simple but very effective website that provides a comprehensive range of data and metadata and has a well developed English version. It also has developed a mobile app and hosts a blog that attracted positive statements from a number of users. SE applies the equality of access principle without any exception and this appears to be fully accepted and appreciated by its users. (CoP, Principles 6 and 15)

The Peer Review team identified a number of good and innovative practices during its review of SE. While elements of some of these also exist in a number of countries, the Peer Review team was particularly struck by the comprehensive and integrated approach adopted by SE. The team would draw attention to the following three as worthy of note and further examination:

- The legislation governing access to administrative data for statistical purposes is extremely comprehensive and gives wide scope to producers of official statistics (notably SE) to access administrative data, both public and private, and to influence its content for statistical purposes. Furthermore, the content of, and any changes to, administrative data have to be registered centrally and SE must be consulted by the registration authority. (CoP, Principles 2 and 8)
- The high priority given to adopting European and other international statistical standards and practices in a comprehensive and innovative manner throughout SE is particularly striking. The adoption over the past two years of the GSBPM, not only for the management and development of its statistical products and processes, but also as the basis for its organisational structure is particularly noteworthy and the experience gained in implementing this development should be of interest to other NSIs. (CoP, Principles 7, 8 and 10)
- SE has developed an integrated customer relationship management system, KUNDE, which it uses to handle all its interactions with users. It uses the information collected not only to provide an efficient service but also to analyse customer needs and behaviours as an input to developing new services and products. (CoP, Principles 11 and 15)

4.2 ISSUES AND RECOMMENDATIONS

With the exception of the availability of adequate resources to meet all the requirements of the European statistical programme, the Peer Review team concluded that there is a very high level of compliance with the CoP. In addition to addressing the resource issue the Peer Review team also identified a number of areas where it believes that the level of compliance could be improved or enhanced. The question of resources and the other issues are discussed, with appropriate recommendations, under three main headings as follows:

- Ensuring the availability of adequate resources to meet the requirements for European and National statistics;
- Strengthening the institutional environment and
- Further developing quality procedures and the service to users and data providers.

The implementation of some of the recommendations may require legislative/institutional changes and thus they are addressed to the appropriate “relevant authorities” without specific designation. In these cases the Peer Review team assumes that SE will take the initial steps at national level in securing an appropriate response from these authorities to the recommendations.

4.2.1 ENSURING THE AVAILABILITY OF ADEQUATE RESOURCES TO MEET THE REQUIREMENTS FOR EUROPEAN AND NATIONAL STATISTICS

Adequate budgetary resources

The core annual budget of SE (i.e. excluding expenditure on the periodic population and housing census and related activities and foreign funding) is approximately €6 million. It has been around this level since 2009 when a reduction of 20% was imposed as part of general Government cutbacks. Over 90% of the cost of the Statistical Programme is determined by European statistical needs, which have continued to expand over the period. In order to continue to comply with the European statistical programme and meet priority national needs, SE has had to achieve substantial improvements in its efficiency. From the evidence provided to the Peer Review team it is clear that it has made substantial progress in this regard and it is difficult to see how further substantial savings can be anticipated in the foreseeable future.

SE has developed an advanced statistical system based on compliance with the CoP using modern methods and IT solutions. This system gives prominence to all aspects of cost-effectiveness. Administrative data and other public and private data sources are used instead of statistical surveys. Web applications are preferred to classical paper forms. More and more statistical processes are centralised – not only in the phases of data collection and dissemination but also in respect of data processing and analysis. The organisational structure of SE was substantially changed in 2013 in line with the GSBPM model leading to a much reduced and simplified form (including a reduction of a third in the number of management posts). International (mainly European) methodological standards are used to the maximum extent: for example, CoP, EFQM³, GSBPM, ESMS⁴ and many others. Standardised tools have also been developed and implemented in an integrated manner for all parts of the statistical information system.

There is a clear connection between the OSP and the allocated budgets, as costs for all statistical activities are calculated based on recorded working time data. The OSP and the use of resources are regularly discussed with users in detail. Furthermore, the SC, in accordance with its mandate, gives its opinion on the OSP and the related need for resources. While these analyses and consultations have generally supported the need for additional resources they have not persuaded the Ministry of Finance to increase the statistical budget. In this respect the Peer Reviewers were given the impression that SE may be disadvantaged by the fact that its parent Ministry also has responsibility for containing the overall public budget. In the current economic circumstances the Ministry may therefore be reluctant to advocate increases in the statistical budget, no matter how well they are justified, because of its overriding budgetary role.

Despite the limited resources, SE has managed through the OSP to meet almost all European and priority national statistical needs. However, in adopting the 2014 Programme, covering the period 2014 to 2018 inclusive, the following activities were omitted in 2014 due to lack of resources:

³ European Foundation for Quality Management

⁴ Euro-SDMX Metadata Structure

- Environmental taxes accounts (*)
- Material flow accounts (*)
- Services producer price index (*)
- Satellite account on pension schemes (*)
- Wider use of administrative data
- Use of passenger cars
- Foreign tourists in Estonia
- Geo-coding of the 1989 census data
- Labour force accounts
- Restoration of time series

(*) = required under EU regulations.

As some of the activities listed above are required under EU regulations the Peer Review team must conclude that Estonia is not strictly in compliance with Principle 3, indicator 3.1 of the CoP.

Accordingly, to achieve compliance with CoP, the Peer Reviewers recommend that:

- 1. The relevant authorities should provide Statistics Estonia with adequate budgetary resources to ensure that all European Statistical requirements, particularly those required under EU regulations, can be met in a satisfactory manner. (European statistics Code of Practice, indicator 3.1)**

Salary levels

The average number of staff in SE in 2014, expressed in full-time equivalents, was 350 (compared with 358 in 2013). When interviewers are excluded the staff complement falls to 313 full time equivalents. While Estonia is a small country the fact that almost all official statistics are produced by SE means that the staff number is relatively small when compared to other NSIs, particularly when the economies of scale associated with statistical work (negative in Estonia's case) are taken into account. The implied high relative productivity is perhaps explained by the fact that over 55% of the staff have a Master's degree or higher and a further 20% have a Bachelor's degree.

In the context of such a high skills level, the Peer Review team was surprised to learn that the average salary levels are amongst the lowest in the Estonian public service, with an average salary level of just 85% of the overall public service average. When it is considered that average salary levels in the public sector are low compared to those in the private sector the tendency to leave SE must therefore be expected to be high. Unfortunately, information on staff turnover rates and length of service in SE confirms this expectation. While there was an overall turnover rate of just over 10% in 2014 the rate was approximately one in three for those aged between 25 and 34. This trend is also confirmed by the fact that approximately one third of the staff in SE in 2014 had less than two years' experience.

Such a high level of turnover of young highly skilled staff must be seen as a threat to the medium to longer term sustainability of the professional base of SE, particularly in the context of more senior and experienced staff moving towards retirement.

Since employee satisfaction surveys indicate a high commitment to work and high levels of satisfaction among junior staff with superiors and with the quality of the work, it must be concluded that the high turnover rate is mainly due to the low salary levels and limited career opportunities within SE.

SE management are very much aware of the problem and have endeavoured to improve matters in recent years but they have limited options at their disposal, mainly because of the constraints on

their overall budget. It would appear that the relatively low average salary levels is a long term historical issue dating back to an era when work in statistical offices involved large-scale clerical operations. In short, the Peer Reviewers consider that, as a matter of urgency, the salary levels in SE should be reviewed to bring them more into line with comparators elsewhere in the public service.

To further enhance compliance with the CoP, **the Peer Reviewers recommend that:**

- 2. The current salary levels applying in Statistics Estonia should be reviewed by the relevant authorities in order to ensure that staff of the required calibre can be recruited and retained on a sustainable basis. (European statistics Code of Practice, indicators 3.1 and 7.5)**

Information and communications technology

As befits a modern national statistical institute, SE is heavily dependent on a sophisticated and comprehensive IT system covering all aspects of its work. Standardised tools have been developed and implemented in an integrated manner across the statistical information system. The integrated metadata system, iMETA, is applied across the whole statistical information system. The System of Statistical Registers, SRS, creates a common system for managing statistical registers of population, businesses, agriculture holdings, buildings and dwellings. The data collection system for economic entities, eSTAT, enables respondents to view statistical questionnaires, to complete them, to check and correct them and to submit them to SE. The data collection system for persons, VVIS, enables the collection of data from individuals using the Computer Assisted Personal Interviewing and Computer Assisted Web Interviewing methods. The data collection system for administrative data, ADAM, enables the extraction of detailed personalised data from administrative sources. The template based data processing system, VAIS, is a set of tools aimed at automating the data processing phase. Data analysis is undertaken using the ANALYSE system and dissemination is facilitated through an output database based on the PX-Web/.STAT systems. The users' proposals for the Statistical Programme are collected in the system KUNDE, which enables the dissemination and subject matter departments to analyse the needs of users.

The IT service provider of Statistics Estonia is the Information Technology Centre (ITC) of the Ministry of Finance, which is responsible for the entire IT infrastructure of SE and also for the sourcing of software and related licences. The ITC is also responsible for providing IT services to the Ministry itself and the other public agencies under its remit. The budget for SE's overall IT maintenance and development is held by the ITC and there is a service level agreement between the two parties. However, there are some justifiable concerns at the extent to which SE's priority needs are included and/or addressed in an adequate manner within the agreement. For example, there has been no budget allocated for IT developments since 2010 other than for the preparation of the register-based population and housing census in 2020. Moreover, the ITC is just the service provider as the decision to allocate adequate resources for the maintenance and development of SE's IT resources is effectively retained within the purview of the Ministry of Finance. The Peer Review team would consider that the IT budget for statistics should be allocated directly to SE so that it could influence in a more effective manner the level of service provided by ITC in meeting its needs. In particular, it would give SE greater control in setting priorities for IT activities and developments.

Having regard to the critical importance of IT to the functioning of SE, the Peer Review team would therefore strongly support the view that the current arrangements should be reviewed and changed as necessary in order to guarantee that SE's justified needs are met as a matter of the highest priority.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

3. The service level agreement between the Information Technology Centre of the Ministry of Finance and Statistics Estonia should be reviewed in order to ensure an improved recognition of the critical importance of Information and Communications Technology to the operation of a modern national statistical institute and thus guarantee that Statistics Estonia's justified needs in this regard are addressed as a matter of the highest priority. (European statistics Code of Practice, indicators 3.1, 10.1 and 10.2.)
4. The Ministry of Finance should allocate the Information Technology budget for statistics directly to Statistics Estonia so that it can influence and determine in a more effective and prioritised manner the delivery of IT services required for the production of high quality statistics. (European statistics Code of Practice, indicators 3.1, 10.1 and 10.2.)

Training programme

A comprehensive human resources policy is a part of the strategy of SE. This policy includes a detailed description of, and commitment to, continuous vocational training. Yearly training programmes are based on input from yearly performance evaluations conducted by supervising managers. A specialist in the General Department is responsible for the central coordination of training including the assessment of training needs and the distribution of the training budget according to needs and strategic priorities. Information about upcoming training seminars is provided in daily electronic newsletters sent to all employees. Additional e-mails are sent to relevant managers and target groups. Participation in training courses is registered and analysed.

Training courses describing all statistical activities of the OSP are provided regularly at least once a year. These courses are mandatory for the owners of statistical activities (approximately 60 employees) and most of them usually take part in the courses every year. The most important developments on metadata attributes and requirements are explained during the courses, including ESMS metadata concepts. Training courses on different types of metadata, like classifications, register variables, cubes, etc., are provided.

Quality training was a separate training course for a few years, but now quality management principles and requirements are introduced to employees during the CoP-based training, which is obligatory for all new employees. Training is split into three main parts: institutional environment, statistical processes and statistical output. Quality requirements are introduced in direct connection with all CoP principles and indicators. There is also informal training on the CoP, on the European Foundation for Quality Management/Common Assessment Framework (EFQM/CAF) and on ESMS-based self-assessment.

To ensure that statistical releases and statements are solely based on statistical findings and results, SE conducts regular training for employees. Twice a year training sessions are held for new staff. Approximately once a year training is also provided for the statisticians who write news releases and make presentations to users. Approximately 30 staff (spokespersons) have been identified and given special training for dealing with the media.

Over the past two years substantial change has taken place in SE with the introduction of the new GSBPM-based organisational structure as well as the implementation of a new integrated information system. The Peer Review team believes that these changes bring with them the need to develop new professional and managerial skills and competencies throughout the organisation. Examples might include training on project management and team working. Accordingly, the Peer

Review team would recommend that the training programme be reviewed and developed to meet the new requirements.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

5. **Statistics Estonia should review and develop its training programme to meet the emerging professional and managerial training needs of its staff, particularly in the context of the new process based organisational structure. (European statistics Code of Practice, indicators 4.1, 6.8 and 7.6.)**

Staff mobility

Detailed requirements for qualification are described in job descriptions for all positions in SE. They include level of education, work experience, knowledge, computer and language skills etc. Tests, interviews and task-solving exercises are used during the recruitment process to evaluate the suitability of candidates. Filling of posts is based strictly on the use of open competitions. Vacant positions are open to all employees and internal candidates are encouraged to apply for these jobs. Previous experience at SE is an advantage during the selection of candidates.

In the opinion of the Peer Review team, there is a weakness in the human resource policy of SE in that career paths are not described and there would not appear to be any emphasis on succession planning. Theoretically there are possibilities for job shadowing, mentoring and rotation, but they do not always apply in practice. This was confirmed to the Peer Reviewers during the session with junior staff. The absence of career planning may also be a contributing factor to the high turnover rate among certain categories of staff. The introduction of the new organisational structure also brings with it greater specialisation in roles and thus staff may have more limited opportunities to obtain a wider experience of other aspects of statistical work. As an initial step to redressing some of these shortcomings, the Peer Review team would consider that a staff mobility programme should be introduced, particularly for junior staff, to meet the career development needs.

To further enhance compliance with the CoP, the Peer Reviewers recommend that:

6. **Statistics Estonia should introduce a staff mobility programme in order to meet the professional and managerial career development needs of its staff. (European statistics Code of Practice, indicators 3.1 and 7.6.)**

4.2.2 STRENGTHENING THE INSTITUTIONAL ENVIRONMENT

The Peer Review team concluded that, with the exception of the availability of adequate resources, there is a very favourable institutional environment for statistics in Estonia. However, it believes that the environment might be strengthened in three areas, namely: the approach towards European statistics; a greater focus on commissioned work; and a higher legal visibility for the principle of statistical confidentiality.

European statistics

In the documentation provided in advance of the Peer Review visit, and subsequently confirmed during the visit, Eesti Pank is the only agency formally identified as an Other National Authority (ONA) in the context of the production of European statistics. However, during the course of the visit it was revealed that some European statistics are actually produced by other agencies. The most important is the National Institute for Health Development (NIHD), which is responsible for mortality and morbidity statistics and also statistics on health expenditure (including the System for Health Accounts). The NIHD is also not listed as a producer of official statistics, within the

meaning of the OSA, with the result that the statistics that it produces are not part of the OSP and hence cannot be classified as official statistics. The reason for this anomaly is the desire, in accordance with Estonian law and practice, that only producers of official statistics under the OSA should be formally nominated to Eurostat as ONAs. Negotiations are ongoing with the Ministry of Finance, the Ministry of Social Affairs and NIHD to include NIHD as a producer of official statistics under the OSA but this is conditional on it having at least the potential ability to comply with the CoP. Another alternative would be for SE to take over responsibility for compiling these statistics (or to have a significant input into their production and quality assurance) but the Peer Review team is not aware of any such developments.

The Peer Review team considers the exclusion of important statistics from the scope of the OSP and by extension classification as official statistics, as a significant shortcoming. As a general coordinating principle, the Peer Review team is also of the view that European statistics should always be classified as official statistics

Accordingly, to achieve better coordination between European statistics and official statistics the **Peer Review team recommends that:**

- 7. The relevant authorities should amend the Official Statistics Act so that all public authorities producing European statistics are designated as producers of official statistics under the Act and hence made subject to its provisions requiring adherence to the European statistics Code of Practice. (European statistics Code of Practice, all Principles and Coordination)**
- 8. Appropriate legal and other arrangements should be put in place so that, in principle, all European statistics are included in the Annual Statistical Programme unless there is a clear reason for their exclusion. (European statistics Code of Practice , all Principles and Coordination)**

SE and Eesti Pank cooperate closely in the production of European statistics within their respective spheres of competence. However, the signing of a formal memorandum of understanding governing their relationship has been delayed pending clarification of corresponding working relationships at EU level between Eurostat and the European Central Bank.

In view of the importance of ensuring clarity in the relationship between the NSI and the Eesti Pank in the production of European Statistics, **the Peer Review team recommends that in order to enhance the level of coordination:**

- 9. Statistics Estonia should finalise and agree at the earliest opportunity a detailed memorandum of understanding with Eesti Pank covering the coordination of their respective statistical activities. (Coordination)**

Commissioned work

Section 20 (1) of the OSA permits producers of official statistics to undertake work outside the Statistical Programme, provided such work “does not interfere with the preparation or implementation of the programme”. Section 20 (2) requires that such work be carried out in compliance with the same quality criteria laid down in the OSA for official statistics undertaken as part of the statistical programme. Revenue from such activities amounted to just under €250,000 or a relatively modest 3% of SE’s overall budget in 2014. A recent study by the National Audit Office of Estonia found that state agencies had commissioned over 1,300 studies costing €41 million in the period 2009-2013. The Peer Review team was informed that some of these studies involved significant surveys of a statistical nature that were compatible with the statistics programme and could have been undertaken by SE in a cost-effective manner. The Peer Reviewers

consider that, in addition to the merits of conducting such surveys in a coordinated manner in compliance with the OSA, the potential synergies to be gained from SE undertaking such additional work on a regular basis would also enable it to strengthen its resource base.

Accordingly, to enhance compliance with the CoP and to improve overall coordination **the Peer Review team recommends that:**

- 10. Statistics Estonia should endeavour to position itself to undertake more statistical work under commission outside the scope of the Statistical Programme, on the clear understanding that such work is undertaken in conformity with the provisions of the Official Statistics Act and the European statistics Code of Practice. (European statistics Code of Practice and Coordination)**

Statistical Confidentiality

SE applies very high standards to implementing the principle of statistical confidentiality in practice in all aspects of its work. One notable example is its voluntary adoption of a security standard, ISKE, which is based on a German information security standard that has been adapted to meet Estonian public service requirements in respect of the handling of databases and registers. ISKE has been adopted by SE to demonstrate the seriousness with which it takes the principle of statistical confidentiality in practice

While the adherence in practice to the principle of statistical confidentiality is exemplary, the concept of statistical confidentiality is not explicitly defined or referred to in the OSA. Instead it is covered indirectly through the provision in Section 7 (1) of the OSA that states that official statistics are produced “according to the statistical principles and quality criteria prescribed in the EU Regulation”. Since the latter includes the principle of statistical confidentiality, and since EU regulations are directly applicable in all Member States, it was considered unnecessary from a legal viewpoint to make explicit reference to the principle in the OSA. The Peer Review team has no issue with the legal argument and, as mentioned, is satisfied that SE handles the implementation of the statistical confidentiality principle in practice in an exemplary manner. However, in view of the fundamental importance of the statistical confidentiality principle, the Peer Reviewers considers it highly desirable from the points of view of transparency and effective public communications to have it addressed explicitly in the national statistical legislation.

Accordingly, to enhance compliance with the CoP, the **Peer Review team recommends that:**

- 11. The relevant authorities should amend the Official Statistics Act so that the definition of, and provisions relating to, the principle of statistical confidentiality are explicitly addressed in the Act. (European statistics Code of Practice, indicator 5.1)**

4.2.3 FURTHER DEVELOPING QUALITY PROCEDURES AND THE SERVICE TO USERS AND DATA PROVIDERS

Quality procedures

SE has a strong tradition of using a total quality management approach in monitoring and developing its statistical products and processes. In addition to the CoP related self-assessment and peer review exercises, SE carried out EFQM/CAF-based assessments on three occasions (2007, 2009 and 2011) and received the “Committed to Excellence” recognition for two of these exercises. Considerable value was derived from the initial exercise but the additional value, in the form of new information, derived from the subsequent two exercises was not considered to be significant enough to warrant repeating the assessments every two years. While management

expect that exercises of this nature will be undertaken in the future, no definite plans are in place at present.

The Peer Review team experienced a clear engagement by SE on quality issues, which corresponds to the legal requirement laid down in the Regulation on European statistics and which is referenced indirectly in the OSA. However, aside from this indirect reference there is no quality policy or related criteria readily available to users and other stakeholders. Metadata are published on the web in accordance with the Euro-SDMX Metadata Structure (ESMS) for about 170 statistical activities in Estonian and in English. Despite the fact that the ESMS reports are readily available on the website, non-expert users were not always aware of them as an information source on quality. A quality policy, prominently displayed, therefore, could help users in explaining quality criteria, and point them towards the ESMS information.

In view of the significant amount of work undertaken on quality management and assurance, the Peer Review team believes that the absence of a quality policy statement is an omission that should be rectified at an early date in order to promote a better understanding of quality issues throughout the system.

In order to promote greater awareness of statistical quality and to achieve compliance with the CoP, the **Peer Review team recommends that:**

12. Statistics Estonia should prepare and publish a quality policy statement. (European statistics Code of Practice, indicator 4.1.)

SE management has a clear commitment to use the CoP together with the EFQM/CAF excellence model as a framework. The strong commitment can be confirmed in practice by the actions of SE in areas such as customer focus, leadership, involvement of people, process approach etc. The underlying process for statistical work follows the Plan-Do-Check-Act (PDCA) cycle. This is now facilitated by the adoption of the GSBPM as the basis for both the organisational structure and work processes, as the overarching approach to quality management in the GSBPM follows a similar Plan-Run-Evaluate-Improve cycle. There is GSBPM structured documentation available in the newly developed intranet on requirements, guidelines and methodological standards. These are considered to constitute quality guidelines.

In the metadata driven structure, a set of IT tools serve to provide a standard environment for data collection, processing etc. These tools have been designed so as to provide a set of process variables/quality indicators in an automatic way. SE is developing a central solution for evaluating statistical activities based on these quality indicators. A list of process quality indicators is being compiled, which will be part of the overall system of quality indicators. Unfortunately the list of indicators is not yet published. In the GSBPM based organisation structure experts are in a position to monitor at the various stages. However the new structure brings with it the risk that the overview of the statistical production process, afforded by the former product based organisational structure, may be somewhat diminished. Accordingly, the product and process oriented self-assessments led by survey managers should be carried out with the active involvement of all the participants in the statistical production chain.

Every year assessments of the previous cycle and consequential quality planning are carried out – as reported. However, no standard tools, templates or documentation are available for these self-assessments although channels are available to formulate proposals for improvement actions. Standard tools would make the assessments easier to undertake and more coherent and documentation would facilitate further centrally designed analysis covering special dimensions. Publication of standard tools and indicators would improve the understanding of users and also facilitate coordination with other producers. The Peer Review team would therefore recommend

that an emphasis should be placed on these aspects in the further development of the quality management system.

To further improve quality management and assurance and compliance with the CoP, **the Peer Review team recommends that:**

- 13. Statistics Estonia should further develop its quality tools, methods and related documentation as part of a regular and comprehensive system of self-assessment of its statistical processes and products. (European statistics Code of Practice, Principle 4)**

External audits are initiated and carried out as requested by partners (i.e. Eurostat, OECD etc.), but SE has not yet introduced the practice of systematically conducting quality reviews of its key statistical products with the involvement of external experts where possible and as appropriate. One of the tasks of the SC is to advise the producer on the production of official statistics concerning the implementation of statistical principles and quality criteria. The conduct of systematic targeted audits would facilitate the work of the SC in this regard – something they expressed an interest in at the meeting with the Peer Reviewers.

To further enhance compliance with the CoP, **the Peer Review team recommends that:**

- 14. Statistics Estonia should undertake on a targeted basis detailed quality assessments, involving external experts as appropriate, of its key statistical processes and products. (European statistics Code of Practice, indicator 4.4.)**

Service to users and data providers

The SC has a strong mandate based on the OSA with a general task to advise the producers of official statistics and give recommendations and report to the Minister of Finance on statistical matters. The objective of the SC is also to ensure, by giving advice and delivering opinions, the proper functioning of the official statistical system. On the one hand, the SC is concerned with the production of official statistics. On the other, it is representing the users of official statistics and thereby the public in general. Overall, the SC is expected to strengthen the independence of official statistics, to make the production of statistics more transparent and to include society in the process of statistics production on a wider scale.

SE has set up three advisory bodies: the Council of Regional Statistics; the Scientific Council of Social Statistics; and the Population Census Council. Five new advisory councils will be formalised before summer 2015 covering: Research and Development Statistics; Energy Statistics; Governmental Finance Statistics; Macroeconomic Statistics; and Environmental Statistics. Having regard to the mandate of the SC as outlined, the Peer Review team welcomes this development and would recommend that the activities of these bodies should be overseen and coordinated by the SC in conjunction with SE. These arrangements should not necessarily mean the amendment of the OSA or other legal acts. Indeed, the Peer Review team would consider that it might be desirable not to adopt legal measures so as to avoid unnecessary inflexibility in the creation and operation of current and future councils.

In order to enhance compliance with the CoP and strengthen the overall coordination, **the Peer Review team recommends that:**

- 15. Arrangements should be put in place so that the activities of the current and proposed user councils are formally overseen and coordinated by the Statistical Council in conjunction with Statistics Estonia. (European statistics Code of Practice, Principle 11 and Coordination)**

SE published a comprehensive and impressive amended version of the dissemination policy in 2014, which can be updated as required. It covers: the general principles for the dissemination of official statistics, the dissemination practices (release calendar, revision policy and practice, handling of misuse and criticism of official statistics, copyright and visual identity), user segmentation with specific contact channels, statistical output categories and standard services, related pricing policy, distribution channels and training provided for users and data providers.

The Peer Review team met several groups of users during its visit. All of the groups expressed their satisfaction with the services provided by SE. The journalists were especially happy with the blog of SE, but some users, mainly from government institutions, would welcome more analytical reports. This also forms part of SE plans, but due to limited resources the progress has been slower than intended. SE sees commissioned work in data analysis as a potential market niche. A recent report (from the National Audit Office of Estonia) shows that ministries and state institutions have spent considerable sums on various studies, a number of which could have been readily undertaken by SE. This point has already been made above in regard to strengthening the institutional structure. However, the publication of analytical reports based on such studies would also serve to raise the profile of SE.

SE provides access to microdata for research purposes through different channels and the rules and procedures are published. The selection of channels (public use files, remote access, remote execution and safe centres) is dependent on the needs of users and the confidentiality/sensitivity of the data requested. In 2013 SE carried out a microdata users' satisfaction survey to get feedback on the experience of researchers and to identify future needs. The respondents indicated that they were satisfied with the time taken to grant access to the data, which is quite fast compared to some other countries, and there were no complaints on pricing. However, the need to improve the technical conditions for accessing the data was mentioned and this was repeated during the peer review meeting with the scientific community. Apparently, the problem concerns the slow speed of the Virtual Private Network (VPN) connection used for remote access. This has forced some researchers to take out unnecessary intermediate results in some cases – which have to be checked for disclosure thereby adding to the time and workload required.

SE has close contact with universities, not only in research and development programmes, but also in connection with education and training. SE staff members give lectures, provide training for students on the use and availability of official statistics, provide consultation if asked. SE offers microdata access to students to work on their theses as well as internships to suitable students. As part of its dissemination policy, SE offers training to users free of charge, which is targeted at current and potential users and respondents. All these activities help to improve statistical literacy and are to be commended. However, during the meeting with the Peer Reviewers some university professors commented that the statistical knowledge of new students was decreasing, was mostly insufficient and in some cases students were actually afraid of numbers per se. Today statistical literacy is an important competence not only at university level but at lower levels also and SE might consider how it might engage with educational and other stakeholders to improve the situation.

In order to improve the service to users and potential users and enhance compliance with the CoP, the Peer Review team recommends that:

- 16. Statistics Estonia should prepare and publish more analytical reports of its statistical outputs to meet the needs of users. (European statistics Code of Practice, Principle 15)**

17. **Statistics Estonia should address the Information Technology-related technical concerns of some researchers in regard to accessing confidential microdata for scientific purposes. (European statistics Code of Practice, indicator 15.4.)**
18. **Statistics Estonia should engage more actively with appropriate educational and other stakeholders in promoting statistical literacy. (European statistics Code of Practice, Principle 15)**

It goes without saying that respondents are an indispensable part of the statistical production process. While the mandate to collect data is fully covered under the OSA it is still essential for SE to keep the statistical burden on respondents to the minimum necessary, to provide information on the need for the data, and to convince respondents of the value of the information they provide. The situation in Estonia in regard to access to administrative data for statistical purposes, and the extent to which these sources are used, is very positive and compares very favourably with most other countries. Nevertheless, direct statistical surveys are still necessary and despite the relatively low burden they impose on respondents they are perceived by many respondents to be excessive and unnecessary.

SE continues to explore methods for reducing the burden, including the development of tools such as Extensible Mark-up Language (XML) and Extensible Business Reporting Language (XBRL) to extract relevant data automatically from the accounting and personnel systems of the responding enterprises. It is also examining how it might participate in appropriate data sharing arrangements with other public authorities, without compromising statistical confidentiality, in order to avoid multiple collections of the same data. The Peer Review team would support SE in undertaking these activities.

While the burden imposed by statistical demands is relatively small it is incorrectly perceived by respondents to be much greater. To counter this misperception it is necessary to have actual data to compare the statistical burden with the overall administrative burden. While SE measures and publishes in great detail information on the statistical burden there is no measure of the overall administrative burden. The Peer Review team would encourage SE to endeavour to have the overall burden measured by the appropriate authorities so that the true situation regarding the statistical burden can be communicated to respondents.

In order to reduce the burden on respondents and to counter resistance to statistical surveys and to enhance compliance with the CoP, **the Peer Review team recommends that:**

19. **Statistics Estonia should continue to work with other public authorities to reduce the administrative burden on respondents by entering into data sharing agreements and by developing automatic industry standard tools such as Extensible Markup Language (XML) and Extensible Business Reporting Language (XBRL). (European statistics Code of Practice, Principle 9)**
20. **Statistics Estonia should endeavour to have the overall administrative burden measured by the appropriate authorities so that the statistical burden can be clearly seen in the context of the overall burden on respondents. (European statistics Code of Practice, Principle 9)**

4.3 NATIONAL STATISTICAL INSTITUTE VIEWS WHERE THEY DIVERGE FROM PEER REVIEWERS' ASSESSMENT

Statistics Estonia would like to thank the peer reviewers for their comprehensive work and fruitful discussions. Statistics Estonia welcomes the overall conclusion of the Peer Review team that there is a very high level of compliance with the European Statistics Code of Practice with the exception of the availability of adequate resources.

However, Statistics Estonia has diverging views from those of the peer reviewers regarding two recommendations – 14 and 20 – and has no plan to take any improvement actions to follow these recommendations.

In the case of recommendation 14, Statistics Estonia agrees that statistical processes and products should be discussed with users, data suppliers and other stakeholders. As also noted by the peer reviewers, external audits are already initiated and carried out as requested by partners (i.e. Eurostat, OECD, etc.). The experts who could carry out detailed quality assessments work in NSIs. Even if experts from other NSIs could be engaged, translation and other additional resources are needed. So, since resources are limited, this kind of quality audits cannot be considered as a priority.

In the case of recommendation 20, it should be noted that Statistics Estonia is an information producer and provider who carries out the statistical activities specified in a statistical programme or ordered outside of the programme. On the one hand, no institution has requested an assessment of the overall administrative burden from Statistics Estonia, and Statistics Estonia does not produce any statistics solely for its own use. On the other hand, in the current circumstances where not all European statistics are produced in Estonia, it is not a priority. Furthermore, there is no existing sound methodology for this assessment.

Moreover, in the case of seven recommendations – 1, 2, 3, 4, 7, 8 and 11 – Statistics Estonia does not have the necessary decision-making authority.

The Ministry of Finance of Estonia notes that, as regards recommendations 1-2, it is important to point out that considering the national government's general policy of efficient use of public resources it is rather unrealistic to expect a sharp rise in Statistics Estonia's budget, that is, an increase above the average of recent years (3–10%). Alternative measures for more efficient management, e.g. setting priorities, finalising the rearrangement of internal processes (started in 2013) and implementing strategic long-term plans for human resource development etc., are to be considered. In the case of recommendations 3-4, it should be clarified that although the IT services have been consolidated and are provided by the Information Technology Centre of the Ministry of Finances (ITCMF), the decisions concerning developments and priorities in the field of IT are the responsibility of Statistics Estonia as before. The service level agreements in the consolidated system are based on the security level classification of particular data. In the course of consolidation, additional posts (8) have been established in the ITCMF to ensure the quality of the service provided to Statistics Estonia.

ANNEX A: PROGRAMME OF THE VISIT

AGENDA

Date: 13-17 April, 2015

Time	Programme	Organisation	Participants
Day 1 Monday 13 April 2015			
	Subject	Institution	Participants
09.00–10.30 1	PR team discussion to finalise the preparation of the visit		
10.30- 10.45	Coffee break		
10.45-12.00 2	Preparatory meeting with the NSI coordinator team	Statistics Estonia	Remi Prual
12.00-12.30 3	Welcome and introduction to visit	Statistics Estonia Ministry of Finance	Open to the following participants in Peer Review meetings: Top Management (3 persons) Heads of units (8 persons) Deputy heads of units (9 persons) Representative of Information Technology Centre for the Ministry of Finance
12.30-13.15	Lunch		
13.15-14.15 4	General information session with a description on how the national statistical system is organised (bodies, distribution of responsibilities, relations between authorities)	Statistics Estonia	Andres Oopkaup, Tuulik Sillajõe, Allan Randlepp, Remi Prual
14.15-15.30 5	The Official Statistics Act and related legislation governing the Institutional Environment for Statistics (CoP principles 1, 2, 5 and 6)	Statistics Estonia Information Technology Centre for the Ministry of Finance	Andres Oopkaup, Tuulik Sillajõe, Allan Randlepp, Remi Prual, Kaja Sõstra, Anne Nuka, Viktoria Trasanov, Agnes Naarits, Katre Viljalo Andres Klemm
15.30-15.45	Coffee break		
15.45-17.30 6	Co-ordination, including roles of: <ul style="list-style-type: none"> Statistics Estonia Statistical Council Eesti Pank Statistical Programme and Annual Report	Statistics Estonia Eesti Pank National Institute for Health Development	Andres Oopkaup, Tuulik Sillajõe, Allan Randlepp, Remi Prual, Anne Nuka, Ilme Ingel, Maret Priima Ülo Kaasik, Jaanus Kroon Natalja Eigo, Kati Karelson
Day 2 Tuesday 14 April 2015			
From-To	Subject	Institution	Participants
09.00-10.30 7	Programming, planning and resources, including training (CoP principles 3 and 10)	Statistics Estonia	Andres Oopkaup, Allan Randlepp, Remi Prual, Anne Nuka, Viive Aasa, Villu Lõhmus
10.30-10.45	Coffee break		

Time	Programme	Organisation	Participants
10.45-13.00 8	Quality (organisational structure, tools, monitoring etc) (CoP principles 4 and 12 - 15) (Session preceded by presentation on approach to Quality Management – EFQM/CAF model)	Statistics Estonia	Andres Oopkaup, Allan Randlepp, Remi Prual, Anne Nuka, Epp Karus, Ilme Ingel, Kaja Sõstra, Maiki Ilves
13.00-13.45	Lunch		
13.45-15.30 9	Methodology, data collection, data processing and administrative data (CoP principles 2, 7, 8 and 9)	Statistics Estonia Information Technology Centre for the Ministry of Finance	Allan Randlepp, Kaja Sõstra, Maiki Ilves, Epp Karus, Heidi Pellmas, Ilme Ingel Remi Prual, Kaia Kulla, Maret Priima, Villu Lõhmus, Mark Slavin, Maret Mõis
15.30-15.45	Coffee break		
15.45-17.30 10	Dissemination, including user consultation (CoP principles 6, 11 and 15)	Statistics Estonia	Allan Randlepp, Anne Nuka, Anu Ots, Kaja Sõstra, Ilme Ingel, Remi Prual

Day 3 Wednesday 15 April 2015

From-To	Subject	Institution	Participants
09.00-10.30 11	Meeting with main users - Media	Media organisations	Indrek Kiisler - Estonian Public Broadcasting (radio news); Tõnis Oja - Postimees (newspaper); Ann-Marii Nergi - Eesti Päevaleht (newspaper); Margus Järv - Eesti Ekspress (newspaper); Harry Tuul - Äripäev (newspaper)
		Statistics Estonia	Anne Nuka, Anu Ots, Karin Sahk, Remi Prual
10.30-10.45	Coffee break		
10.45-12.30 12	Meeting with Junior staff	Junior staff of Statistics Estonia	Berit Hännilane, Jaanika Tiido, Kaia Kabanen, Kaia Kulla, Maret Priima, Maris Kuum, Robert Mürsepp, Silja Ostrov
12.30-13.15	Lunch		
13.15-15.00 13	Cooperation / level of integration in the ESS	Statistics Estonia	Andres Oopkaup, Tuulik Sillajõe, Allan Randlepp, Remi Prual, Anne Nuka, Ilme Ingel, Kaja Sõstra, Meelis Somelar
15.00-15.15	Coffee break		
15.15-17.00	Meeting with Statistical Council	Statistical Council	Andres Ojaver, Tõnu Kollo, Luule Sakkeus, Urmet Lee,
		Statistics Estonia	Andres Oopkaup, Tuulik Sillajõe, Remi Prual

Day 4 Thursday 16 April 2015

From-To	Subject	Institution	Participants
09.00-10.30 15	Meeting with main users – Ministries and other public institutions	Ministries and other public institutions	Merle Männik - Ministry of Culture; Koit Nilson - Estonian Institute of Economic Research; Ene Tomberg - Social Welfare

Time	Programme	Organisation	Participants
			and Health Care Department of Tallinn Mario Lambing - Ministry of Economic Affairs and Communications; Keaty Siivelt - Ministry of the Interior; Kalle Nõlvak, Marje Mäger - Ministry of Agriculture
		Statistics Estonia	Andres Oopkaup, Tuulikki Sillajõe, Allan Randlepp, Remi Prual, Kaja Sõstra, Anne Nuka, Ene Saareoja, Viktoria Trasanov, Karin Sahlk
10.30-10.45	Coffee break		
10.45-12.30 16	Meeting with main users - scientific community	Scientific community	Tiit Tammaru; Kaur Lumiste - University of Tartu; Miko Kupts - Praxis (independent think tank); Dago Antov - Tallinn University of Technology; Tairi Rõõm - Eesti Pank; Jaanika Meriküll - Eesti Pank Eve-Liis Roosmaa - Tallinna Ülikool
		Statistics Estonia	Andres Oopkaup, Tuulikki Sillajõe, Remi Prual, Kaja Sõstra
12.30-13.30	Lunch		
13.30-15.00 17	Meeting with data providers	Data providers	Aire Leht - Andmevara; Triin Sepp - Andmevara; Hanno Kuus - Land Board; Raivo Altmets - Estonian Association of SME's; Eilike Lössov - HLB Expertus KLF; Eve Filonenko - HLB Expertus KLF; Piret Veensalu - Levira AS; Marek Velling - A-Tolliagentuur; Raimond Kadak - A-Tolliagentuur
		Statistics Estonia	Andres Oopkaup, Tuulikki Sillajõe, Remi Prual, Epp Karus, Heidi Pellmas, Maret Priima, Karin Sahlk
15.00-15.15	Coffee break		
15.15-16.30 18	Clarifications, remaining or additional issues	Statistics Estonia	Andres Oopkaup, Tuulikki Sillajõe Remi Prual

Day 5 Friday 17 April 2015

From-To	Subject	Institution	Participants
09.00-10.45	PR team discussion		
10.45-11.00	Coffee break		
11.00-13.00 20	Meeting with senior management: conclusions and recommendations	Statistics Estonia	Open to the following participants in Peer Review meetings: Top Management (3 persons) Heads of units (8 persons) Deputy heads of units (9 persons)

ANNEX B. LIST OF PARTICIPANTS

	Peer Review Team
1	Gerry O'Hanlon, Chair
2	Katalin Szep, Peer Reviewer
3	Jan Matějček, Peer Reviewer
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38	Andres Ojaver, Supervisory Director of the Estonian Data Protection Inspectorate
39	Tõnu Kollo, Professor of Mathematical Statistics at the University of Tartu
40	Luule Sakkeus, Director of Estonian Institute for Population Studies
41	Urmet Lee, Advisor to Auditor General at National Audit Office of Estonia
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42	Merle Männik, Ministry of Culture
43	Koit Nilson, Estonian Institute of Economic Research
44	Ene Tomberg, Social Welfare and Health Care Department of Tallinn
45	Mario Lambing, Ministry of Economic Affairs and Communications
46	Keaty Siivelt, Ministry of the Interior

47	Kalle Nõlvak, Ministry of Agriculture
48	Marje Mäger, Ministry of Agriculture
	Representatives of media
49	Indrek Kiisler, Estonian Public Broadcasting (radio news)
50	Tõnis Oja, Postimees (newspaper)
51	Ann-Marii Nergi, Eesti Päevaleht (newspaper)
52	Margus Järv, Eesti Ekspress (newspaper)
53	Harry Tuul, -Äripäev (newspaper)
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55	Kaur Lumiste, University of Tartu
56	Miko Kupts, Praxis (independent think tank)
57	Dago Antov, Tallinn University of Technology
58	Tairi Rõõm, Eesti Pank
59	Jaanika Meriküll, Eesti Pank
60	Eve-Liis Roosmaa, Tallinna Ülikool
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61	Aire Leht, Andmevara
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63	Hanno Kuus, Land Board
64	Raivo Altmets, Estonian Association of SME's
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