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COVER NOTE

From: Mr Alfred CAMILLERI, Chair of the European Statistical Governance Advisory Body

date of receipt: 10 November 2025

To: Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

Subject: ESGAB annual report 2025 – Seventeenth annual report by the European Statistical Governance Advisory Body to the European Parliament and to the Council of the EU

Delegations will find attached the 2025 annual report by the European Statistical Governance Advisory Body (ESGAB) on the implementation of the European Statistics Code of Practice by Eurostat and the European Statistical System as a whole.



European
Statistical
Governance
Advisory
Board

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E-MAIL

Valetta, 10 November 2025
ESGAB/Note/2025/29

Ms Stephanie LOSE
Minister for Economic Affairs and Deputy Prime Minister
President of the ECOFIN Council
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(By-email only)

Dear Minister,

The European Statistical Governance Advisory Board (ESGAB) provides an independent overview of the European Statistical System (ESS) regarding the implementation of the European Statistics Code of Practice, with the ultimate aim of enhancing the quality and trustworthiness of European statistics for evidence-based policymaking.

Enclosed you will find ESGAB's 2025 Annual Report to the European Parliament and Council on the implementation of the Code of Practice by Eurostat and the ESS.

The 2025 annual report examines key issues affecting European statistics, especially the implementation of the European Statistics Code of Practice (ESCoP) in the ESS. It highlights challenges related to resources, digitalisation, privately held data, the ESS role in the EU data strategy, and cross-border data sharing. The report notes that recommendations from ESGAB's 2024 report, particularly on amending Regulation (EC) No 223/2009, were not reflected in the final revision. It also reviews the dialogue with the European Commission and delivers ESGAB's statutory opinion on the Commission's commitment to confidence in statistics.

In this context, ESGAB makes thirty-three concrete recommendations.

As Chair of ESGAB, I would like to count on your assistance in ensuring political support where needed for the implementation of the Board's recommendations.

Yours faithfully,

Alfred Camilleri



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ESGAB

European
Statistical
Governance
Advisory
Board

Chair of ESGAB

Enclosure: ESGAB 2025 Annual Report

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ESGAB ANNUAL REPORT 2025

Seventeenth annual report by the
**European Statistical
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on the implementation
of the European Statistics
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FOREWORD

As Chair of the European Statistical Governance Advisory Board (ESGAB), I am pleased, together with all ESGAB members, to present ESGAB's Annual Report 2025.

This report also coincides with the 20th anniversary of the adoption of the European Statistics Code of Practice by the European Statistics System (ESS). Since the adoption of this code, the environment for European statistics has changed substantially. Additionally, the ESS had to face the challenges of the economic and financial crisis that began in the first decade of this century, and the ravages of the COVID-19 pandemic. Despite the difficulties, the ESS remained resilient and came out of these challenges stronger. The enactment of a more robust legal framework continued to build on the good work that was done before and laid a strong foundation for further improvements in the future.

The dynamic environment in which the ESS is operating has also created the right conditions and the necessity for a review of the code of practice. In this regard, ESGAB is well-placed and prepared to actively engage in this important discussion and to provide its analysis and follow-up recommendations on this important matter.

ESGAB is now in its 18th year. As I had the opportunity to say last year, ESGAB needs to critically review and evaluate both its

institutional and its organisational set-up. As chair, I have already made representations to the European Parliament and the European Commission on the distinct need for ESGAB to have a proper secretariat, as contemplated in Decision No 235/2008/EC. My representations have been discussed extensively, and some progress has been registered. In this regard, I would like to thank the Director-General of Eurostat who has been very engaging and receptive to my representations. However, this reform now needs to be fully implemented, giving ESGAB the right structure and resources to fulfil its mandate efficiently and effectively.

I also believe that the decision setting up ESGAB, including its practical implementation, needs reviewing and evaluating with a view to strengthening it further where necessary. This process would present new opportunities for renewal and to strengthen the institutional framework and working efficiency and effectiveness of our advisory board. Periodic renewal is essential to ensure continued relevance.

On its part, ESGAB must continue to ensure that it delivers on its remit in full respect of the law, by strengthening its own internal governance framework and by being efficient and transparent in its operations. Indeed, a governance institution like ESGAB should lead by example. Therefore, as from next year,

I commit that, as chair, I will start reporting more extensively on the operations and internal governance matters of ESGAB and present any relevant and supporting governance indicators.

ESGAB is taking the initiative to set up a network of ESGAB-like bodies in the ESS. The aim is to start a cooperative programme to widen and strengthen our collective efforts toward an improved statistical governance framework and the sharing of best practices across the ESS. A first meeting of all such bodies will convene in Brussels in early November 2025. It is earnestly hoped that this first meeting will sow the seed for a common collaborative work programme on statistical governance matters.

In this report, ESGAB decided to concentrate its deliberations and efforts on select areas in the data revolution and on the adequacy of human and financial resources in the ESS. Both are relevant areas for a proactive statistical system that is crucial for policy formulation, implementation and evaluation at both national and European levels. The recommendations made are meant to serve as practical guidance for informed decision-making regarding the current and future functioning of the ESS.

Alfred Camilleri
Chairperson

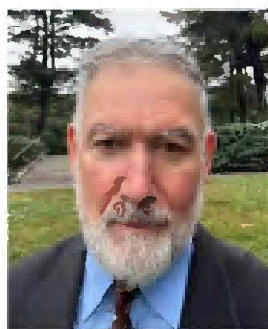
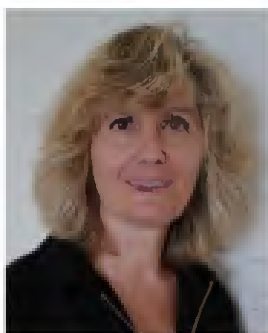
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EUROPEAN STATISTICAL GOVERNANCE ADVISORY BOARD



Alfred Camilleri
Chairperson



First row, from left to right:
Sandrine Duchêne
Andreas Vasileios Georgiou
Juan Manuel Rodríguez Poo



Second row, from left to right:
Priit Potisepp
Kerstin Schneider
Maurizio Vichi

ESGAB was established by the European Parliament and the Council of the European Union in 2008 to provide an independent overview of the European Statistical System with particular regard to the implementation of the European Statistics Code of Practice (CoP). ESGAB's aim is to enhance the professional independence, integrity and accountability of the ESS, and the quality of European statistics.

Its tasks include:

- preparing an annual report for the Parliament and the Council on the implementation of the CoP by the Commission (specifically Eurostat);

- undertaking an assessment of its implementation in the ESS as a whole;
- advising the Commission (Eurostat) on appropriate measures to facilitate the implementation of the CoP, communicate it to users and data providers, update it and, if necessary, answer questions relating to user confidence in European statistics.

Eurostat participates as an observer at the ESGAB meetings and the Commission covers ESGAB's administration and meeting expenses. ESGAB members receive no remuneration. ESGAB therefore has no operating budget.

For further details see:

<https://ec.europa.eu/esgab/>

EXECUTIVE SUMMARY

OVERVIEW

The present 2025 annual report focuses on selected issues that are of relevance and concern to the production of European statistics and have implications for the implementation of the European Statistics Code of Practice (ESCoP) in the European Statistical System (ESS). These issues pertain to the adequacy of resources in the ESS and to certain selected data topics for the ESS in the context of the data revolution: digitalisation, privately held data and the ESCoP; the potential role of the ESS in the European data strategy; and data-sharing in the ESS across national borders. The 2025 report also provides a follow-up on the outcome of the recommendations made in the 2024 report of the European Statistical Governance Advisory Board (ESGAB), where, inter alia, it reports that its 2024 recommendations concerning the necessary amendments to Regulation (EC) No 223/2009 ⁽¹⁾ were not considered in the final

text of the amended regulation. In addition, the report includes a brief note on the dialogue with the European Commission concerning ESGAB's recommendations between 2021 and 2024, and also notes the recent publication on ESGAB's webpage of the correspondence with the Commission on these matters. Finally, based on its task, given in Regulation (EC) No 223/2009, to monitor the implementation of the commitment on confidence in statistics by the European Commission with respect to Eurostat, ESGAB presents in this annual report its periodic statutory opinion on the European Commission's commitment on confidence in statistics [Commission Decision 2012/504/EU ⁽²⁾].

SELECTED DATA TOPICS FOR THE ESS IN THE CONTEXT OF THE DATA REVOLUTION

This report examines how the ESS must adapt to the Data Act, the Data Governance Act and the data revolution in general. There are various topics in the area of 'data' that are of significant interest to the ESS, including the following selected topics that are explored in this ESGAB

⁽¹⁾ Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities [OJ L 87, 31.3.2009, p. 164, ELI <http://data.europa.eu/eli/reg/2009/223/oj>].

⁽²⁾ Commission Decision 2012/504/EU of 17 September 2012 on Eurostat [OJ L 251, 18.9.2012, p. 49, ELI <http://data.europa.eu/eli/dec/2012/504/oj>].

report: (i) digitalisation and privately held big data have emerged as transformative data sources; (ii) the European strategy for data has established the policy framework for creating a single market for data within the EU and sector-specific common European data spaces are in the offing; (iii) sharing of data between ESS statistical authorities across national borders has increased, albeit somewhat timidly. All the above call for a review of the institutional environment of European statistics and the statistical production processes for European statistics.

The historical context and changing data ecosystem are described to situate current challenges. Official statistics are quickly evolving with the increasing use of administrative registers. Digitalisation and large-scale privately held data now present near-real-time, high-granularity signals that can improve timeliness, reduce the burden on respondents, and enrich statistical products, but also raise complex issues of access, ownership, quality, confidentiality, interoperability and legal compatibility.

The European data strategy and the Data Governance Act have created an environment promoting cross-sectoral data-sharing and the creation of common European data spaces. These initiatives aim to reduce fragmentation and build trustworthy, interoperable marketplaces for data, which could provide new sources and infrastructures relevant to European statistics. At the same time, the ESS's mission and the data strategy's market-oriented objectives differ in important ways, requiring a careful delineation of roles that preserve statistical principles and public-good production objectives.

It is important that the upcoming review of the ESCoP considers the **implications of digitalisation and privately held data for the ESCoP** with a view to adapting the latter to the ongoing data revolution to be able to address emerging and future challenges and opportunities associated with these developments.

It is also necessary to explore the appropriate relationship between European statistics and the ESS on the one hand and the **European data strategy and the common European data spaces (CEDS)** on the other. Any role for the ESS in these data spaces has to be identified and evaluated through the lens of how that role serves the objective of developing, producing and disseminating European statistics, and that this be done in conformity with the statistical principles set out in the Treaty on the Functioning of the European Union (TFEU article 338 – old 285) and elaborated in the ESCoP.

Three broad roles for the ESS are identified: (i) user of data available in CEDS to enhance statistical production, improve timeliness and comparability, and reduce the burden on respondents; (ii) provider of non-confidential European statistics and tailored derived products or services that increase the usability of official statistics; and (iii) potential, but constrained, provider of confidential microdata – an option fraught with legal, trust and confidentiality implications and therefore only conceivable under stringent legal and operational safeguards.

The ESS's participation can also be proactive and constructive, advocating interoperability standards, quality frameworks and metadata practices to maximise the usability of data spaces for statistical purposes. Eurostat and national statistical institutes (NSIs) bring decades of experience in harmonisation, quality assurance, governance, dissemination and compliance with EU data protection rules – expertise that could strengthen CEDS' governance and trust. However, the report emphasises the primacy of the ESS legal mandate: any ESS role in CEDS must be evaluated by how it advances the mission of European statistics as a public good and respects ESCoP principles.

Current engagement with CEDS is nascent: the report notes Eurostat's observer role in the European Data Innovation Board and participation in Data Spaces Support Centre

activities but stresses the need to have a more active role in monitoring CEDS development and to develop a clear ESS-informed stance. Practical considerations are outlined: ensuring ESS access to CEDS, pushing for standards and modalities that favour statistical reuse, guarding resource prioritisation so that custom data products do not divert scarce capacity from mandated European statistics, and confronting the challenges to sharing confidential data with non-trusted marketplace actors.

Data-sharing across national borders within the ESS is examined in some depth, given its strong implications for ESCoP implementation. The report frames cross-border sharing as both implicit in ESCoP principles (e.g. coordination and cooperation, non-excessive burden, quality, coherence, timeliness) and necessary to produce coherent EU-level statistics in areas affected by integration and globalisation – such as cross-border trade, supply chains, mobility, climate, finance and health. While data-sharing has increased and is supported by infrastructures like the Secure Communication and Information Resource Centre for Administrations, Businesses and Citizens (S-CIRCABC), its scope remains limited owing, inter alia, to legal fragmentation, national differences in confidentiality practices, contractual restrictions on privately held data, thematic fragmentation of databases and uneven interoperability. Legislative provisions in Regulation (EC) No 223/2009 and sectoral acts (e.g. Regulation (EU) 2019/2152^[3] on European business statistics) provide a basis for sharing, but conflicts with national laws and variable implementation reduce effectiveness.

More specifically, data-sharing across national borders in the ESS has been hamstrung by divergent or incomplete legal bases. Different organisational structures and actual or perceived differences in institutional cultures and in the quality of statistical work also reduce incentives and mechanisms for cooperation. The legal framework must be strengthened, and legal inconsistencies must be eliminated. It must be uniformly applied and enforced across the ESS to authorise data-sharing across borders while protecting confidentiality, trade and national security secrets. The various principles in the ESCoP that imply data-sharing across national borders in the ESS or for which such data-sharing has significant implications for their implementation have to be reviewed. It is also necessary to use the law and other pathways to secure the necessary mechanisms for quality assurance and harmonisation across Member States. Inconsistent classifications, definitions and metadata for administrative and private sources undermine quality and comparability and have to be addressed.

A secure, well-functioning, and transparent data-sharing infrastructure at the EU level would also be vital, with adequate resources allocated to put in place the necessary privacy-preserving technologies, processes and procedures. Transparency for statistical units/respondents regarding existing data-sharing arrangements across national borders should be improved. A governance structure to oversee and monitor data-sharing across borders in the ESS should be established to, inter alia, monitor and evaluate data-sharing. There is a need for reinforced training and for resources to enhance the implementation of ESCoP principles related to data-sharing. Institutions could also be established to enhance cooperation and communication among stakeholders in data-sharing across national borders in the ESS.

^[3] Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics [OJ L 327, 17.12.2019, p. 1, ELI: <http://data.europa.eu/eli/reg/2019/2152/oj>].

ADEQUACY OF HUMAN AND FINANCIAL RESOURCES IN THE ESS AND AT THE MEMBER STATE LEVEL

Regarding the adequacy of resources in the ESS, ESGAB reports that, in general, while resources available to ESS statistical producers seem adequate for some aspects of statistical production, they are often not adequate for other important aspects of European statistics production. These aspects include areas that would help ensure that European statistics are fit for the future and continue to satisfy the new and evolving information needs of all stakeholders in a rapidly evolving data ecosystem and technological environment and would strengthen the 'brand' of European statistics as principles-based high quality statistics. Thus, based on its expertise and the evidence from various sources it has examined, ESGAB believes that, generally, the resources available to ESS statistical producers are not adequate – at either the Member State level or the EU level – and progress needs to be made to satisfy ESCoP Principle 3 (adequacy of resources).

Overall, the **amount of resources** provided to NSIs and certainly many other national authorities (ONAs) in the ESS is often not adequate. This can pertain to financial resources, human resources or technological IT resources. However, the greatest problem with the amount of resources often concerns HR. The **type and mix of human resources** available to statistical producers is usually an even bigger problem than their total amount. In the rapidly changing circumstances of producing official statistics, there is a need to relatively quickly modify the mix of qualifications and skills of staff. There are often very significant constraints imposed by outside institutions on a statistical producer during the necessary hiring. In addition, organisation charts or organisation decisions may be formally controlled or interfered with by decision-makers outside the statistical producer, reducing the needed flexibility in hiring and deploying staff within the statistical producer

and thus affecting the adequacy of resources. Very importantly, the hiring and retaining of highly qualified and skilled staff requires that their remuneration be competitive, which is very often a major problem for statistical producers. There are also constraints on releasing or proactively reallocating staff based on considerations of cost efficiency and the evolving requirements of the statistical production process.

In the ESS, there is often significant **uncertainty regarding the availability of resources over the medium and long term**. This uncertainty, which effectively reduces the adequacy of resources, adversely affects statistical project implementation, and future-oriented and new areas in statistical work and development. Thus, budgets of statistical producers should be approved by the executive branch and the legislative branch for a period of at least three to five years, instead of the current usual practice of one year.

The adequacy of resources is affected by who has **authority to decide**, within the limits of a given budget allocation, on matters of internal administration and budget implementation in a statistical producer. When statistical producers lack the authority to make such decisions, there is a significant constraining effect on the **flexibility to access, use and release/reallocate the resources**, thus decreasing the adequacy of resources. The allocation of such authority in the case of each statistical producer in the ESS should be reviewed and the authority to make decisions should accordingly be transferred to the statistical producer. Following the approval of the budget of the statistical producer by the executive and legislative branches, budget implementation and expenditure approval must be fully under the control of the statistical producer. A statistical producer should also be given the legal latitude to decide on its organisational chart, the right size of its current and medium-term staff complement – including any need for reallocation – and its composition

and skills mix, and the flexibility to decide on its staff recruitment policies and processes, career streams, training and other working conditions, including pay structures.

More generally, the institutional set-up of an NSI or ONA being part of a policy body makes it more likely that the authority to make important decisions about the statistical producer will lie with decision-makers outside the statistical producer. Thus, addressing issues related to the **institutional setting of statistical producers** in the ESS is also important for ensuring the adequacy of resources.

To assess whether resources available to producers of official statistics are adequate, it is important to look at the existing or emerging demands of users of these statistics and whether and how these demands and resources are adequately reconciled. Generally, in the ESS there are various **mechanisms identifying needs for statistics and reconciling these needs with available resources**. However, there may be a need for greater formalisation of these mechanisms and for enhanced transparency about the discussions between statistical producers and policymakers and other users. Candid annual and multiannual statistical work programmes and the process of the production of such programmes are important vehicles for identifying needs for statistics and reconciling needs with available resources. To support candidness, inter alia, programmes should not be subject to approval by outside institutions. Discontinuing or not initiating certain statistical production processes unless resources meet statistical needs should be a lawful option.

To assess whether resources available to producers of official statistics are adequate, it is also necessary to have mechanisms that help ensure that the available resources are used in accordance with the law, and without waste, fraud or abuse. These mechanisms must create transparency in the use of resources and thus support accountability. As public institutions,

statistical producers in the ESS are subject to **external audits** by government auditors. These important audits should be conducted by independent state agencies that are not policy bodies or are not subject to hierarchical control by policymakers. Published **financial audits** conducted by reputable private sector firms are an important complement to the work conducted by government auditors and should become standard for statistical producers. Along with financial audits, periodic **compliance audits** and **operational audits** by private firms should also be conducted. **Internal audit departments and mechanisms** can be helpful in identifying inefficiencies, along with fraud, waste and abuse, and can therefore help in improving the adequacy of resources. To avoid undue external influence, statistical producers need their own, separate, internal audit departments and mechanisms and must not rely on those of policy bodies. **Work programmes and reports on programme implementation** can also help to ensure that resources are used effectively and not wastefully or unlawfully. For this to be the case, the programmes need to always include explicit discussions on the resources needed to meet current and emerging statistical needs, and the implementation reports should include explicit discussions of what resources were made available, how they were used, and which statistical needs were met, which were not met and why.

There is a need to increase the **resources provided from the EU budget to European statistics**, given the currently miniscule proportion of that budget allocated to official statistics. European policymakers very much rely on high quality and harmonised European statistics for policymaking and implementation. The expenditure dedicated to European statistics is supporting the determination of massive EU expenditures. In addition, European statistics are aimed to be of service to the EU as a whole as they are an EU-level public good of significant value to – besides EU policymakers – markets, academic and research institutions, civil society,

EU citizenry and the EU's international partners, whether official or private. It is also unambiguous that high-quality European statistics are essential for the health of democracy, at both EU and Member State levels. All this calls for more adequate funding for European statistics at the EU level.

PERIODIC STATUTORY REVIEW OF THE EUROPEAN COMMISSION'S COMMITMENT ON CONFIDENCE IN STATISTICS

Based on its task, given in Regulation (EC) No 223/2009, ESGAB presents in this annual report its **periodic opinion on the European Commission's commitment on confidence in statistics (CCS)** (Commission Decision 2012/504/EU). The CCS has remained unchanged for 13 years, despite significant developments within the ESS, including amendments to Regulation (EC) No 223/2009 on European statistics. The assessment and recommendations of ESGAB in 2022 regarding the Commission's CCS remain unchanged, as do the 2022 ESGAB recommendations regarding Eurostat/Commission matters that did not find their way into the amendment to Regulation (EC) No 223/2009. In providing its 2025 opinion, ESGAB advises that all the above outstanding matters be accommodated within a revised Commission CCS.

ESGAB advises to have in the CCS a clear commitment from the political side of the Commission to take all necessary measures to maintain confidence in European statistics and aim to ensure progress in the implementation of the statistical principles contained in the ESCoP. The special status – different from that of other directorates-general – and independence of Eurostat within the Commission as the EU statistical authority should be clearly stated upfront in the CCS. The latter should make a clear distinction between the Commission as a political body and Eurostat as the professionally

independent statistical authority of the EU, serving the EU as a whole.

ESGAB recommends, as it had in the context of the amendment to Regulation (EC) No 223/2009, that the CCS should commit to strengthening the independence of the Director-General of Eurostat and advises that the CCS include commitments for an open and transparent recruitment and selection process for a fixed, non-renewable term, on the basis of clear professional criteria, among which statistical reputation and a high level of competence in statistical matters are key. Moreover, the CCS should commit to rendering the Director-General responsible and accountable for all statistical activities – explicitly specifying that they should not take instructions, *inter alia*, from other parts of the Commission – and for matters regarding Eurostat's internal management and budget execution. The reasons for any early dismissal should be specified in the CCS and not compromise the independence of the Director-General of Eurostat on the matters above. These amendments to the CCS should also apply to the Deputy Director-General of Eurostat.

The political side of the Commission should also declare, through the CCS, its commitment to ensuring that Eurostat has the necessary financial support, legal support and human resources to meet the current and emerging challenges. The CCS should clarify that the Director-General of Eurostat is also the Chief Statistician of the European Commission. The coordinating function and authority of Eurostat in statistical matters – including for 'other statistics' – within the Commission should be clarified and strengthened, with a view to, *inter alia*, supporting the quality and reputation of linked European statistics. Finally, the Commission's CCS should stipulate that, with regard to statistics available to and/or released by Eurostat, the Commission gears towards adherence to the best practice indicated in the ESCoP, whereby 'all users have equal access to statistical releases at the same time'.

Recommendations

Digitalisation, privately held data and the ESCoP

R1. ESGAB recommends that the upcoming review of the ESCoP considers the impacts of digitalisation and privately held data on the statistical principles in the ESCoP with a view to adapting the latter to the ongoing data revolution so as to be able to address emerging and future challenges and opportunities associated with these developments.

Potential roles of the ESS in the common European data spaces

R2. ESGAB recommends that the EU Commission give an active role to Eurostat and the ESS in the implementation of the common European data spaces. Given the ESS's current legal mandate to develop, produce and disseminate European statistics, its role in the common European data spaces would primarily have to be informed and framed within the context of its current legal framework. However, the ESS's appropriate involvement in additional roles within the common European data spaces could potentially also enhance the interoperability, trustworthiness and usability of the data spaces, also for statistical purposes, ensuring they effectively support EU policymaking, economic growth and innovation.

R3. ESGAB recommends that the NSIs explore the possibility for increased collaboration within consortia, thereby taking advantage of any opportunities to contribute to and benefit from emerging common European data spaces.

R4. ESGAB encourages the NSIs to share best practices on the use of administrative data and to carry out a comprehensive mapping exercise of the available data to identify not only any gaps but also opportunities to strengthen their statistical programme. In this regard, it is fundamental to develop common standards to ensure interoperability and comparability across borders and across data spaces.

R5. ESGAB recommends that the ESS prioritises the exploration of use and modalities of access to privately held data, including those that could become accessible through the common European data spaces, focusing on areas with high relevance for the EU as identified through user surveys and consultations with user bodies.

R6. ESGAB recommends that the development of experimental statistics (ES) be supported, especially as they may become more prominent given the opportunities and demands of ESS members participating in

the common European data spaces. Guidelines, on the basis of principles, for the creation, production and use of ES at the European level should be developed and a comprehensive database of ES being developed across the ESS should be kept by Eurostat and shared within the ESS to identify synergies and avoid duplication.

R7. ESGAB recommends leveraging the NSIs' technical expertise and experience to assign them appropriate roles in national data governance. ESGAB supports the evolution of and positioning of the NSIs as advisors to national governments on data governance.

Data-sharing across national borders in the European Statistical System

R8. ESGAB recommends the review and strengthening, as required, of ESCoP principles related to data-sharing across national borders in the ESS or for which some data-sharing has significant implications for their implementation by, inter alia, focusing on the following principles.

- **Principle 1bis** (coordination and cooperation). Ensure efficient and effective coordination of the statistical production process in support of data-sharing.
- **Principle 4** (commitment to quality). Ensure that data shared across borders adheres to high-quality standards through the development and implementation of common quality frameworks.
- **Principle 8** (appropriate statistical procedures). Promote the use of standardised and well-documented statistical procedures to enhance the reliability and comparability of data.
- **Principle 9** (non-excessive burden on respondents). Data-sharing should not create undue burdens but needs to be proportional to justified requirements.
- **Principle 10** (cost-effectiveness). Encourage efficient data-sharing mechanisms that minimise costs while maximising the utility of the data.
- **Principle 12** (accuracy and reliability). Improve the accuracy and reliability of data shared across borders, including validation processes and error-detection techniques.
- **Principle 13** (timeliness and punctuality). Establish clear timelines and schedules for data-sharing, to ensure that information is available when needed.

- **Principle 14** (coherence and comparability). Establish methodologies and protocols to ensure internal and spatial consistency in support of data-sharing.

R9. ESGAB recommends strengthening the legal framework for data-sharing across national borders in the ESS, and eliminating legal inconsistencies and sources of variability in the interpretation of the law. The end result must be a clear and groundbreaking legal framework that is uniformly applied and enforced across the ESS. Specifically, ESGAB recommends the following.

(a) Conduct a review of the implementation of the EU statistical law, Regulation (EC) No 223/2009 as amended by Regulation (EU) 2024/3018, to identify how the amended law, via its Articles 21–23 that provide for data-sharing, is affecting data-sharing across national borders in the ESS. Use the results of the review to inform further steps in the legal framework and elsewhere to support data-sharing.

(b) Add to EU statistical legislation as needed, either directly by requiring NSIs to engage in data-sharing across borders in specific statistical tasks, or indirectly incentivising data-sharing by requiring NSIs to engage in data-sharing for statistical tasks for

which they receive EU funding if that sharing would, *ceteris paribus*, result in a reduced burden on respondents, greater cost-effectiveness, more comparability of statistics within the ESS or greater timeliness and punctuality.

(c) Authoritatively resolve all inconsistencies between national laws and EU statistical legislation establishing the basis for data-sharing.

(d) Consider using EU statistical legislation to innovate the production of at least some critical European statistics so that it is carried out under centralised ESS responsibility, characterised by the full sharing across national boundaries of confidential microdata, with a single secure location that would enable distribution to and processing in specialised processing centres, and by the sharing of financial and human resources, and collective investment in innovation.

(e) Review and revise EU statistical legislation where needed, to eliminate sources of variability across Member States regarding rules on statistical confidentiality and national security / business secrecy and the procedures that are consistent with these rules, including effective enforcement of compliance.

R10. ESGAB recommends strengthening EU law to secure the harmonisation of the quality of European statistics across Member States by providing mechanisms that ensure that the necessary harmonisation of quality takes place. Mechanisms must be put in place, and when already in place be reviewed and strengthened, supporting the development and implementation of common methodological and technical standards. There is a need to adopt harmonised classifications, definitions and metadata, and promote catalogues of reusable services and validation rules to improve interoperability and reduce local reinvention. Eurostat must be granted the mandate and the capacity/resources to operate more actively than at present in providing that validation of the harmonised quality of Member States' data. Transparency would be essential and would require that Eurostat also make available publicly and promptly any concerns it has regarding quality when assessing the quality of the data transmitted to it.

R11. ESGAB recommends an evaluation for the establishment of a well-functioning and transparent data-sharing infrastructure at the EU level. This evaluation should cover different strategic approaches to the project, including whether it should be set up using a centralised, hybrid or federated approach. With any approach, Eurostat coordination and supervisory functions would

be pivotal in establishing common standards, accreditation processes and shared toolkits, while ensuring that sensitive data remains under the control of individual NSIs. Resources to identify, create/access and apply the necessary privacy-preserving technologies, processes and procedures should be provided to Eurostat. Until then, an interim solution could be put in place.

R12. ESGAB recommends promoting privacy-preserving technologies, processes and procedures. There should be investment in privacy-enhancing technologies and secure processing environments to enable richer integration while protecting confidentiality, including controlled access, disclosure control and auditable processing logs.

R13. ESGAB recommends that the statistical authorities in the ESS develop common standards on using and sharing administrative data to ensure interoperability and comparability across borders while safeguarding statistical confidentiality and protecting privacy, business secrets and national security.

R14. ESGAB recommends that NSIs improve in the immediate future the transparency for statistical units/respondents regarding the existing data-sharing arrangements across national borders that the NSIs are involved in.

R15. ESGAB recommends establishing a governance structure to oversee and monitor data-sharing across borders in the ESS. A major function to be conducted would be the systematic monitoring and evaluation of data-sharing across national borders in the ESS, accompanied by the production of regular public reports. In this context, data-sharing initiatives, quality outcomes and burden impacts should be systematically tracked, and information provided, inter alia, on success cases and lessons learned to drive continuous improvement and accountability across the ESS.

R16. ESGAB recommends reinforcing training and resource allocation to NSIs to enhance the implementation of ESCoP principles related to data-sharing.

R17. ESGAB recommends enhancing cooperation and communication by establishing and empowering institutions that convene stakeholders in data-sharing across national borders in the ESS with a view to sharing roadmaps and plans and maintaining open communication channels.

Adequacy of resources for European statistics at the Member State level

R18. ESGAB recommends that policymakers adopt legal provisions regarding budgeting for statistical

producers and the associated budget implementation process with a view to increasing the financial certainty and autonomy of statistical producers. Specifically, budgets of statistical producers should be approved by the executive branch and the legislative branch for a period of at least three to five years, instead of the current usual practice of one year. These budgets would have to be based on multi-year statistical programmes that incorporate statutory obligations, and foreseeable EU reporting requirements and allocations for IT modernisation, cybersecurity and innovation, including the implementation of artificial intelligence. Additionally, they would also have to, inter alia, address statistical quality assurance and review access/use costs regarding privately owned big data and administrative data sources, and build agility to respond to new challenges and opportunities. Budgets would have to include contingency reserves for the fulfilment of unforeseeable statistical needs. Adjustments to the approved budget should be feasible for well-identified reasons noted in the law and reasoned transparently. Following approval of the budget of the statistical producer, budget implementation must be fully under the control of the statistical producer. There should be no approval of expenditure at any stage of the expenditure process by outside institutions.

R19. ESGAB recommends a significant resource increase for the development, production and dissemination of European statistics at the European level that would be reflected in increases in the Commission's budget regarding both statistics related to operational expenditure commitments and the staff and administrative expenses related to the functioning of Eurostat. These are currently miniscule considering the EU-public-good nature of European statistics, the decisive reliance of European policymakers on European statistics for policymaking and implementation, and the indispensable service European statistics provide to all in the EU.

R20. ESGAB recommends that statistical producers should be given the legal latitude to decide on their organisational charts, the right size of their current and medium-term staff complement, and its composition and skills mix, and enough flexibility to decide on their staff recruitment policies and processes, career streams, training and other working conditions, including pay structures, with a view to making them competitive in the labour market and thereby improving their staff recruitment and retention rates of staff of appropriate skill, qualifications and performance. Statistical producers should be able to proactively reallocate labour based on considerations of cost-efficiency

and the evolving requirements of the statistical production process. They should link competency frameworks to individual training plans, career progression and promotion criteria. The NSIs should take the lead in implementing an national statistical system (NSS)-wide coordinated training programme. NSIs and ONAs should explore and pursue secondment opportunities between themselves and intra-EU exchange and secondment opportunities with other members of the ESS.

R21. ESGAB recommends that statistical producers review and, where necessary, reform their financing models to ensure their own operational sustainability and implement cost-by-product accounting and standardised time/resource estimates for key statistical processes, and use cost transparency to inform pricing for paid services and substantiate budgetary requests. Additionally, an evaluation of any related long-term costs, and confidentiality and availability issues, including transition funding, should be conducted before agreeing to migrate to federated/shared platforms or government cloud infrastructures.

R22. ESGAB recommends that Member States allocate dedicated human and financial resources to quality assurance bodies and commissions (including peer-review units), proportional to their mandates,

and fund periodic expert reviews of key statistical outputs where appropriate, ensuring follow-up and remedial action.

R23. ESGAB recommends ensuring appropriate resource use accountability of statistical producers while safeguarding professional independence. Specifically:

(a) Budget implementation, resource use and expenditure outlays should be audited by an independent state institution that is not involved in policy implementation. The purpose of that control should not be to assess the appropriateness of statistical decisions or the organisation of the statistical producer.

(b) A statistical producer should consider subjecting itself to an annual financial audit by a reputable external auditor from the private sector and then publishing the auditors' report. Periodic compliance audits and operational audits should also be conducted.

(c) A statistical producer should autonomously produce detailed statistical work programmes, and they should explicitly discuss the resources and the flexibility in their use needed to implement such programmes.

(d) A statistical producer should publish transparent and detailed reports on the implementation of statistical programmes, identifying the strengths, weaknesses and any problems or obstacles in implementing their programmes. There should be explicit discussion on the resources provided and all aspects of their use, along with a presentation of efficiency indicators.

(e) A statistical producer should consider having an internal audit function or outsourcing it to an audit firm, which it can use, inter alia, to assess the efficiency, legality or any other aspects of the use of its resources.

R24. ESGAB recommends that a statistical producer should have a legally mandated formal mechanism for reconciling demands for statistics and available resources. At a minimum, there is a need for formalisation of the mechanism, and good transparency and publicity about the discussions between the statistical producer and policymakers and other users of statistics. Statistical programmes should reflect these discussions. ESGAB also recommends that a statistical producer be empowered to discontinue or not to engage in a particular statistical production unless adequate resources are available to the statistical producer.

R25. ESGAB recommends – as it has done in the past – that over the medium term, explicit consideration should be given to the optimal institutional setting for a given European statistics producer (Eurostat, NSI or ONA). Institutional dependence or administrative anchoring needs to be scrutinised and solutions reflected in laws and institutional settings.

R26. ESGAB recommends reviewing and revising as needed various principles in the ESCoP that concern or affect in some way the adequacy of resources in the ESS, including, inter alia, Principle 1 (professional independence), Principle 1bis (coordination and cooperation), Principle 3 (adequacy of resources) and Principle 10 (cost-effectiveness).

R27. Recommendations on resources from the peer reviews:

i. Recommendation on competitiveness and talent retention. Member State authorities should ensure competitive total remuneration and comprehensive retention frameworks for critical occupational categories (notably IT, data science and senior methodologists) by adopting targeted pay adjustments where necessary, in combination with structured non financial incentives (career paths, training, mobility, flexible working

and knowledge transfer schemes). Member States shall report annually on turnover and vacancy metrics for priority roles and corrective actions.

ii. Recommendation on sustainable core funding. Member States should secure multi year baseline appropriations for NSIs and designated ONAs that are commensurate with statutory obligations and foreseeable EU reporting requirements. Budget frameworks must include contingency mechanisms to protect core statistical outputs and data quality from cyclical budget reductions.

iii. Recommendation on IT modernisation and innovation financing. Each NSI shall establish multi year, ring fenced funding lines for IT modernisation, cybersecurity and innovation, backed by formal governance and project management controls. Major IT investments must be supported by documented business cases (cost-benefit and risk assessment) and integrated into medium term expenditure plans to ensure continuity and avoid dependence on ephemeral external funding.

iv. Recommendation on HR flexibility and agility. Member States and NSIs should remove undue legal and administrative impediments to agile HR management and IT procurement

by enabling flexible use of allocated funds for permanent posts, streamlining recruitment procedures for specialised staff, and, where appropriate, considering revised governance/autonomy models that demonstrably improve operational agility.

v. Recommendation on skills development and HR management.

Eurostat shall promote comprehensive HR strategies across NSIs and ONAs that link competency frameworks to individual training plans, career progression and promotion criteria; establish systematic internal mobility/secondment schemes; and implement an NSS wide coordinated training programme and international exchange opportunities to scale specialised capacity cost effectively.

vi. Recommendation on cost

transparency and resource efficiency. NSIs shall implement cost by product accounting and standardised time/resource estimates for key statistical processes, report annually on resource use and efficiency indicators to supervisory bodies and finance ministries and use cost transparency to inform pricing of paid services and substantiate budgetary requests.

vii. Recommendation on the resourcing of quality assurance bodies. Member States must allocate dedicated human and financial resources to quality assurance bodies and commissions (including peer review units), proportional to their mandates, and fund periodic external expert reviews of key statistical outputs where appropriate, ensuring follow up and remedial action.

viii. Recommendation on workforce renewal and vacancy management.

NSIs shall adopt long term workforce planning and succession strategies addressing ageing profiles and vacancy backlogs, deploy accelerated recruitment channels for critical skills, and implement flexible working and outreach measures (including university engagement) with measurable targets and public reporting on reductions in time to fill critical vacancies.

ix. Recommendation on NSS

funding models, ONAs and shared infrastructure. Member States should review and, where necessary, reform NSS financing models to guarantee sustainable funding for NSIs and ONAs; require transparent governance and pricing for paid services and microdata access to support cost recovery; and mandate formal long-term cost, confidentiality and availability assessments (with secured transition funding) before

migration to federated/shared platforms or government cloud infrastructures.

Periodic statutory review of the European Commission's commitment on confidence in statistics

R28. (R16 in the 2022 report) ESGAB recommends the establishment a new Commission CCS. It should consist of a focused, clear and unambiguous commitment from the political side of the Commission to take all necessary measures to maintain confidence in European statistics (wherever they are produced in the ESS) and aim to ensure progress in the implementation of the statistical principles contained in the ESCoP. In particular, the special status and independence of Eurostat within the Commission as the EU statistical authority should be clearly stated upfront. In addition, it should include a list of specific actions that the political leadership has to undertake to support the implementation of the code of practice in the production of European statistics. The CCS should also be very explicit about the conditions that support or manifest the independence of Eurostat and the Director-General of Eurostat (see also R29 and R30 which adapt and reproduce R9 and R10, respectively, of the 2022 report).

R29. (Adapted from R9 of the 2022 report) ESGAB recommends that the Commission's CCS should make a clear distinction between the Commission as a political body and Eurostat as the statistical authority of the EU. The CCS should clarify that Eurostat is the impartial, objective and professionally independent statistical authority serving the EU as a whole. The relations between the Commission and Eurostat shall be guided by Eurostat's professional independence. As such, Eurostat's status within the Commission differs from that of other directorates-general. It operates in full compliance with the European Statistics Code of Practice.

R30. (Adapted from R10 of the 2022 report) ESGAB recommends that the CCS should commit to strengthening the independence of the Director-General of Eurostat. To this end, the CCS should include the following commitments:

- (a)** the Director-General of Eurostat is selected for a fixed, non-renewable term of seven years;
- (b)** the selection and recruitment process shall be open and transparent, in line with international best practices, and the appointment shall be made only on the basis of clear professional criteria, among

which statistical reputation and a high level of competence in statistical matters are key;

(c) the Director-General of Eurostat shall be responsible and accountable for all statistical activities and for matters regarding Eurostat's internal management and budget execution;

(d) reasons for the early termination of the contract (dismissal) of the Director-General of Eurostat shall be specified in the regulation and must not compromise their professional or scientific independence or their internal management responsibilities outlined in provision (c);

(e) provisions (b) and (d) should also apply to the Deputy Director-General of Eurostat;

(f) the CCS should add 'including other parts of the Commission' after 'Union institutions or bodies' under Article 7 where it says, 'When carrying out these statistical tasks, the Director-General of Eurostat shall act in an independent manner; he or she shall neither seek nor take instructions from the Union institutions or bodies, from any government of a Member State, or from any other institution, body, office or entity.'

R31. (R17 in the 2022 report) ESGAB recommends that the updated Commission CCS include an explicit commitment of the Commission to supply Eurostat with adequate and predictable resources over the medium term, in terms of financing and staffing, so that Eurostat is able to fulfil its tasks. The Commission should commit to providing Eurostat with all allowable flexibility for recruiting staff with appropriate specialist skills in adequate numbers to ensure Eurostat's fulfilment of its mandate, and also to giving the necessary political support to Eurostat to get access to all data needed to produce European statistics, including privately held data.

R32. (R18 in the 2022 report) ESGAB recommends that the Commission's CCS, as currently worded with respect to the chief statistician, be revised to clarify that the Director-General of Eurostat is also the Chief Statistician of the European Commission. In parallel, the coordinating function and authority of Eurostat in statistical matters – including for 'other statistics' – within the Commission should be clarified and considerably strengthened, with a view to, inter alia, supporting the quality and reputation of linked European statistics.

R33. (R19 in the 2022 report) ESGAB recommends that the Commission's CCS stipulate that, with regard to statistics available to and/or released by Eurostat, the Commission gears towards adherence to the best practice indicated in the ESCoP, whereby 'all users have equal access to statistical releases at the same time'.

ESGAB 2025 ANNUAL REPORT

1. INTRODUCTION

LEGAL BASIS OF ESGAB

The European Statistical Governance Advisory Board (ESGAB) was established in 2008 by the European Parliament and the Council of the European Union through Decision No 235/2008/EC⁽⁴⁾. Its creation was part of an effort to enhance the governance of European statistics and ensure their quality and independence across all EU Member States and within the European Commission.

MANDATE OF ESGAB

According to relevant EU law [Decision No 235/2008/EC], 'the purpose of the Board shall be to provide an independent overview of the European Statistical System (ESS) as regards the implementation of the European Statistics Code of Practice' [Article 1]. Article 2(1) states,

⁽⁴⁾ Decision No 235/2008/EC of the European Parliament and of the Council of 11 March 2008 establishing the European Statistical Governance Advisory Board [OJ L 73, 15.3.2008, p. 17, ELI: <http://data.europa.eu/eli/dec/2008/235/oj>].

The Board's tasks shall be to:

- a) *prepare an annual report for the European Parliament and the Council on the implementation of the Code of Practice insofar as it relates to the Commission (Eurostat) ...*
[...]
- b) *include in that annual report an assessment of the implementation of the Code of Practice in the European Statistical System as a whole.*

In observance of the law, ESGAB has worked independently to produce the present report, perusing all the relevant information available to it and making its own assessment on relevant matters.

This ESGAB report focuses on selected issues that are of relevance and concern to the production of European statistics and have implications for the implementation of the European Statistics Code of Practice (ESCoP) in the European Statistical System (ESS). These issues pertain to the **adequacy of resources in the ESS; data-sharing in the ESS across national borders; digitalisation, privately held data and the ESCoP; the potential role of the ESS in the European data strategy; and data-sharing in the**

ESS across national borders. The 2025 report also provides a brief **follow-up on ESGAB's 2024 report**, which provided recommendations for the then ongoing amendment to the EU statistical law (Regulation (EC) No 223/2009 ⁽⁵⁾) and for other matters that concern the implementation of the ESCoP in the ESS. Finally, based on its task, given in Regulation (EC) No 223/2009, to monitor the implementation of the commitment on confidence in statistics by the European Commission with respect to Eurostat, ESGAB presents in this annual report its **periodic statutory opinion on the European Commission's commitment on confidence in statistics** (Commission Decision 2012/504/EU ⁽⁶⁾), and restates its recommendations on how to recast it with a view to strengthening it significantly and rendering it a role model for the entire ESS.

2. FOLLOW-UP ON THE 2024 ESGAB REPORT

On 29 October 2024, ESGAB published its 2024 annual report. ESGAB made seven recommendations on facilitating the implementation of the principles of the ESCoP in the ESS following its overview of the ESS as regards the implementation of the ESCoP, as mandated by EU law.

ESGAB'S RECOMMENDATION ON THE AMENDMENT TO THE EU STATISTICAL LAW

The first of ESGAB's recommendations (comprising 13 sub-recommendations) in its 2024 report focused on the amendment to Regulation (EC) No 223/2009 on European statistics – the EU statistical law – that was then undergoing the legislative process. ESGAB's report was published in time for it to be considered by the Parliament and the Council before completing the first reading of the draft amended regulation.

Following examination of the then ongoing amendment to the statistical law, in its 2024 annual report ESGAB acknowledged and welcomed the good progress in certain areas but noted that the changes ESGAB had recommended in its 2022 and 2023 reports regarding the institutional environment/governance framework of European statistics were not present in the articles of the text of the draft amendment. ESGAB stated that it believed the legal text of the amendment to Regulation (EC) No 223/2009 being considered at that point would require additional necessary improvements to further strengthen the institutional environment/governance framework.

In its first recommendation of the 2024 report on the ongoing legal amendment to Regulation (EC) No 223/2009, ESGAB delved into the implementation of professional independence and of impartiality and objectivity in the ESS, along with other critical areas of the ESCoP and the conditions for its implementation. It also reiterated its recommendations for amending Regulation (EC) No 223/2009 from its 2022 and 2023 reports aimed at ensuring appropriate legal frameworks and institutional set-ups at both national and EU levels.

⁽⁵⁾ Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities [OJ L 87, 31.3.2009, p. 164, ELI: <http://data.europa.eu/eli/reg/2009/223/oj>].

⁽⁶⁾ Commission Decision 2012/504/EU of 17 September 2012 on Eurostat [OJ L 251, 18.9.2012, p. 49, ELI: <http://data.europa.eu/eli/dec/2012/504/oj>].

In ESGAB's view, as discussed in its 2024 report, the following areas of the version of the amended text of Regulation (EC) No 223/2009 being considered at that point needed further work, as per the specific sub-recommendations made by ESGAB in that report.

- Independence, impartiality and objectivity:
 - independence of Eurostat, its Director-General and its senior management;
 - independence of heads of national statistical institutes (NSIs);
 - independence of statistical heads of other national authorities (ONAs);
 - institutional independence and responsibilities of statistical producers in the ESS;
 - all users having equal access to statistical releases at the same time (no pre-release access);
 - data stewardship challenges.
- Development of the ESS:
 - establishing Eurostat's leading role in accessing privately held data for the ESS;
 - establishing Eurostat's leading role in sharing the data of individual statistical units within the ESS.
- Adequate resources:
 - mandating Eurostat to set up and host a European research institute for official statistics and providing adequate funding.
- Quality:
 - strengthening the provisions regarding the quality of national data transmitted to Eurostat by ensuring the transparency of Eurostat regarding the quality of data transmitted and the implementation of the ESCoP by Member States.
- Overarching issues:
 - clarifying the legal status of the ESCoP;

- establishing ESGAB-like bodies in EU Member States' national statistical systems (NSSs);
- strengthening commitments on confidence in statistics (CCSs).

The Parliament and the Council took note of ESGAB's 2024 report but, regrettably, did not make any changes to the draft legislation before its final adoption on 26 December 2024.

ESGAB'S OTHER RECOMMENDATIONS

In its 2024 report, ESGAB made a recommendation to get legal frameworks and institutional set-ups right at both national and EU levels, to enable the full implementation of the ESCoP principles of professional independence and of impartiality and objectivity, as set out in detail in the recommendations made by ESGAB in its 2022 and 2023 annual reports.

ESGAB also recommended that any decision to proceed with data stewardship by an NSI must, inter alia, clearly address several fundamental issues, which it identified in the recommendation and discussed in the text of the 2024 report. It stated that these are matters that require thorough consideration and preparation on the part of political decision-makers, and therefore data stewardship would need to wait, if it is to be implemented at all.

In its 2024 report, ESGAB made four recommendations for effective coordination and cooperation among statistical producers within NSSs, which are usually inadequate, reiterating and supplementing the recommendations it had made in its 2023 report.

ESGAB continues to monitor and assess progress in the ESS regarding the implementation over the medium term of its recommendations on the matters above.

3. FOLLOW-UP ON THE ESGAB RECOMMENDATIONS BETWEEN 2021 AND 2024

Between 2021 and 2024, ESGAB focused its recommendations on governance areas it judged most prone to systemic risk within the ESS: professional independence, coordination and cooperation, mandate for accessing private and digital data, adequacy of resources, commitment to quality, methodological modernisation, confidentiality and data stewardship, and communication. ESGAB consistently urged stronger, binding legal guarantees, particularly amendments to Regulation (EC) No 223/2009 – to protect the independence of Eurostat and national authorities, to grant clear rights to access privately held data (including the use of identifiers for linkage), and to enshrine harmonised confidentiality and stewardship rules. It also pressed for reinforced coordination across Eurostat, NSIs, ONAs and the European Central Bank, deeper engagement with academia, a systematic application of the reference quality framework, harmonised revision policies with accessible vintage databases, better resourcing and skills development (including a proposal for a European Research Institute for Official Statistics), and improved communication to raise trust and clarity for users.

Eurostat's replies fall into three patterns: acceptance with reported progress, 'without object' when existing instruments were deemed sufficient, and conditional responses linked to broader legislative or budgetary processes. Eurostat argued that notable measures were taken, including establishing revised impartiality protocols and new working arrangements with the Commissioner in whose portfolio are European statistics, the publication of a corporate revision policy and metadata harmonisation, expanding training and digitalisation efforts, improving microdata access points and metadata tools, refreshing the communication strategy and tools, and engagement initiatives such as the

ESS innovation action plan and European Master in Official Statistics reviews. Eurostat presented the amendment to Regulation (EU) 2024/3018 ⁽⁷⁾ as addressing many of ESGAB concerns by strengthening data-sharing provisions, clarifying access to administrative and privately held data, and including recital language promoting academic cooperation. Eurostat has also argued that ESGAB's concerns are being addressed through the ESS innovation agenda, shared infrastructures and upcoming budgetary allocations under the 2028–2034 multiannual financial framework, while it has resisted the creation of new permanent bodies like European Research Institute for Official Statistics (ERIOS) and maintained that some recommendations are achievable within existing frameworks.

ESGAB welcomes progress but continues to flag unresolved risks: statutory independence remains insufficiently guaranteed; long-term, predictable resourcing is not fully secured; stewardship roles and harmonised confidentiality protocols need clearer, binding frameworks; and reliance on existing instruments and processes may not match the scale of methodological and data access challenges for harmonised, high-quality European statistics. The exchange between ESGAB and Eurostat has driven tangible improvements and informed legislative change, yet ESGAB stresses that legal reinforcement, stable funding, improved quality assessment and assurance processes, improved coordination and cooperation among statistical producers within NSSs, and transparent stewardship arrangements are essential to preserve independence, impartiality, public trust, and the sustainable, secure integration of new data and methods in European statistics that are harmonised and of high quality.

⁽⁷⁾ Regulation (EU) 2024/3018 of the European Parliament and of the Council of 27 November 2024 amending Regulation (EC) No 223/2009 on European statistics [OJ L, 2024/3018, 6 12.2024, ELI: <http://data.europa.eu/eli/reg/2024/3018/oj>].

In the interest of transparency and the continuing dialogues on achievements and further needed improvements in the implementation of the ESCoP in the European Commission and in the ESS as a whole, ESGAB has published all of the Commission's responses to ESGAB recommendations between 2021 and 2024 on its website.

4. SELECTED DATA TOPICS FOR THE ESS IN THE CONTEXT OF THE DATA REVOLUTION

From their beginning, official statistics have evolved through three mutually reinforcing engines: methodological advances, technological infrastructure and the availability of data sources, all driven by accelerating information needs of public authorities, businesses, researchers and society as a whole. Historically, censuses and cadastral surveys underpinned early official statistics, later complemented by probabilistic surveys and administrative records as statistical inference and sampling matured in the 20th century. Since the 1960 Nordic Statistical Conference in Helsinki and the introduction of the statistical archive system, administrative data – anchored by robust identifiers – has become integral, supported by advances in data processing and storage capacity.

Today's statistics production systems rely on a dual foundation of surveys and administrative records, a balance reflected in statistical legislation and in the ESCoP. Over the last decades, **digitalisation and privately held 'massive data' (big data)** have emerged as transformative sources with near real-time signals and high granularity, but with complex access, ownership and quality challenges. These developments pose numerous challenges to and opportunities for traditional official statistics.

The **European strategy for data** (2020)

established the policy framework for creating 'a single market for data within the EU, enabling data to flow freely across borders and sectors while adhering to European rules and values.' Central to this strategy is the Data Governance Act (DGA), implemented in September 2023, which serves as a cross-sectoral instrument to regulate the reuse of publicly held, protected data. The DGA promotes data-sharing by regulating data intermediaries and encouraging 'data altruism', where data is shared for the public benefit. A key component of the DGA is the introduction of sector-specific **common European data spaces**, which aim to address data fragmentation and create a unified data marketplace where data supply meets demand, improving exchanges among data holders and increasing data availability. The overarching goal is to create a trustworthy, interoperable environment for data-sharing and pooling across various sectors.

The development of the European data strategy and the creation of the common European data spaces raise the question of the appropriate relationship between European statistics and the ESS on the one hand and the European data strategy and the common European data spaces on the other hand. These potential roles that the ESS could play would have to be thoroughly explored. Consideration should be given to how the ESS's potential roles serve and fit with its objective of developing, producing and disseminating European statistics as an EU-level public good. It would also be necessary to consider how the ESS's appropriate involvement in the common European data spaces, through additional roles, could potentially also enhance these data spaces and ensure they effectively support EU policymaking, economic growth and innovation.

Data-sharing in the ESS is grounded in the EU statistical law, which sets conditions for transmitting confidential data within the ESS and between the ESS and the European System of Central Banks, and for access to administrative records and other public sources.

Within the ESS, the sharing of data between statistical authorities in different Member States has increased over recent decades, supported by infrastructures such as the Communication and Information Resource Centre for Administrations, Businesses and Citizens (CIRCABC) for secure exchange, while respecting varying national legal constraints and contractual limitations, particularly around privately held data. Sectoral statistical regulations and bilateral agreements underpin specific exchanges, but preparation often entails substantial negotiations with data owners, and conflicts between EU and national laws may arise; thematic fragmentation of databases also hampers interoperability and integrated analysis.

While the scope of data-sharing within the ESS currently remains limited, the implications of data-sharing across national borders for the implementation of European statistics principles as reflected in the ESCoP and the potential benefits to users of European statistics, especially in the context of an increasingly integrated Europe, call for a careful consideration of the optimisation of data-sharing and its enabling conditions.

The above call for the review of:

- **the institutional environment of European statistics**, for instance, of the legal framework for access to privately held data and ensuring statistical confidentiality and data protection, the legal and institutional set-up for the sharing of data across national borders in the ESS, and the potential roles of European statistics producers (the ESS) in the implementation of the European data strategy (Data Governance Act, Data Act);

- **statistical production processes for European statistics**, for instance, the appropriate modalities of the adoption of new statistical methodologies such as those involving artificial intelligence (AI) / machine learning and data-sharing.

DIGITALISATION, PRIVATELY HELD DATA AND THE ESCoP

Developments in digitalisation and privately held 'massive data' (big data), inter alia, necessitate that the legal framework, i.e., both statistical legislation and the statistical principles in the ESCoP, is reviewed and revised as necessary to address emerging and future challenges and opportunities associated with these developments. Below are some more specific issues that should be taken into account in preparing the upcoming review of the ESCoP.

The following ESCoP principles, among others, would have to be reviewed and potentially revised in light of developments in digitalisation and privately held data.

- **Principle 2 (mandate for data collection and access to data)**. The revised EU statistics law (Regulation (EC) No 223/2009) adds, for the first time, a requirement that privately held data be made available for compiling official statistics, with safeguards and an explicit aim to reduce the reporting burden on businesses. Access is framed for European statistics, with conditions on the necessity to use these data and the unavailability of other means, or a clear reduction of the reporting burden, complementing – but going beyond – the EU Data Act's 'exceptional need' access. Consideration must also be given to the implications of various potential roles the ESS could play in implementing the European data strategy.
- **Principle 5 (statistical confidentiality and data protection)**. Consideration must be given to how to use privately held data while respecting

statistical confidentiality and the EU's General Data Protection Regulation (Regulation (EU) 2016/679 ⁽⁸⁾) requirements, including identifying potential safeguards such as pseudonymisation and secure infrastructures tailored for statistical purposes. Potential roles the ESS could play in implementing the European data strategy would need to be brought into the discussion and reviewed in terms of their requirements and implications vis-à-vis statistical confidentiality and data protection, and terms of their limits as roles.

- **Principle 7 (sound methodology) and Principle 8 (appropriate statistical procedures).**

Consideration could be given to whether or not to advocate separating 'development' (method design on limited data) from 'production' (automated execution), enabling quality-assured code to run at or near the data holder via privacy-preserving computation. One view is that this orientation supports methodological transparency while controlling input-data quality through accreditation rather than wholesale data transfer. These issues would have to be considered, inter alia, in the context of the ESS's increasing access to privately held data and administrative data in general, and any potential roles of the ESS in the implementation of the European data strategy.

- **Principle 9 (non-excessive burden on respondents) and Principle 1bis (coordination and cooperation).** The importance of using privately held data to reduce the respondent burden on statistical units should be considered, along with how coordination between NSIs, ONAs and Eurostat could limit the duplication of requests, reinforcing burden minimisation.

⁽⁸⁾ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (OJ L 119, 4.5.2016, p. 1, ELI: <http://data.europa.eu/eli/reg/2016/679/oj>).

- **Principle 10 (cost-effectiveness) and Principle 3 (adequacy of resources).**

Consideration should be given to whether or not to run computation close to source and reuse privately held data, as this could improve efficiency but would require upfront investments in privacy-enhancing technologies, engineering and standardisation to ensure sustainable production. The way in which mainstreamed innovation and experimentation fosters scalable, cost-effective pipelines should also be considered.

The aforementioned considerations on the impacts of digitalisation and privately-held data on the statistical principles in the ESCoP could result in the opening of a discussion that culminates in a revision of the ESCoP that adapts to the ongoing data revolution.

Recommendation

R1. ESGAB recommends that the upcoming review of the ESCoP considers the impacts of digitalisation and privately held data on the statistical principles in the ESCoP with a view to adapting the latter to the ongoing data revolution so as to be able to address emerging and future challenges and opportunities associated with these developments.

The potential role of ESS in the European data strategy

ESGAB encourages the exploration of the appropriate relationship between European statistics and the European Statistical System (ESS) on the one hand and the European Data Strategy on the other. It believes it is important to consider the proper role(s) of the ESS (Eurostat and NSIs in the first instance) in the Common European Data Spaces that are being created under the European Data Strategy and which aim to unify data markets across sectors.

The European Statistical System Committee (ESSC) has also recently highlighted the importance of monitoring the evolution of the common European data spaces in order to assess the potential engagement of the ESS in these data spaces and to develop a common position on how the ESS could contribute to and benefit from them.

In order to promote these explorations and identify the optimal approach for the ESS in the context of the emerging common European data spaces, ESGAB discusses herein some considerations that would need to be taken into account for the ESS to continue to pursue its law-given objective: offering European statistics as an EU-level public good while adhering to the international statistical principles enshrined in the ESCoP.

Objectives of the European data strategy and the common European data spaces

During the 55th and 56th ESSC meetings in 2024, NSIs emphasised the importance of monitoring the evolution of the common European data spaces. This monitoring is crucial to assess the potential engagement of the ESS in these data spaces and to develop a common position on how the ESS can contribute to and benefit from them.

The European strategy for data (2020) established the policy framework for creating a single market for data within the EU, enabling data to flow freely across borders and sectors while adhering to European rules and values. Central to this strategy is the Data Governance Act (DGA), implemented in September 2023, which serves as a cross-sectoral instrument to regulate the reuse of publicly held, protected data. The DGA promotes data-sharing by regulating data intermediaries and encouraging data altruism, where data is shared for public benefit. A key component of the DGA is the introduction of sector-specific common European data spaces,

which aim to address data fragmentation and create a unified data marketplace where data supply meets demand, improving exchanges among data holders and increasing data availability.

The common European data spaces have a dual objective: first, to establish a data marketplace that ensures seamless data exchanges and addresses fragmentation, and second, to develop use cases that demonstrate specific value for data users while providing a return of value to data owners and intermediaries, thereby fostering the data economy. The overarching goal is to create a trustworthy, interoperable environment for data-sharing and pooling across various sectors.

The European Commission directorates-general (DGs) already involved in common European data spaces include:

- DG Communications Networks, Content and Technology, which is involved in broader data innovation and support, including the European Data Innovation Board and the Data Spaces Support Centre;
- DG Mobility and Transport, which oversees the Mobility Data Space;
- DG Employment, Social Affairs and Inclusion, which is responsible for the Skills Data Space;
- DG Health and Food Safety, which manages the Health Data Space;
- DG Internal Market, Industry, Entrepreneurship and SMEs, which is linked to the Tourism Data Space;
- DG Energy, which manages the Energy Data Space;
- DG Agriculture and Rural Development, which is involved in the Agriculture Data Space;
- DG Environment, which focuses on the Green Deal Data Space.

The development of the CEDS is slated to follow a three-phase roadmap: exploration, deployment and operationalisation/scaling-up. As of early 2025, most data spaces had completed the exploration phase (2023/2024) and were entering the deployment phase (2024/2025), which is expected to last two to three years. During this phase, critical elements such as governance structures, technical infrastructures and stakeholder engagement will be finalised. Additionally, use cases will be developed to demonstrate the capabilities of individual and cross-sectoral data spaces, though none have yet reached full maturity in terms of operational data-sharing or use-case development.

Regarding ESS involvement so far in the common European data spaces initiative, in the first quarter of 2025 Eurostat was granted observer status in the meetings of the European Data Innovation Board organised by DG Communications Networks, Content and Technology. Eurostat also has become part of the Data Spaces Support Centre network of stakeholders organised by DG Communications Networks, Content and Technology.

Objectives of the ESS

In order to fruitfully consider the potential role(s) of the ESS (Eurostat and NSIs in the first instance) in the common European data spaces under the European data strategy, ESGAB is of the view that it is important to keep in mind the goal of the ESS as reflected in the European statistics law (Regulation (EC) No 223/2009).

According to the EU law defining, inter alia, the ESS, the ESS is 'the partnership between the Community statistical authority, which is the Commission (Eurostat), and the national statistical institutes (NSIs) and other national authorities responsible in each Member State for the development, production and dissemination of **European statistics**' (emphasis added). Moreover, European statistics are defined by

the law as 'relevant statistics necessary for the performance of the activities of the Community. European statistics are determined in the European statistical programme.' The EU statistical law is also clear that the output of the ESS – European statistics – must 'be developed, produced and disseminated in conformity with the **statistical principles** as set out in Article 285(2) of the Treaty and further elaborated in the **European statistics** Code of Practice in accordance with Article 11' (emphasis added).

The above legal framework determines what the mandate and work of the ESS is. It sets the frame within which any discussion and assessment of the proper role of the ESS in the common European data spaces (and anywhere else) should take place. The critical point is that *any role for the ESS in these data spaces has to be identified and evaluated through the lens of how that role serves the objective of developing, producing and disseminating European statistics, and that this is done in conformity with international statistical principles set out in the Treaty of the EU and elaborated in the European Statistics Code of Practice (ESCOP).*

In light of the above, it is clear that the objective of the ESS and the legal framework that gives rise to it and the objective of the European data strategy are different. In the case of the ESS, the objective is the development, production and dissemination, according to stringent ethics and quality principles, of a very specifically defined set of official statistics – European statistics. In the case of the European data strategy, the objective is the creation of 'a single market for data within the EU, enabling data to flow freely across borders and sectors' ⁽⁹⁾ with benefits accruing to the providers and users of the data: 'value for data users while providing a return of value to data owners and intermediaries'. These objectives are nearly as different as the

⁽⁹⁾ [European data strategy - European Commission](#)

production of a public good by a public institution and the operation of a regulated market for the supply and demand of a private good.

The implication is that the ESS may have one or more roles to play in the common European data spaces, but given its constitution through the law, its roles would have to be determined primarily by how they serve and fit with its objective of developing, producing and disseminating European statistics, without this necessarily precluding some additional roles, which should also be thoroughly explored.

Potential roles of the ESS in the common European data spaces

A potential role of the ESS in the common European data spaces is to be a **user of data** made available in some or all of these data spaces. Today's production systems for European statistics rely mostly on a dual foundation of surveys and administrative records. In recent times, the web, privately held data and big data from private or public sources have emerged as additional sources of data that could be used, usually in combination with traditional sources and with each other, in the production of European statistics. The common European data spaces under construction these days offer new and improved opportunities to access data from different sectors and from different locations in the EU by gaining access to the unified data marketplaces that these common European data spaces aim to create.

To the extent that these data spaces, *ceteris paribus*, increase data availability that may now or in the future end up providing additional sources of data for compiling European statistics, ESGAB considers that the ESS should aim to ensure that it has appropriate access to these data spaces. This aligns with the principle in the ESCoP (Principle 2, on a mandate for data collection and access to data), which states that European statistics producers should have

access to administrative data and privately held data for purposes of the production of European statistics. As in the case of administrative and other source data, such access to the common European data spaces would take place in order to optimise the production of European statistics in terms of timeliness, accuracy and reliability, cost-effectiveness and burden reduction.

Moreover, it is important that the ESS be able to advocate for the adoption of standards and modalities in the planned common European data spaces that maximise the useability for the production of European statistics of data available in these data spaces. This is consistent with the principle in the ESCoP (Principle 8, on appropriate statistical procedures) whereby the definitions and concepts used in administrative and other data for non-statistical purposes should be a good approximation of those required for statistical purposes.

Another potential role of the ESS in the common European data spaces is to be a **provider of non-confidential data**. These could be non-confidential data in the form of the European statistics that are already in the public domain or non-confidential data that are available to a statistical authority but have not been published in the form that may be needed by some users. The latter would be akin to the provision of custom analyses that are already being provided by NSIs and other members of the ESS when feasible, and is consistent with the ESCoP (Principle 15, on accessibility and clarity).

A crucial matter here is the issue of feasibility, given that the provision of custom analyses requires that the producer of European statistics allocate scarce resources towards the fulfilment of requests for these statistical products. Given that the ESCoP is clear that the resources available to statistical authorities should be sufficient to meet **European statistics** requirements (Principle 3, on the adequacy of resources), priority would have to be given to the

fulfilment of the needs of European statistics production over the production of any custom statistical products, including for provision within the common European data spaces. In the context of challenges with the adequacy of resources faced by various ESS statistical authorities for the production of European statistics (see Section 5 of the present report), any approach diverting resources from European statistics production would have to be very carefully considered.

Finally, potential roles for the ESS in the common European data spaces could theoretically also include being a **provider of confidential data** to users in the common European data spaces. Given the importance of 'absolutely guaranteeing' statistical confidentiality as one of the fundamental principles of official statistics that is enshrined in the ESCoP (Principle 5, on statistical confidentiality and data protection), this provision of confidential data can only take place if all the stringent requirements found in Regulation (EC) No 223/2009 and in the ESCoP that apply for the provision of confidential data are met. The caution and limits with which data-sharing across borders between members of the ESS has been taking place (see below in this section) clearly indicates that a role for the ESS in the common European data spaces involving the sharing of confidential data with others that are not trusted members of the ESS (and instead are private or public entities operating in the envisaged 'data marketplace') would be difficult to implement while keeping to the ESCoP principles. It would also be very challenging to maintain the trust of statistical units that provide their confidential information 'only for statistical purposes' in the context of the production of European statistics.

ESGAB is of the view that, while consideration should be given to how the ESS's potential roles serve and fit with its objective of developing, producing and disseminating European statistics as an EU-level public good, it would also have

to be considered how the ESS's appropriate involvement in the common European data spaces in additional roles could potentially also enhance these data spaces, ensuring they effectively support EU policymaking, economic growth and innovation. In this context, the following could be taken into account.

- Eurostat and institutions in the ESS have decades of experience in collecting, harmonising and standardising data across EU Member States. Their expertise in ensuring the **interoperability and comparability of data** may be of use in the implementation of the common European data spaces, which aim to create a seamless data-sharing environment across sectors and borders.
- Eurostat and the ESS are renowned for their commitment to **data quality**, ensuring that data are accurate, timely and reliable, in accordance with the ESCoP. This expertise could be helpful for the data spaces, which need to provide **high-quality data** to support policy decisions, business innovation and research. ESS methodologies and quality assurance frameworks could inform how similar matters are addressed in the data spaces.
- The ESS operates as a **coordinated network** of national and EU-level statistical bodies, demonstrating effective data governance and collaboration among various stakeholders. This experience could be relayed to those leading the work to set up the data spaces, which require robust governance structures to manage data-sharing, access, and use across multiple sectors and countries.
- Eurostat and the ESS have developed **user-friendly platforms and tools for data dissemination**, making statistics accessible to policymakers, researchers and the public. This experience could be imparted to ensure that the data spaces provide accessible and user-friendly data services, enhancing their usability and impact.

- The ESS operates in strict compliance with EU regulations and **data protection standards**, such as the General Data Protection Regulation. The ESS could help share its experience so the data spaces adhere to the EU legal framework, fostering trust among data users and providers in these data spaces.
- Eurostat and the ESS have experience in handling **cross-sectoral and cross-border data**, which is essential for the data spaces that aim to integrate data from various domains (e.g., health, energy, mobility) and across EU Member States. This experience could be imparted to help address the challenges of data fragmentation and siloed information in the data spaces.
- By involving Eurostat and the ESS, the data spaces could better align with the EU's strategic goals, such as the digital single market, the European Green Deal, and the European data strategy.

Recommendations

R2. ESGAB recommends that the EU Commission give an active role to Eurostat and the ESS in the implementation of the common European data spaces. Given the ESS's current legal mandate to develop, produce and disseminate European statistics, its role in the common European data spaces would primarily have to be informed and framed within the context of its current legal framework. However, the ESS's appropriate involvement in additional roles within the common European data spaces could potentially also enhance the interoperability, trustworthiness and usability of the data spaces, also for statistical purposes, ensuring they effectively support EU policymaking, economic growth and innovation.

R3. ESGAB recommends that the NSIs explore the possibility for increased collaboration within consortia, thereby taking advantage of any opportunities to contribute to and benefit from emerging common European data spaces.

R4. ESGAB encourages the NSIs to share best practices on the use of administrative data and to carry out a comprehensive mapping exercise of the available data to identify not only any gaps but also opportunities to strengthen their statistical programme. In this regard, it is fundamental to develop common standards to ensure interoperability and comparability across borders and across data spaces.

R5. ESGAB recommends that the ESS prioritises the exploration of use and modalities of access to privately held data, including those that could become accessible through the common European data spaces, focusing on areas with high relevance for the EU as identified through user surveys and consultations with user bodies.

R6. ESGAB recommends that the development of experimental statistics (ES) be supported, especially as they may become more prominent given the opportunities and demands of ESS members participating in the common European data spaces. Guidelines, on the basis of principles, for the creation, production and use of ES at the European level should be developed and a comprehensive database of ES being developed across the ESS should be kept by Eurostat and shared within the ESS to identify synergies and avoid duplication.

R7. ESGAB recommends leveraging the NSIs' technical expertise and experience to assign them appropriate roles in national data governance. ESGAB supports the evolution of and positioning of the NSIs as advisors to national governments on data governance.

Data-sharing across national borders in the ESS

Divergent or incomplete legal bases can limit consistent data-sharing across Member States. Different organisational structures and actual or perceived differences in institutional cultures and in quality of statistical work also reduce incentives and mechanisms for cooperation. The legal framework must be strengthened and legal inconsistencies must be eliminated. It must be uniformly applied and enforced across the ESS to authorise data-sharing across borders while protecting confidentiality and trade secrets. It is also necessary to secure through law and other pathways the necessary mechanisms for quality assurance and harmonisation across Member States. Inconsistent classifications, definitions, and metadata for administrative and private sources undermine quality and comparability and have to be addressed. A secure, well-functioning, and transparent data-sharing infrastructure at EU level would also be vital, with adequate resources allocated to put in place the necessary privacy preserving technologies, processes and procedures. Transparency to statistical units/ respondents regarding existing data-sharing arrangements across national borders should be improved. A governance structure to oversee and monitor data-sharing across borders in the ESS should be established to inter alia monitor and evaluate data-sharing.

This section of the annual ESGAB report discusses data-sharing across national borders, between members of the ESS. The discussion aims to address issues of implementation of the principles in the ESCoP that arise in connection with such data-sharing.

First, it should be recalled that the ESCoP in its current (2017) formulation establishes that it is important to promote data-sharing in general to minimise the burden on respondents (Principle 9, on a non-excessive burden on respondents, Indicator 9.5). This is a general principle that applies to what should happen within statistical authorities, as was explicitly formulated in the 2005 edition of the ESCoP, but also to data-sharing within the NSS and across borders, between members of the ESS.

Second, data-sharing across borders is implicitly provided under Principle 1bis, on coordination and cooperation, whereby it is stated that 'Statistical authorities actively cooperate within the partnership of the European Statistical System, so as to ensure the development, production and dissemination of European statistics.' Moreover, under the same principle (Indicator 1bis.3) it is required that 'Statistical authorities continuously maintain and develop cooperation at various levels with each other and with the advisory bodies of the European Statistical System.' The above cooperation within the ESS, and thus this ESCoP principle, cannot be fully implemented without data-sharing across national borders.

Third, data-sharing across national borders in the ESS has significant implications for the implementation of several principles in the ESCoP; thus, the full implementation of these principles implies the use of data-sharing across borders. These ESCoP principles, apart from Principle 9 noted above, include, inter alia, Principle 4, on commitment to quality (e.g. Indicator 4.2), Principle 8, on appropriate statistical procedures (e.g. Indicator 8.7), Principle 10, on cost-effectiveness (e.g. Indicator 10.3) and Principle 14, on coherence and comparability (e.g. Indicators 14.4 and 14.5). In addition, data-sharing across national borders in the ESS has significant implications for the appropriate implementation of principles of the ESCoP, such as Principle 12, on accuracy and reliability, and Principle 13, on timeliness and punctuality.

Thus, data-sharing across national borders in the ESS is both implied in principles of the ESCoP and has significant implications for the implementation of principles of the ESCoP.

Recognition of the importance of data-sharing across national borders in the ESS has led to data-sharing being enshrined in European statistical legislation. Data-sharing is provided for under Articles 21–23 of the EU statistical law, Regulation (EC) No 223/2009 as amended by Regulation (EU) 2024/3018. Data-sharing is also provided for in Regulation (EU) 2019/2152^[10] on European business statistics, addressing data-sharing across national borders in areas such as statistical business registers and intra-EU trade in goods statistics. The latter regulation has been catalytic for the currently observed level of data-sharing within the ESS.

ESGAB has commented in the past on the importance of data-sharing. In its 2022 annual report, ESGAB noted that ‘data-sharing within the ESS for the production of European statistics is essential for these statistics to be, and especially remain, relevant, harmonised, accurate, timely and cost-effective and to minimise burden on respondents. This is specifically so in the context of the existing and future development of the EU single market and EU integration in general, and the incompleteness of data sourced at the level of Member States. Thus, data-sharing within the ESS would have salutary effects on evidence-based policymaking and the functioning of the EU over a very broad range of issues.’

There is scope for increased collaboration on data-sharing within the ESS, starting with – but not confined to – areas that are cross-border in nature or affected by globalisation or integration, such as climate change, supply chains, digitalisation, transportation, infectious diseases, financial flows, trade and investment,

network industries, health and education services, and migration. Understanding these phenomena requires accessing and processing national data on individual units to develop relevant statistics at the EU and global levels. However, data-sharing would also be an essential element of any further integrated European statistical system, which would arguably be necessary for a more integrated and united EU.

In general, data-sharing within the ESS has increased over time. However, the scope of data-sharing within the ESS remains limited, despite the implications of data-sharing for the implementation of the principles of European statistics as reflected in the ESCoP and the specific benefits to users in the context of an increasingly integrated Europe and a drive for a stronger EU.

Currently, the Secure Communication and Information Resource Centre for Administrations, Businesses and Citizens (S-CIRCABC) platform set up by Eurostat serves as the technical infrastructure for this data-sharing. Data are shared at both aggregated and detailed levels, for various purposes. The sources of such data may include surveys, administrative records and privately held data. However, this landscape is not uniform across Member States. In some countries, for instance, the sharing of privately held data with other statistical authorities is contractually prohibited.

Challenges and way forward

Legal framework

For data-sharing across borders, there is a need for a clear legal basis that will require or will incentivise such sharing to take place across significant swaths of the statistical output, and that it will provide an incontestable legal ‘cover’ for the sharing to take place. Currently, there are shortfalls in these areas.

^[10] Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics (OJ L 327, 17.12.2019, p. 1, ELI: <http://data.europa.eu/eli/reg/2019/2152/oj>)

While there are statistical regulations at the EU level establishing the basis for data-sharing, they can conflict with national laws. EU law has primacy over national law, as a cornerstone of EU legal order, to ensure that EU policies are uniformly applied across all Member States, even when national laws conflict, though this has been challenged in the case of data-sharing. Such inconsistencies must be authoritatively resolved.

There is also a need to further add to EU laws directly requiring NSIs to engage in data-sharing across borders, as in the case of compelling national statistical authorities to exchange data regarding intra-EU trade or statistical business registers. There is in addition a need for legislation that would incentivise data-sharing by requiring NSIs to engage in data-sharing for statistical tasks for which they receive EU funding if that data-sharing would, *ceteris paribus*, result in one of the following: reduced burden on respondents, greater cost-effectiveness, more comparability of statistics within the ESS, or greater timeliness and punctuality.

EU law could further underwrite important innovations that arguably need to be made in the ESS, which would, *inter alia*, also involve data-sharing. In the context of any effort to improve, *inter alia*, the harmonisation of quality, the cost-effectiveness and burden reduction of European statistics, and more generally the trust in the brand of European statistics given the exigent circumstances of the new data ecosystem, consideration should be given to the innovation of producing and disseminating at least some critical European statistics under centralised ESS responsibility^[11]. A necessary element of this innovation in European statistics production would be the full sharing and unhindered

^[11] This would be consistent with Article 15 of Regulation [EC] No 223/2009 on Collaborative networks. Article 15 of Regulation [EC] No 223/2009 notes: 'In the individual statistical actions, synergies shall be developed, when possible, within the ESS through collaborative networks, by the sharing of expertise and results or by fostering specialisation on specific tasks. To this end, an adequate financial structure shall be developed.'

exploitation across national boundaries of confidential microdata, with a single secure location that would allow distribution to and processing in specialised processing centres, with NSIs participating in the division of labour. Legislation that would provide for the common processing of European statistics for Member States at specialised processing centres within the ESS would also provide for data-sharing across borders in the statistical areas that have been chosen for integration of production. The same legislation would also provide for the sharing, and the confidential microdata, of financial and human resources and for collective investment in innovation.

The current legal framework at the EU level may leave questions unanswered and space for variability across Member States regarding statistical confidentiality rules and national security / business secrecy and the procedures that are consistent with these rules, including effective enforcement of compliance. There must be a thorough review of the legal framework, which will also consider and address as much as possible the views from Member States, especially when the latter are reluctant to participate in data-sharing on account of concerns about maintaining statistical confidentiality and the protection of national security or business secrets in the context of data-sharing. The result must be a legal framework that is uniformly applied and enforced across the ESS.

In addition, the legal framework at the EU level would need to do more for the harmonisation of the quality of European statistics across Member States. It would need to be reviewed, and mechanisms to ensure that the necessary harmonisation of quality takes place would need to be provided for in it. Mechanisms must be put in place, and when already in place be reviewed and strengthened, for the development and implementation of common methodological and technical standards. Eurostat must be granted the mandate and the capacity/resources

to operate more actively than at present in providing that validation of harmonised quality of Member States' data. In this context, as ESGAB has recommended in the past (e.g. R13 in the 2022 report), EU law regarding the quality and harmonisation of national data transmitted to Eurostat by Member States should be strengthened, with Eurostat making available publicly and promptly any concerns it has regarding quality when assessing the quality of the data transmitted.

Finally, it would be necessary to review various principles in the ESCoP that imply data-sharing across national borders in the ESS or for which such data-sharing has significant implications for their implementation. Such principles could, inter alia, include Principle 9 (non-excessive burden on respondents), Principle 1bis (coordination and cooperation), Principle 4 (commitment to quality), Principle 8 (appropriate statistical procedures), Principle 10 (cost-effectiveness), Principle 12 (accuracy and reliability), Principle 13 (timeliness and punctuality) and Principle 14 (coherence and comparability).

Organisation, quality and culture

Data-sharing across national borders is often hindered by NSIs and NSSs having different organisational structures, and by perceived or actual differences in the conduct of statistical processes. Data-sharing can also be hindered by actual or perceived differences in institutional culture across NSIs and NSSs. These issues can result in limited incentives or mechanisms for collaboration in data-sharing.

Different organisational structures across NSIs are a part of current ESS reality. Some NSIs use a 'silo' model while others have adopted integrated, modular or other models. These differences can make it more complicated to engage in data-sharing. In addition, under current circumstances – where some Member States may be in the process of adopting models

of data stewardship to manage the collection, storage and use of administrative data in a centralised manner by establishing government data agencies – additional complexities arise for data-sharing. See ESGAB's 2024 report for a discussion of issues arising in the context of data stewardship even before data-sharing across borders takes place.

There is often reluctance among NSIs to voluntarily participate in data-sharing on account of actual or perceived differences across Member States regarding the specification and implementation of statistical confidentiality and data protection, including compliance enforcement. There may also be justified or unjustified concerns about the comparability of data quality standards pursued across Members States, and about the similarity of the quality outcomes actually achieved. These concerns may further increase in the context of the use of new data sources, where the lack of common standards and procedures in administrative and private data sets affects the comparability and quality of downstream official statistics. There may also be specific concerns about timeliness and punctuality on the part of potential partner NSIs in data-sharing.

Thus, to ensure the optimal use of data-sharing across borders in the ESS there is a need to enhance the harmonisation of confidentiality, data protection and quality standards across the ESS. Of course, this also concerns new data sources that are increasingly used in the production of European statistics. Adopting EU legislation that addresses the matters of statistical confidentiality, data protection and quality assurance with an enhanced role for Eurostat, as discussed above, would help promote data-sharing. Regarding organisational differentiation across NSIs, there are no easy solutions, barring the transformation of the ESS into an integrated statistical system for the EU or at least the integration of the production of some specific European statistics.

Technology and protocol

Technical challenges around secure data-sharing, privacy-preserving technologies and interoperability are prominent issues in data-sharing. Such technical issues can provide a reason or pretext for not engaging in data-sharing. It is important to have a secure and well-functioning data-sharing infrastructure at the EU level under the purview of Eurostat to encourage data-sharing across borders.

ESGAB has previously discussed (e.g. R8 in the 2022 annual report) the importance of Eurostat setting up the necessary technical processes and protocols in an EU space under its responsibility to access the data to be shared, and invite, when necessary, other European statistical authorities to participate in the data processing. It is very important that the safeguards are put in place to preclude any possible misuses of the data shared and that there is full transparency regarding this institutional set-up, to render accountability effective and to help develop the trust of government and private data owners, and of statistical units.

Transparency

The current situation is characterised by relatively weak transparency to statistical units / respondents regarding the data-sharing arrangements that NSIs are involved in. It is unlikely that most respondents are clear about the sharing of their data before they provide their confidential information. References to data-sharing arrangements on websites and in metadata are necessary but not sufficient. There is a need for progress in this area, which would have salutary effects on the transparency, accountability and mainstreaming of data-sharing.

Recommendations

R8. ESGAB recommends the review and strengthening, as required, of ESCoP principles related to data-sharing across national borders in the ESS or for which some data-sharing has significant implications for their implementation by, inter alia, focusing on the following principles.

- **Principle 1bis** (coordination and cooperation). Ensure efficient and effective coordination of the statistical production process in support of data-sharing.
- **Principle 4** (commitment to quality). Ensure that data shared across borders adheres to high-quality standards through the development and implementation of common quality frameworks.
- **Principle 8** (appropriate statistical procedures). Promote the use of standardised and well-documented statistical procedures to enhance the reliability and comparability of data.
- **Principle 9** (non-excessive burden on respondents). Data-sharing should not create undue burdens but needs to be proportional to justified requirements.
- **Principle 10** (cost-effectiveness). Encourage efficient data-sharing mechanisms that minimise costs while maximising the utility of the data.

- **Principle 12** (accuracy and reliability). Improve the accuracy and reliability of data shared across borders, including validation processes and error-detection techniques.
- **Principle 13** (timeliness and punctuality). Establish clear timelines and schedules for data-sharing, to ensure that information is available when needed.
- **Principle 14** (coherence and comparability). Establish methodologies and protocols to ensure internal and spatial consistency in support of data-sharing.

R9. ESGAB recommends strengthening the legal framework for data-sharing across national borders in the ESS, and eliminating legal inconsistencies and sources of variability in the interpretation of the law. The end result must be a clear and groundbreaking legal framework that is uniformly applied and enforced across the ESS. Specifically, ESGAB recommends the following.

(a) Conduct a review of the implementation of the EU statistical law, Regulation (EC) No 223/2009 as amended by Regulation (EU) 2024/3018, to identify how the amended law, via its Articles 21–23 that provide for data-sharing, is affecting data-sharing across national borders in the ESS. Use the results of the review to inform further steps in the legal framework and elsewhere to support data-sharing.

(b) Add to EU statistical legislation as needed, either directly requiring NSIs to engage in data-sharing across borders in specific statistical tasks, or indirectly incentivising data-sharing by requiring NSIs to engage in data-sharing for statistical tasks for which they receive EU funding if that sharing would, *ceteris paribus*, result in a reduced burden on respondents, greater cost-effectiveness, more comparability of statistics within the ESS or greater timeliness and punctuality.

(c) Authoritatively resolve all inconsistencies between national laws and EU statistical legislation establishing the basis for data-sharing.

(d) Consider using EU statistical legislation to innovate the production of at least some critical European statistics so that it is carried out under centralised ESS responsibility, characterised by the full sharing across national boundaries of confidential microdata, with a single secure location that would enable distribution to and processing in specialised processing centres, and by the sharing of financial and human resources, and collective investment in innovation.

(e) Review and revise EU statistical legislation where needed, to eliminate sources of variability across Member States regarding rules on statistical confidentiality and national security / business secrecy and the procedures that are consistent with these rules, including effective enforcement of compliance.

R10. ESGAB recommends strengthening EU law to secure the harmonisation of the quality of European statistics across Member States by providing mechanisms that ensure that the necessary harmonisation of quality takes place. Mechanisms must be put in place, and when already in place be reviewed and strengthened, supporting the development and implementation of common methodological and technical standards. There is a need to adopt harmonised classifications, definitions and metadata, and promote catalogues of reusable services and validation rules to improve interoperability and reduce local reinvention. Eurostat must be granted the mandate and the capacity/resources to operate more actively than at present in providing that validation of the harmonised quality of Member States' data. Transparency would be essential and would require that Eurostat also make available publicly and promptly any concerns it has regarding quality when assessing the quality of the data transmitted to it.

R11. ESGAB recommends an evaluation for the establishment of a well-functioning and transparent data-sharing infrastructure at the EU level. This evaluation should cover different strategic approaches to the project, including whether it should be set up using a centralised, hybrid or federated approach. With any approach, Eurostat coordination and supervisory functions would be pivotal in establishing

common standards, accreditation processes and shared toolkits, while ensuring that sensitive data remains under the control of individual NSIs. Resources to identify, create/access and apply the necessary privacy-preserving technologies, processes and procedures should be provided to Eurostat. Until then, an interim solution could be put in place.

R12. ESGAB recommends promoting privacy-preserving technologies, processes and procedures. There should be investment in privacy-enhancing technologies and secure processing environments to enable richer integration while protecting confidentiality, including controlled access, disclosure control and auditable processing logs.

R13. ESGAB recommends that the statistical authorities in the ESS develop common standards on using and sharing administrative data to ensure interoperability and comparability across borders while safeguarding statistical confidentiality and protecting privacy, business secrets and national security.

R14. ESGAB recommends that NSIs improve in the immediate future the transparency for statistical units/respondents regarding the existing data-sharing arrangements across national borders that the NSIs are involved in.

R15. ESGAB recommends establishing a governance structure to oversee and monitor data-sharing across borders in the ESS. A major function to be conducted would be the systematic monitoring and evaluation of data-sharing across national borders in the ESS, accompanied by the production of regular public reports. In this context, data-sharing initiatives, quality outcomes and burden impacts should be systematically tracked, and information provided, inter alia, on success cases and lessons learned to drive continuous improvement and accountability across the ESS.

R16. ESGAB recommends reinforcing training and resource allocation to NSIs to enhance the implementation of ESCoP principles related to data-sharing.

R17. ESGAB recommends enhancing cooperation and communication by establishing and empowering institutions that convene stakeholders in data-sharing across national borders in the ESS with a view to sharing roadmaps and plans and maintaining open communication channels.

5. ADEQUACY OF HUMAN AND FINANCIAL RESOURCES IN THE ESS

In general, while resources available to ESS statistical producers seem adequate for some aspects of statistical production, they are often not adequate for other important aspects of European statistics production, including in areas that would help ensure that European statistics are fit for the future and continue satisfying the new and evolving information needs of all stakeholders in a rapidly evolving data ecosystem and technological

environment, and would strengthen the 'brand' of European statistics as principles-based high quality statistics. Thus, based on its expertise and the evidence from various sources it has examined ⁽¹²⁾, ESGAB believes that generally, the resources available to ESS statistical producers are not adequate—at Member State level and EU level—and progress needs to be made to satisfy Principle 3 of the European Statistics Code of Practice (ESCoP) on Adequacy of Resources.

ADEQUACY OF RESOURCES FOR EUROPEAN STATISTICS AT THE MEMBER STATE LEVEL

ESGAB has noted with some concern that statistical producers in the ESS often seem to implicitly differentiate between, on the one hand, functions and needs that are considered 'core', 'highly visible' or 'urgent' and which are fully carried out with the resources available and, on the other, functions and needs that may be less visible or urgent, usually related to maintaining or improving quality of European statistics in the rapidly changing environment, and which are often not fully – or even partially – carried out due to inadequate resources.

For example, there is a sense that 'core' functions and needs might include the timely production of highly visible economic statistics, such as government finance statistics for Excessive Deficit Procedure purposes, Gross National Income statistics for EU budget purposes, or employment statistics. Functions and needs that might be considered 'less core' might include, for example, meeting all –without exception– advance release calendar commitments punctually, or having all quality assurance and assessment procedures carried out as prescribed. Even less 'core' might be considered actions in areas that would help ensure that European statistics are fit for the

¹²⁾ For this purpose, ESGAB has developed a dedicated questionnaire and has used the reports from the previous peer-review round as an additional source for its recommendations.

future in the context of changing circumstances, such as declining response rates to existing surveys, and emerging opportunities, including, for example, the growing availability of privately-owned big data and administrative data sources. These 'less core' areas also seem to include actively fostering innovation and its implementation within statistical producers, including in relation to the application of AI, and any preparation for responding with agility to new trends, challenges/crises and emerging opportunities. ESGAB believes that such a differentiation between 'core' and 'less core' functions and needs, although understandable in some contexts, is short-sighted and unhelpful to European statistics, and it belies the inadequacy of resources available to many ESS statistical producers.

To assess the adequacy of resources available to official statistics producers, it is necessary to assess the whole constellation of aspects of these resources. The adequacy of resources depends not only on the amount of resources, but also on having the right type and mix given the current circumstances. Adequacy also depends on the flexibility and speed in acquiring resources from outside, on the flexibility in allocating within the institution the resources made available, and on the flexibility and speed in disposing of resources no longer needed under the circumstances. These aspects of resources are heavily influenced by the authority available to the statistical producer (NSI or ONA) and the authority available to any other institutions involved in the relevant decisions. There is also the important aspect of the time over which resources are made available to the statistical producer, and thus the degree of certainty regarding their availability over time horizons relevant to statistical projects. The adequacy of resources is also related to both the efficiency of the use of existing resources as well as the lawfulness of their use, whereby resources are not wasted or misappropriated. Therefore, mechanisms for checking the efficiency and the

lawfulness of the use of resources are enabling conditions for the adequacy of resources and must themselves be evaluated in assessing adequacy of resources. The adequacy of resources must also be assessed taking into account the fulfilment of existing and emerging societal needs for statistics that have been properly confirmed and prioritised. Unless there is such proper identification of needs it is not possible to say whether resources are adequate, as adequacy has to be determined in the context of these needs. Thus, the available mechanisms for identifying users' needs and reconciling them with available resources must be assessed.

ESGAB is of the view that in the case of NSIs in the ESS, and even more in the case of ONAs, in many instances, the constellation of the aspects of adequacy of resources is not satisfactory and there is a need for significant improvement.

Given the evolving environment for the production of European statistics, current trends suggest that the situation is likely to get worse in the years ahead, with detrimental effects on the quality of European statistics and their capacity to meet the needs of users. This quality is of course the substance behind the 'brand' of European statistics. The brand of official statistics is bound to suffer and European statistics will lose ground to alternative data providers from the private sector or the government. This will likely have further adverse consequences on the availability of resources for the production of official statistics as users, including those in government, turn elsewhere for their information needs. It should also be noted that a situation where there is significant stringency in resources available to statistical production also raises at least the possibility that, under certain circumstances, resources could potentially affect independence, impartiality and objectivity, by resources being used as a lever or by their inadequacy making the statistical producer more vulnerable to attacks under the pretext of concerns about the quality of statistics.

Overall, the **amount of resources** provided to NSIs and certainly many ONAs in the ESS is often not adequate. This can pertain to financial resources, human resources or technological IT resources. However, the greatest problem usually is the amount of human resources. Limits and quotas imposed by the policy side in the number of staff and/or in its hiring are often responsible for keeping the amount of human resources below what is necessary. There are also cases of limited provision of IT resources, especially when other institutions are supposed to serve the NSI. Constrained budgets available to statistical producers have also been a part of the problem, although this aspect is not usually the primary one. All the above make for inadequate amounts of resources to fully meet **all** expected standards of performance in the ESS.

The **type and mix of resources** that are available to the NSIs and ONAs, and in particular the type and mix of human resources, is often an even bigger problem than the total amount of human resources, understood as number of staff or full-time equivalents. With the rapidly changing circumstances of producing official statistics, there is a need to relatively quickly modify the mix of qualifications and skills of staff in NSIs and ONAs. For example, the declining response rates in traditional statistical surveys mean that alternative data sources have to be sought, identified and effectively used. There is a reduced need for staff that will 'knock on doors' of businesses and households, and even for organising such collections of data. Whole categories of skills, such as manual data inputting, can become obsolete. Instead, staff need to be able to effectively access, process and use alternative data sources in digital formats, such as big data sources that are privately owned, administrative data owned by public institutions and data available on the internet. There is a need to be able to work with new technologies, especially information and communication technologies, and this requires different skills than the ones traditionally needed

in statistical compilation. Research on the statistical applications of AI and the actual use of AI also requires skills that are different to those held by staff of producers of official statistics.

Some of those changes to the types of staff resources that NSIs and ONAs need can be made by continuing education and reskilling of existing staff. This, of course, requires additional resources – both financial and educational (in the form of human capital) – to be made available for its implementation. However, in many cases, the necessary change in the mix of human resources can only be done primarily by hiring from outside the statistical producer, i.e. from the labour market, by outcompeting other potential employers aiming to hire these same human resources.

Statistical producers in the ESS often face very significant constraints in doing the necessary hiring. Apart from limits and quotas on new hiring imposed by the policy side, there are sometimes also constraints on hiring the right categories of employees (i.e. those with the right complement of education and skills), again imposed by outside institutions that may be guided by other considerations. For example, obtaining approval to hire a labourer with basic education for warehouse work may be easier than securing approval to hire a highly skilled IT programmer or a someone with a PhD in demography and prior work experience. There can also be significant delays in these hiring processes when they are controlled by outside institutions, as these institutions may have other work priorities and timetables of work.

Some of the constraints on hiring staff with the appropriate qualifications may be based on politics/policy in the case of some statistical producers. For example, constraints may be related to 'views' held by decision-makers in other institutions that control some aspect of the hiring or employment about what the statistical producer 'really needs' to carry out their work or

how the social added value of a highly qualified employee at the statistical office compares with, for example, that of an additional medical doctor in the national health system. In other cases, there may be a political dimension to the constraints, and they have to do with how much 'favour' the statistical producer carries with the politicians in power, which of course can become an issue for independence, impartiality and objectivity.

The issue of constraints on efficiently hiring staff with the right qualifications and deploying them flexibly within the statistical producer can, in many cases, be affected by its given organisation chart. The organisation chart may specify limits to the numbers of positions by area of work. The positions in the organisation chart may reflect outdated assessments of needs and thus may become a constraint when hiring additional qualified staff. The constraint can be significant if the organisation chart and any changes to it have to be approved by outside institutions and if that process is lengthy. On the other hand, if the organisation chart is under the control of the management of the NSI or ONA, this may not constitute a constraint. Yet, even when the organisation chart is formally under the control of the management of the statistical producer, there can be cases where political intervention can effectively constrain the modification of the organisation of the statistical producer. Thus, it can in principle impede the deployment of the appropriately qualified resources to the right places in the statistical producer, whether these human resources are hired from outside or transferred from elsewhere in the institution. Therefore, organisation charts formally controlled by decision-makers outside the NSI or ONA, and interference from these decision-makers with regard to the organisation of the NSI or ONA, reduce the needed flexibility in hiring and deploying staff within the statistical producer, thereby affecting the adequacy of resources.

Very importantly, the hiring of highly qualified and skilled staff, as well as their retention in the NSI or ONA, requires that their remuneration be competitive. This is frequently a major problem for statistical producers in the ESS on account of limits imposed on what they can pay high-value-added employees. This is because very often they are being subjected to some type of rule as government institutions. However, in some cases it may be that the limit is effectively set by decision-makers outside the statistical producer, who may have the authority to invoke or waive certain rules.

The inability to pay competitive salaries is usually intimately connected with the inability to flexibly use the financial resources that are already made available to the statistical producer – which may 'look good on paper' – for achieving the goal of high-quality official statistics production. Thus, it is often an issue of lack of flexibility in the use of resources instead of an issue of there being an adequate amount of resources available to the statistical producer. However, in some cases there may also, or instead, be limits on the total amount financial resources available to the statistical producer, or specifically on the portion available for paying wages and salaries.

The issue of not being able to competitively remunerate, hire and retain highly qualified staff in essential areas within the NSI or ONA while operating under financial constraints or limits on the total number of employees points to another significant constraint on changing the mix of human resources in the NSI or ONA: constraints on releasing staff that no longer fit the needs of the statistical producer. These constraints most often arise from the civil-service regulations and rules under which the NSI or ONA is required to operate. Usually, this implies a need to wait for attrition, for example, through retirement, voluntary separation or death, for space to be created to be able to hire new staff so that the mix

of skills and capacities in the statistical producer can change. This of course does not make for a very agile response on the part of the NSIs and ONAs in changing the skill/capacity profile of their workforce. Thus, the lack of flexibility experienced by NSIs and ONAs in releasing human resources is one of the issues affecting their capacity to have adequate human resources to produce high-quality European statistics.

In assessing the adequacy of resources, the time dimension of the availability of resources is an important aspect, as it affects the degree of uncertainty about the availability of resources beyond the immediate period ahead. In general, the shorter the period over which the availability of resources is certain, the lower the assessed adequacy of resources, *ceteris paribus*. For example, in the case where there are sufficient resources in the annual budget approved for a statistical producer, if there is significant uncertainty about what happens to the budget the following year, the statistical producer cannot be said to have a firm resource base to responsibly undertake the preparation of activities that have longer horizons than the remaining months of the current year. The uncertainty can even be within the current fiscal year if there are quarterly budgetary allocations within which the statistical producer has to operate, and any allocation beyond the current quarter is decided on an ad hoc basis by decision-makers outside the statistical producer, without having to, necessarily, observe the annual budget approved on paper. While this is not very common and is usually associated with periods of broader fiscal retrenchment in the country, there have been such cases.

The reality of official statistical production is that many statistical activities and projects have horizons that extend over several years or more (e.g. the accessing and effective utilisation of private, administrative or other big data sources as alternatives to surveys). If there is significant uncertainty about the availability of the resources

needed to continue to carry out these activities and projects, the resources must de facto be considered inadequate, as critical projects will either not be undertaken or will be pursued in a half-hearted manner due to resource reasons. In general, issues related to independence, impartiality and objectivity can also arise in the context of uncertainty regarding the availability of resources over a reasonable horizon of statistical work, as at least the risk increases that securing resources over the longer term might implicitly or explicitly involve a *quid pro quo*.

In the ESS, there is significant uncertainty faced by most NSIs regarding the availability of resources over the medium and long term, i.e. beyond the usual one-year horizon of approved Member State government budgets. This is the case also for many ONAs. In various cases, there is an indication in medium-term fiscal frameworks of what resources might be made available by the policy side over the next three years, but significant uncertainty – growing with the time horizon – remains. This adversely affects statistical project implementation, which can extend into the medium and long term. Future-oriented and new areas in statistical work and development are usually the most likely to be affected by this uncertainty. Eliminating or at least reducing uncertainty regarding the availability of resources over the medium and long term is an important area to address to improve the adequacy of resources for statistical production in the ESS.

The adequacy of resources is affected by who has authority to decide, within the limits of a given budget allocation regarding, for example, the approval and implementation of expenditures; the numbers and types of staff to be hired; the adjustment of pay scales for higher qualified staff; the addition or elimination of positions in the organisation chart of the statistical producer and the organisation chart as a whole; the availability of IT services in terms of IT project approvals, financing or personnel to carry out IT work. In

several cases in the ESS, these decisions are not made by the management of the NSI, but in full or in part by decision-makers in policy bodies. The extent to which these decisions are made outside the NSI can and does vary by case. In ONAs such decisions are more likely to be made outside the statistical producer. The lack of authority to make such decisions can have a significant constraining effect on the flexibility of statistical producers in the ESS to access, use and release the resources (within a given budget allocation), thus decreasing the adequacy of resources. ESGAB is of the view that, in the case of each statistical producer in the ESS, the allocation of such authority should be reviewed, and that the authority to make decisions should accordingly be transferred to the statistical producer.

The institutional set-up of a statistical producer (NSI or ONA) being part of a policy body makes it more likely that the authority to make important decisions about the statistical producer will lie with decision-makers outside the statistical producer. However, even if the statistical producer is not part of another body and/or it has some kind of 'autonomy', it may still lack the authority to make certain important decisions regarding its resources. It should be noted that any authority of policy bodies to make decisions regarding the access to and use of resources of statistical producers also increases, *ceteris paribus*, risks for professional independence, impartiality and objectivity, directly or indirectly. Thus, as ESGAB has pointed out in the past (R3 in the 2023 annual report) 'relevant laws should specify that while the producers of European statistics may in some cases be part of policy institutions, ... [t]hey should provide that the relations between the rest of the policy institution and the statistics producer be based on respect of the professional independence of the latter with regard to all activities that affect the production and dissemination of statistics, **including activities regarding internal management and budget execution**

relating to the statistics production process. Over the medium term, explicit consideration should be given to the optimal institutional setting for a given European statistics producer (Eurostat, NSI or ONA). **Institutional dependence or administrative anchoring needs to be scrutinised and solutions reflected in laws and institutional settings.**' (emphasis added) Thus, addressing issues related to the institutional setting of statistical producers in the ESS is also important for ensuring the adequacy of resources.

To assess whether resources available to producers of official statistics are adequate, it is important to look at the existing or emerging demands of users of these statistics and whether and how these demands and resources are adequately reconciled. In the case of the ESS, demands for statistics are determined by EU law, which each individual statistical producer must take as a given, and, in principle, they must fully satisfy the standards set out in the ESCoP. These demands correspond to most statistical outputs produced by NSIs and many other statistical producers in the ESS. The remaining demands for statistics arise from national law and other national needs. The complement of such statistics may be more flexible. In principle, they should also comply with all statistical principles.

There generally exist, across Member States, various **mechanisms of identifying needs for statistics and reconciling these needs with available resources.** Some of these mechanisms are formalised, which is positive; others are more informal. There may be a need for greater formalisation of these mechanisms and for enhanced transparency and publicity about the discussions between official statisticians, on the one hand, and the policy side and others that demand statistics, on the other. What is necessary to truly reconcile statistical needs and available resources must be clearly and publicly stated and explained.

Annual and multiannual statistical work programmes and the process of their production are important vehicles for identifying needs for statistics and reconciling these needs with available resources. While statistical programmes are generally standard across Member States, they may not always be as candid as needed about resource needs and constraints. Reports on the execution of annual and multiannual work programmes and of any constraints encountered – including in the actual provision of resources necessary for the full satisfaction of statistical needs committed to in the statistical programme – are important accountability tools and can help with any future reconciliation between statistical needs and available resources. These reports often need to be more candid to serve their purpose. If these programmes and reports are subject to the approval or other interference of decision-makers outside the statistical producer, this can potentially make them even less candid and less useful.

In this context, there is also a need to consider whether statistical producers in the ESS should be empowered to discontinue or not to engage in particular statistical productions unless resources are adequate to meet statistical needs. Given the requirements established by EU law regarding most official statistics produced in NSIs and ONAs in the ESS, there is, in practice, no leeway to discontinue any of these statistical products. The only possible candidates for discontinuation would concern national statistical needs, especially those not enshrined in national law, and there is usually significant reluctance to discontinue statistical products. There is a need to strengthen the above empowerment of NSIs and ONAs through appropriate legislation.

ESGAB is of the view that, overall, the mechanisms for the reconciliation of existing and emerging demands of users and of the resources available can be further improved in the ESS.

To assess whether resources available to producers of official statistics are adequate, it is also necessary to ascertain whether the available resources are used in accordance with the law and without waste and abuse. If resources are subject to illegal use, abuse or waste, they may end up not being adequate to meet statistical needs. To assess this, it is necessary to consider the mechanisms in place under these circumstances that are supposed to check the lawfulness of the use of resources. One would also need to consider mechanisms of transparency in the use of resources, which create accountability and thereby help to prevent inefficiency, waste and abuse.

In the ESS, there is checking on the lawful use of resources by statistical producers. As public institutions, NSIs are subject to **external audits** by (sometimes multiple) government auditing bodies, which form an important institutional pillar supporting the rule of law and accountability. One noteworthy issue, however, is that government auditing bodies for the ESS may not always be independent state bodies, but rather policy bodies that may have a conflict of interest, in the sense that the NSI produces statistics on the basis of which the performance of these policy bodies and of their leadership is evaluated (e.g. ministries of economy or finance). This could potentially lead to the inappropriate use of such bodies to put pressure on the statistical producer and interfere with statistical decisions. Therefore, these important audits should be conducted by independent state agencies that – hopefully – do not serve any political interests.

Statistical producers are often subject to **financial audits** by independent auditing firms from the private sector, and the resulting reports are published. This is an important complement to the work conducted by government auditors. It should be noted that not all NSIs (and even fewer ONAs) have such financial audits conducted and

published, and there would be merit in ensuring that this changes. Along with financial audits it would also be useful to have periodic compliance audits and operational audits conducted by independent auditing firms. Together these audits can help hold the management of the statistical producer accountable for its financial decisions and operations, and they can help identify any issues related to inefficiency and waste, lawfulness in the use of resources, weaknesses in internal controls, and risks of various kinds, including fraud and abuse.

It should be noted that some NSIs include **internal audit departments and mechanisms** as part of their organisation charts, which is appropriate. These can be helpful in identifying inefficiencies, as well as fraud, waste and abuse, and can therefore contribute to improving the adequacy of resources. Internal audits do not replace the work of the government and other external auditors, but they can complement it in certain areas. However, other NSIs do not have such arrangements. Some NSIs even rely on the internal audit mechanisms of the policy bodies of which they are part or by which they are supervised. However, to avoid conflicts of interest and undue external influence, as well as ensure the usefulness of internal audits, NSIs need to have their own, separate internal audit departments and mechanisms. These can be an important complement, as well as a check and balance on, inter alia, the processes and controls that the NSIs often have in place, such as quality management systems. ONAs, which are usually behind NSIs in such matters, should also aim for the same goal.

It should be noted that NSI and ONA **work programmes and reports** on programme implementation can be additional instruments in ensuring that resources are used efficiently and lawfully, without waste, fraud or abuse. For this to be the case, the programmes need to always include explicit discussions on the resources needed to meet current and emerging statistical

needs, and the reports ought to include explicit discussions of what resources were made available, how they were used, and which statistical needs were met, which were not met and why. This concerns transparency regarding both the appropriate use of available resources and the adequacy of resources.

ADEQUACY OF RESOURCES FOR EUROPEAN STATISTICS AT THE EU LEVEL

ESGAB would like to highlight that there is a need for increased resources for the development, production and dissemination of European Statistics **at the European level**. This is necessary, inter alia, given the staggering reliance of European policymakers on European statistics for policymaking and implementation. The very small proportion out of the European budget that is dedicated to European statistics is supporting massive EU expenditures. Investing in quality should improve the efficiency and effectiveness of such outlays. This need is amplified further by the fact that European statistics are aimed to be of service to the EU as a whole as they are an EU-level public good of significant value to – besides EU policymakers – markets, academic and research institutions, civil society, and EU citizenry, as well as the EU's international partners, whether official or private. It is also clear that high-quality European statistics are essential for the health of democracy, at both EU and Member State levels.

Regarding the sparseness of resources devoted to statistics, one could point to the minuscule share of statistics-related expenditure within the overall European Commission budget.

Specifically, the Commission's budget for 2025 shows that, regarding operational expenditure (budget line 03 02 05), the commitments for 2025 – considering Title 3 (operational expenditure / statistical programmes) but excluding Title 1 (staff expenditure) and Title 2 (administrative expenditure) – amount to

75.70 million euro. The operational expenditure for statistics represents a very small fraction (0.04 %) of the total EU commitments of 194.18 billion euro. This percentage appears to be stable for the years investigated (2021–2025). As far as staff and administrative expenses related to the functioning of Eurostat, Eurostat's *Annual Activity Report – 2024* (body) confirms an implemented budget of 75.81 million euro (own + small fraction subdelegated) and 633 staff as of December 2024. These are indeed minor amounts given the gravity of the task of European statistics (and of Eurostat) in the context of the functioning of the EU at both policy and non-policy levels, not to mention the goal of moving towards 'a faster, simpler, and more united Union – one that supports its people and businesses, takes decisive action where it can make the greatest impact, and advances shared ambitions.'

The need for adequate human and financial resources has been noted yearly in Economic and Financial Affairs Council conclusions on EU statistics. For example, the 2024 council conclusions, under the section 'Adequate resources for official statistics' STRESSES the need to 'ensure that human and financial resources are adequate for Eurostat and National Statistical Authorities'. However, there is a need to move beyond the formality of verbally repeating this important aspiration every year and to actually provide adequate resources for European statistics at the EU level – a clear example of an EU-level public good.

In this context, it should be noted that ESGAB also recommends in its periodic statutory review of the European Commission's CCS, provided as part of the present annual report, that the needed update of the Commission's CCS, inter alia, includes an explicit commitment of the Commission to supply Eurostat with adequate and predictable resources (R31).

RECOMMENDATIONS ON RESOURCES

R18. ESGAB recommends that policymakers adopt legal provisions regarding budgeting for statistical producers and the associated budget implementation process with a view to increasing the financial certainty and autonomy of statistical producers. Specifically, budgets of statistical producers should be approved by the executive branch and the legislative branch for a period of at least three to five years, instead of the current usual practice of one year. These budgets would have to be based on multi-year statistical programmes that incorporate statutory obligations, and foreseeable EU reporting requirements and allocations for IT modernisation, cybersecurity and innovation, including the implementation of artificial intelligence. Additionally, they would also have to, inter alia, address statistical quality assurance and review access/use costs regarding privately owned big data and administrative data sources, and build agility to respond to new challenges and opportunities. Budgets would have to include contingency reserves for the fulfilment of unforeseeable statistical needs. Adjustments to the approved budget should be feasible for well-identified reasons noted in the law and reasoned transparently. Following approval of the budget of the statistical producer, budget implementation must be fully under the control of the statistical producer. There should be no approval of expenditure at any stage of the expenditure process by outside institutions.

R19. ESGAB recommends a significant resource increase for the development, production and dissemination of European statistics at the European level that would be reflected in increases in the Commission's budget regarding both statistics related to operational expenditure commitments and the staff and administrative expenses related to the functioning of Eurostat. These are currently miniscule considering the EU-public-good nature of European statistics, the decisive reliance of European policymakers on European statistics for policymaking and implementation, and the indispensable service European statistics provide to all in the EU.

R20. ESGAB recommends that statistical producers should be given the legal latitude to decide on their organisational charts, the right size of their current and medium-term staff complement, and its composition and skills mix, and enough flexibility to decide on their staff recruitment policies and processes, career streams, training and other working conditions, including pay structures, with a view to making them competitive in the labour market and thereby improving their staff recruitment and retention rates of staff of appropriate skill, qualifications and performance. Statistical producers should be able to proactively reallocate labour based on considerations of cost-efficiency and the evolving requirements of the statistical production process. They should link competency frameworks to individual training plans, career progression and promotion criteria. The NSIs should take the lead in implementing an NSS-wide coordinated training programme.

NSIs and ONAs should explore and pursue secondment opportunities between themselves and intra-EU exchange and secondment opportunities with other members of the ESS.

R21. ESGAB recommends that statistical producers review and, where necessary, reform their financing models to ensure their own operational sustainability and implement cost-by-product accounting and standardised time/resource estimates for key statistical processes, and use cost transparency to inform pricing for paid services and substantiate budgetary requests. Additionally, an evaluation of any related long-term costs, and confidentiality and availability issues, including transition funding, should be conducted before agreeing to migrate to federated/shared platforms or government cloud infrastructures.

R22. ESGAB recommends that Member States allocate dedicated human and financial resources to quality assurance bodies and commissions (including peer-review units), proportional to their mandates, and fund periodic expert reviews of key statistical outputs where appropriate, ensuring follow-up and remedial action.

R23. ESGAB recommends ensuring appropriate resource use accountability of statistical producers while safeguarding professional independence. Specifically:

(a) Budget implementation, resource use and expenditure outlays should be audited by an independent state institution that is not involved in policy implementation. The purpose of that control should not be to assess the appropriateness of statistical decisions or the organisation of the statistical producer.

(b) A statistical producer should consider subjecting itself to an annual financial audit by a reputable external auditor from the private sector and then publishing the auditors' report. Periodic compliance audits and operational audits should also be conducted.

(c) A statistical producer should autonomously produce detailed statistical work programmes, and they should explicitly discuss the resources and the flexibility in their use needed to implement such programmes.

(d) A statistical producer should publish transparent and detailed reports on the implementation of statistical programmes, identifying the strengths, weaknesses and any problems or obstacles in implementing their programmes. There should be explicit discussion on the resources provided and all aspects of their use, along with a presentation of efficiency indicators.

(e) A statistical producer should consider having an internal audit function or outsourcing it to an audit firm, which it can use, inter alia, to assess the efficiency, legality or any other aspects of the use of its resources.

R24. ESGAB recommends that a statistical producer should have a legally mandated formal mechanism for reconciling demands for statistics and available resources. At a minimum, there is a need for formalisation of the mechanism, and good transparency and publicity about the discussions between the statistical producer and policymakers and other users of statistics. Statistical programmes should reflect these discussions. ESGAB also recommends that a statistical producer be empowered to discontinue or not to engage in a particular statistical production unless adequate resources are available to the statistical producer.

R25. ESGAB recommends – as it has done in the past – that over the medium term, explicit consideration should be given to the optimal institutional setting for a given European statistics producer (Eurostat, NSI or ONA). Institutional dependence or administrative anchoring needs to be scrutinised and solutions reflected in laws and institutional settings.

R26. ESGAB recommends reviewing and revising as needed various principles in the ESCoP that concern or affect in some way the adequacy of resources in the ESS, including, inter alia, Principle 1 (professional independence), Principle 1bis (coordination and cooperation), Principle 3 (adequacy of resources) and Principle 10 (cost-effectiveness).

R27. Recommendations on resources from the peer reviews

In addition to conducting its own research on the adequacy of resources across the ESS, ESGAB has analysed the information coming from the third round (2021–2023) peer-review reports, together with an investigation of the peer reviews of the 27 NSIs. Based on this analysis, ESGAB identified several recommendations that are relevant to the wider statistical community within the ESS.

i. Recommendation on competitiveness and talent retention. Member State authorities should ensure competitive total remuneration and comprehensive retention frameworks for critical occupational categories (notably IT, data science and senior methodologists) by adopting targeted pay adjustments where necessary, in combination with structured non-financial incentives (career paths, training, mobility, flexible working and knowledge-transfer schemes). Member States shall report annually on turnover and vacancy metrics for priority roles and corrective actions.

ii. Recommendation on sustainable core funding. Member States should secure multi-year baseline appropriations for NSIs and designated ONAs that are commensurate with statutory obligations and foreseeable EU reporting requirements. Budget frameworks must include contingency mechanisms to protect core statistical outputs and data quality from cyclical budget reductions.

iii. Recommendation on IT modernisation and innovation financing. Each NSI shall establish multi-year, ring-fenced funding lines for IT modernisation, cybersecurity and innovation, backed by formal governance and project-management controls. Major IT investments must be supported by documented business cases (cost–benefit and risk assessment) and integrated into medium-term expenditure plans to ensure continuity and avoid dependence on ephemeral external funding.

iv. Recommendation on HR flexibility and agility. Member States and NSIs should remove undue legal and administrative impediments to agile human resource management and IT procurement by enabling flexible use of allocated funds for permanent posts, streamlining recruitment procedures for specialised staff, and, where appropriate, considering revised governance/autonomy models that demonstrably improve operational agility.

v. Recommendation on skills development and HR management. Eurostat shall promote comprehensive HR strategies across NSIs and ONAs that link competency frameworks to individual training plans, career progression and promotion criteria; establish systematic internal mobility/secondment schemes; and implement an NSS-wide coordinated training programme and international exchange opportunities to scale specialised capacity cost-effectively.

vi. Recommendation on cost transparency and resource efficiency. NSIs shall implement cost-by-product accounting and standardised time/resource estimates for key statistical processes, report annually on resource use and efficiency indicators to supervisory bodies and finance ministries and use cost transparency to inform pricing of paid services and substantiate budgetary requests.

vii. Recommendation on the resourcing of quality assurance bodies. Member States must allocate dedicated human and financial resources to quality assurance bodies and commissions (including peer-review units), proportional to their mandates, and fund periodic external expert reviews of key statistical outputs where appropriate, ensuring follow-up and remedial action.

viii. Recommendation on workforce renewal and vacancy management. NSIs shall adopt long-term workforce planning and succession strategies addressing ageing profiles and vacancy backlogs, deploy accelerated recruitment channels for critical skills, and implement flexible working and outreach measures (including university engagement) with measurable targets and public reporting on reductions in time-to-fill critical vacancies.

ix. Recommendation on NSS funding models, ONAs and shared infrastructure. Member States should review and, where necessary, reform NSS financing models to guarantee sustainable funding for NSIs and ONAs; require transparent governance and pricing for paid services and microdata access to support cost recovery; and mandate formal long-term cost, confidentiality and availability assessments (with secured transition funding) before migration to federated/shared platforms or government cloud infrastructures.

6. PERIODIC STATUTORY REVIEW OF THE EUROPEAN COMMISSION'S COMMITMENT ON CONFIDENCE IN STATISTICS

ESGAB's lawful responsibility to regularly monitor the implementation of the Commission's CCS and to communicate its opinion to the Parliament and the Council stems from Article 11, paragraph 5, of Regulation (EC) No 223/2009. ESGAB issued its last assessment of the Commission's CCS as part of its 2022 annual report. It should be noted that Eurostat monitors, in accordance with the same regulation, the CCSs of Member States every two years.

The European Commission has used Commission Decision 2012/504/EU of 17 September 2012^[13] on Eurostat as its CCS. The CCS has remained unchanged for 13 years, despite significant developments within the ESS, including amendments to Regulation (EC) No 223/2009 on European statistics.

^[13] <https://eur-lex.europa.eu/eli/dec/2012/504/oj/eng>

Following the last review of the Commission's CCS in the 2022 ESGAB report, there were no changes made to the CCS. The then European Commissioner for Economy, Paolo Gentiloni, responded to ESGAB's review with a letter written on his behalf by the Director-General of Eurostat serving under him. The letter stated: 'Regarding the recommendations concerning a new Commission commitment on confidence in statistics (Recommendations 16 to 19), I should like to refer to previous exchanges on this matter and most recently to the letter of 2 September 2022 (reference Ares(2022)6096208) that Commissioner Gentiloni addressed to you and indicating that Commission Decision 2012/504/EU of 17 September 2012 on Eurostat remains a key commitment from the Commission to support confidence in European statistics, developed, produced and disseminated by Eurostat. Moreover, the Commission fully preserves the professional independence of Eurostat in the performance of statistical tasks.'

Since the CCS is a commitment made by the policy side to strengthen the credibility of and the confidence in European statistics and, in this case, the professional independence of Eurostat, it would have been better had the letter been signed by the commissioner himself. In this case, the required distinction between the policy and statistical sides has become indistinguishable. Moreover, the statistical side can never make a CCS because it is meant as a safeguard provided by the policy side to the statistical system.

Therefore, ESGAB reiterates that it is important to always keep a clear distinction between the policy side and the statistical side, so that no undue closeness between the two sides is either created or conveyed. The professional independence, impartiality and objectivity of Eurostat and the ESS as a whole must not only be there but also be seen and perceived to be there. This is one of the key pillars on which the credibility of European statistics rests. The letter confirms an area of concern reflected in ESGAB's recommendations regarding the Commission's CCS and Regulation (EC) No 223/2009 (which were included in the same ESGAB report).

ESGAB regrettably notes that, since the Commission has not changed its 2012 CCS, nor introduced any changes concerning Eurostat or Commission matters in the 2024 amendment to Regulation (EC) No 223/2009, as urged by ESGAB, the assessment and recommendations regarding the Commission's CCS, as formulated in ESGAB's 2022 report, remain unchanged. Also, the ESGAB recommendations regarding Eurostat or Commission matters, which was not incorporated into the amendment to Regulation (EC) No 223/2009 that took place in 2024, remain unchanged but could be accommodated within a revised Commission CCS. Accordingly, ESGAB reiterates here the same recommendations it made in its 2022 report and explicitly refers to the same analysis and assessment (which are not repeated here for reasons of conciseness).

RECOMMENDATIONS

R28. (R16 in 2022 report) ESGAB recommends establishment of a new Commission CCS. It should consist of a focused, clear and unambiguous commitment from the political side of the Commission to take all necessary measures to maintain confidence in European statistics (wherever they are produced in the ESS) and aim to ensure progress in the implementation of the statistical principles contained in the ESCoP. In particular, the special status and independence of Eurostat within the Commission as the EU statistical authority should be clearly stated upfront. In addition, it should include a list of specific actions that the political leadership has to undertake to support the implementation of the code of practice in the production of European statistics. The CCS should also be very explicit about the conditions that support or manifest the independence of Eurostat and the Director-General of Eurostat (see also R28 and R29, which adapt and reproduce R9 and R10, respectively, of the 2022 report).

R29. (Adapted from R9 of the 2022 report) ESGAB recommends that the Commission's CCS should make a clear distinction between the Commission as a political body and Eurostat as the statistical authority of the EU. The CCS should clarify that Eurostat is the impartial, objective and professionally independent statistical authority serving the EU as a whole. The relations between the Commission and Eurostat shall be guided by Eurostat's professional independence. As such,

Eurostat's status within the Commission differs from that of other directorates-general. It operates in full compliance with the ESCoP.

R30. (Adapted from R10 of the 2022 report) ESGAB recommends that the CCS should commit to strengthening the independence of the Director-General of Eurostat. To this end, the CCS should include the following commitments:

(a) the Director-General of Eurostat is selected for a fixed, non-renewable term of seven years;

(b) the selection and recruitment process shall be open and transparent, in line with international best practices, and the appointment shall be made only on the basis of clear professional criteria, among which statistical reputation and a high level of competence in statistical matters are key;

(c) the Director-General of Eurostat shall be responsible and accountable for all statistical activities and for matters regarding Eurostat's internal management and budget execution;

(d) reasons for the early termination of the contract (dismissal) of the Director-General of Eurostat shall be specified in the regulation and must not compromise their professional or scientific independence or their internal management responsibilities outlined in provision (c);

(e) provisions (b) and (d) should also apply to the Deputy Director-General of Eurostat;

(f) the CCS should add 'including other parts of the Commission' after 'Union institutions or bodies' under Article 7 where it says, 'When carrying out these statistical tasks, the Director-General of Eurostat shall act in an independent manner; he or she shall neither seek nor take instructions from the Union institutions or bodies, from any government of a Member State, or from any other institution, body, office or entity.'

R31. (R17 in the 2022 report) ESGAB recommends that the updated Commission CCS include an explicit commitment of the Commission to supply Eurostat with adequate and predictable resources over the medium term, in terms of financing and staffing, so that Eurostat is able to fulfil its tasks. The Commission should commit to providing Eurostat with all allowable flexibility for recruiting staff with appropriate specialist skills in adequate numbers to ensure Eurostat's fulfilment of its mandate, and also to giving the necessary political support to Eurostat to get access to all data needed to produce European statistics, including privately held data.

R32. (R18 in the 2022 report) ESGAB recommends that the Commission's CCS, as currently worded with respect to the chief statistician, be revised to clarify that the Director-General of Eurostat is also the Chief Statistician of the European Commission. In parallel, the coordinating function and authority of Eurostat in statistical matters – including for 'other statistics' – within the Commission should be clarified and considerably strengthened, with a view to, inter alia, supporting the quality and reputation of linked European statistics.

R33. (R19 in the 2022 report) ESGAB recommends that the Commission's CCS stipulate that, with regard to statistics available to and/or released by Eurostat, the Commission gears towards adherence to the best practice indicated in the ESCoP, whereby 'all users have equal access to statistical releases at the same time'.

About ESGAB

Further information about ESGAB is available on its [homepage](#).

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