THE IMPLEMENTATION OF THE EUROPEAN STATISTICS CODE OF PRACTICE IN THE REPUBLIC OF MOLDOVA

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Abstract

To assure the high quality of statistical products and services from the users’ perspectives has become a major concern for the national statistical institutes within the European Statistical System (ESS), as well as for the Republic of Moldova. The implementation of the European Statistics Code of Practice (CoP) - an useful tool intended to assess and monitor the quality of statistics based on common criteria of ESS - aims at the achievement of this goal.

The paper presents the results of the assessment of compliance of Moldovan statistics (through that of the activity of the National Bureau of Statistics, NBS) with some of the principles stipulated in the Code of Practice (for selected 7 principles of quality), in comparison with the state of art within ESS. This exercise has been carried out using self-assessment questionnaire, used by the ESS statistical institutes as a common evaluation and reporting tool of the compliance with CoP within the comprehensive study carried out by Eurostat in 2005-2006. The results of peer reviews of European statistical institutes, which had completed the study, were used as well.

Key words: European Statistics Code of Practice, self-assessment, quality of statistical processes and products, quality management.

Quality has become a central issue in the European Statistical System (ESS), but also a key aspect in the integration of the national statistical systems into ESS. As official statistics, obtaining new functions in the modern society, based on knowledge, constitute an important element for many information systems of the society, the compliance of statistics with quality standards, become crucial [1]. During the last decade, both international organisations and the National Statistical Institutions (NSIs) concentrated their efforts on defining and elaborating the appropriate framework in order to ensure the quality of the statistical activity and as a result – the quality of the official statistical data[2]. A systematic approach to quality was adopted in many institutions. This is based on some common basic principles of quality management.
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At European level, an important step in this respect was the adoption of the European Code of Practice (CoP) by the Statistical Program Committee on 24 February 2005, promulgated in the Commission Recommendation of 25 May 2005 on the independence, integrity and accountability of the national and community statistical authorities. Code of Practice, ensuring the coverage of such aspects as the institutional environment, statistical processes and of statistical output within the European Statistical System, has an ambitious approach of quality in statistics and has a dual purpose:
- increase the confidence in the independence, integrity and accountability of the statistical authorities, as well as in the credibility and quality of statistics they produce and disseminate (external perspective);
- promote the implementation of the best principles, methods and international statistical practices by all the producers of European statistics in order to increase their quality (internal perspective) [7].

With the adoption of the Code of Practice, the EU Member States committed themselves to adhere to its principles. A set of 77 indicators for those 15 principles of the Code, provide a standard frame for the evaluation of the implementation of the CoP. The Cod follows the Total Quality Management overall approach, covering the institutional environment, statistical processes and statistical output [3]. In order to compare the results and the problems appeared in the implementation process of the CoP in ESS states the self-assessments based on a common questionnaire, as well as the results of peer reviews were used[4].

Evaluation of the compliance degree of the official statistics with the principles stipulated in the European statistics Code of Practice

For evaluating the compliance of the NBS activity with the quality principles stipulated in the Code of Practice, the self-assessment questionnaire had been used. The ESS national statistical institutes and Eurostat had completed such questionnaire, as a common tool in the framework of the evaluation procedure for the CoP compliance during December 2005-January 2006. Thereafter, this exercise had been followed by some external reviews (peer review). The results of these evaluations were summarized in a Report submitted to European Parliament and the Council in 2008. The peer reviews have been limited only to those parts of the Code that refers to the institutional environment and to the dissemination. The evaluation presented below is also focused on the compliance of the National Bureau of Statistics in its activity

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with these principles, extremely important ones as for the insurance of the general framework of the statistical activity and of providing quality services. As NBS is the most important producer of official statistics of the Republic of Moldova (the statistical system can be characterised as centralized), the evaluation of the activity of NBS according to the CP criteria largely characterizes the situation regarding the quality commitments and their compliance of the NSS as a whole. The results of the evaluation are presented for every of principles.

Principle 1: Professional independence
The statistical activity in the country is advantaged by the existence of a good legal basis - the Law on official statistics (hereinafter called “statistical law”) adopted by the Parliament through the Law no. 412-XY of December 9, 2004 which ensures its professional independence, too. The non-interference of policy, political, regulatory and other interest groups is clearly stated in Article 5 of the Law. The Central Statistical Body (CSB, i.e. NBS) is authorized to establish – in an impartial and independent manner, free from any pressure from the Government, political parties, ethnic groups, trade unions and other organisations or natural persons - systems of indicators, nomenclatures, classifications, methodologies, data sources, registration and processing techniques, to disseminate statistical information [8]. In practice, this mandate is fully observed by the NBS.

The statistical authority is under obligation to make available official statistics to all categories of users, in terms of equality, simultaneity and non-discrimination regarding the quality and timing of statistical releases, which are strictly observed.

The NBS is clearly distinguished from other public authorities. The statistical releases have a content directly related to the description of the evolution of economic phenomena, social, demographic studies and do not contain comments on the political or policy statement. The NBS monitors permanently – through its press office – the reactions of the media to the statistical publications and press releases. In case of significant erroneous interpretations, misuse or criticism of official statistics, NBS reacts immediately, by written and/or verbal appeal addressed to the institution/person these belong to.

All the statistical activities of NBS are part of the Annual Programme of Statistical Works (PSW), performed independently and transparently. These responsibilities are observed in a professional and impartial manner, free from the influence of a third party.

Other national producers of official statistics can benefit from methodological consultations, offered by the NBS. On the one hand, the NBS does not have satisfactory competences/human resources in order to offer
consultations on domains that do not belong to the area of official statistics directly produced by the Bureau. On the other hand, the NBS does not have the power of final decision on the timing of the provision of the official statistics, the latter being established in PSW, approved by the Government.

**Principle 2: Mandate for data collection**

The mandate for data collection by NBS is stipulated in the statistical law, in the Annual Programme of Statistical Works and is sufficient for the performing of statistical surveys. All statistical surveys included in PSW are compulsory for the respondents. Sanctions for non-compliance by respondents are provided in the law, but they are only used if other measures are not efficient to obtain primary data from the reporting units.

The NBS has an extended territorial infrastructure, having 35 territorial bodies – at the level of the administrative-territorial units of level II (rayon, UAT Gagauzia, the municipality of Chisinau and Balti), fact that facilitates the interaction and collection of data from entities. The statistical law (art.19) also allows the access of NBS to the administrative data sources (ADS), necessary for production of official statistics. These activities are also included in PSW. When the access to ADS is performed, it is based on protocols signed by NBS and institution-source, reciprocally negotiated. Sometimes, the data transmission is limited to aggregated data.

The potential of using the ADS are not fully explored yet. In some cases, especially when certain provisions from other laws contradict Article 19 of statistical law, the access of NBS to administrative data is not fully implemented. For instance, NBS does not have access to the identifiers of the population register and does not have the necessary resources to evaluate systematically all the administrative sources regarding their possible use in official statistics.

**Principle 3: Adequacy of resources**

The personnel of NBS consist of professionals with extensive experience in statistical activity, high responsibility, creativity and initiative regarding the development of methods, processes and statistical products. However, the high turnover of the staff, especially among highly skilled statisticians and well-trained young people, is a problem that decreases the capacity of the Bureau to meet the ever-growing information requirements at the internal and international level (especially in the perspective of European integration).

Keeping skilled staff members in NBS is a serious concern that has to be solved as soon as possible. Traditionally, NBS has been a “net knowledge provider” to other sectors of the Moldovan labour market. On average, during
the last two years, about 9% of the total employees have left NBS for reasons other than retirement. One of the main reasons for such a high staff turnover is the relatively low level of salaries. Another reason is the unattractiveness of the civil servants’ promotion system for highly qualified people. Thus, the NBS is in a relatively weak position to cope efficiently with additional requirements, particularly in the context of the harmonization with EU standards. The human resources of NBS should be substantially developed to face these challenges.

It is crucial the need to rationalise NBS’s Information Technologies (IT) applications and adopt solutions which have wider usage. This issue is addressed in the IT development Concept, approved recently by Government, whose implementation will provide the opportunity to re-examine and modernize the information flow within the NSS.

**Principle 4: Quality commitment**

Assuring the high quality of statistical data, including micro-data, constitutes a permanent concern of statisticians at all stages of statistical activity. At present, timeliness and punctuality, being easily measurable, are basic criteria in the management of statistical processes. Internal rules on planning, elaboration and dissemination of statistical tools are well defined in order to ensure the responsibility of all staff in charge to statistical production and dissemination. The release calendar with the specified deadlines is a basic element for a rigorous approach to the planning process.

From institutional and organisational point of view, the existence of two consultative bodies, Statistical Council (SC) and NBS Board represents a guarantee for promoting surveys coherent with users’ needs (SC) and adopting appropriate methodologies (Board).

External review of NBS statistical products is practiced, being very beneficial for SSN development. International Monetary Fund in the framework of the Special Data Dissemination Standard, SDDS, monitor with monthly periodicity the compliance with timeliness and punctuality criteria of data dissemination prescribed by SDDS, as well as the compliance of Moldovan statistics with international standards. In 2007, the global evaluation of Moldovan national statistical system according to EU standards was carried out.

Although the reference to quality issues is regularly done in the documentation on current activity and in the Plan for Institutional development of NBS for 2008-2011, quality commitment is not fully integrated yet in the management and implementation of statistical products and processes. The procedures and methods used to evaluate all the stages of production cycle do not rely on a system of quality indicators, according to ESS good practices. Quality monitoring does not belong to an integrated system of quality management.
Thus, ensuring statistical quality, according complex, comprehensive, integrating approach stipulated in the CoP, should constitute one of the NBS main concerns, the efforts being focused on the adoption and implementation of Quality Management System, according EU good practices.

**Principle 5: Statistical confidentiality**

From the viewpoint of legal framework and implementation of legal stipulations in the NBS activity, this principle is strictly respected. Users and respondents know very well the NBS policy on this topic and accept it, considering it very important for the institution credibility. Chapter 4 of statistical law regulates data confidentiality, addressing the interdiction of disclosure aspect of confidentiality, as well as the strict limitation of confidential data to statistical use. One provision even states very clearly that any data collected for statistical purposes cannot be used as evidence in courts [8]. There are strict procedures (which stipulate micro-data provision only on the base of special contracts) applied for external users that access statistical micro-data for research purposes. The individual data do not contain identifiers and is checked not to contain indication or details allowing an indirect identification.

All staff, including temporary personnel, has to sign a Confidentiality Undertaking. The obligation to keep data confidential is valid beyond the termination of the contract.

**Principle 6: Impartiality and objectivity**

NBS commitment related to scientific independence, objectivity, transparency and impartiality is based on the adequate legal framework and executed de-facto. It should be underlined that efforts of the statistical institution to comply with international standards in the field of statistics, especially those adopted by the EU have an important contribution to build up a positive image of NBS. The great benefit to NBS offers good cooperation with wide community of researchers, excellent collaboration at international level with many national statistical institutes and international organisations.

It is recognized that NBS is the basic institution for statistical surveys, such as business surveys and those of households.

Objectivity and neutrality are key characteristics of all statistical publications and press releases. The sources and production methods of official statistics chosen by NBS are solely driven by statistical considerations. There are two important statutory structures, which guarantee that statistical considerations prevail over any other reasons: two high level professional advisory bodies: (i) Statistical Council and (ii) NBS Board.
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NBS treats all users in an absolute impartial way. All users have equal and simultaneous access to statistical releases and publications and any privileged access before the publication for external users is limited. The establishment and follow up of the release calendar with stipulated dates is managed by NBS in a strict manner.

Principle 15: Accessibility and clarity

According to legal stipulations, NSO should produce and disseminate objective and reliable statistical information and provide all users with equal access to statistical data. Dissemination is a key policy for the institution. Taking into account that NBS is a public institution and official statistical data is „a public good”, all the information, including statistical publications, is put at disposal of users by means of NBS site into Romanian, Russian and English, free of charge.

Generally, users of various categories are largely satisfied by the accessibility to information provided by the NBS, information considered to be clear and easily understandable. The results of user satisfaction survey carried out in 2008 shown that for 54 % of respondents, statistical data is easily understandable and for 11%, even very easy to understand[5].

Quality dissemination services represent a priority for NBS, being strongly oriented to adopt modern technologies in order to improve the efficiency of dissemination and communication policy. NBS site, its new version being launched at the end of 2008, is well structured and provides a rich variety of statistical information, from various fields. Recent launch of database by NBS extends more and more the possibilities of users’ access to statistical data fund, in a user friendly way.

Access to micro-data, for research purposes is allowed, respecting legal stipulations, through strict protocols.

Information on methodologies and data sources of statistical products is widely documented and it is exposed on the site. Taking into account the results of user satisfaction survey carried out in 2008, most of respondents (77%) consider that methodological explanations provided by NBS are sufficient and adequate [5]. Description of metadata is standardized according to Euro SDMX Metadata Structure.

At the same time, users should be better and more systematically informed regarding quality of statistical results, according to ESS criteria.

Comparative analysis of assessment results at European level

Quantified self-assessment of compliance of Moldovan statistics (based on NBS example) with principles stipulated in the Code of Practices,
based on the analysis and evaluation of respective indicators according to CoP, in comparison with the state of art in ESS states, points out the following.

**Assessment results of compliance of ESS (NSIs) and Moldovan statistics (NBS) with CoP**

<table>
<thead>
<tr>
<th>CP principles</th>
<th>Assessment results of CoP indicators, %</th>
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<tbody>
<tr>
<td>ESS (NSIs)[6]:</td>
<td>Fully met</td>
</tr>
<tr>
<td>1: Professional independence</td>
<td>76</td>
</tr>
<tr>
<td>2: Mandate for data collection</td>
<td>83</td>
</tr>
<tr>
<td>3: Adequate resources</td>
<td>19</td>
</tr>
<tr>
<td>4: Quality commitment</td>
<td>20</td>
</tr>
<tr>
<td>5: Statistical confidentiality</td>
<td>86</td>
</tr>
<tr>
<td>6: Impartiality and objectivity</td>
<td>71</td>
</tr>
<tr>
<td>15: Accessibility and clarity</td>
<td>45</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
</tr>
</tbody>
</table>

| Republic of Moldova (NBS):          | Fully met | Largely met | Partly met | Not met |
| 1: Professional independence        | 57        | 43          | 0          | 0       |
| 2: Mandate for data collection      | 67        | 33          | 0          | 0       |
| 3: Adequate resources               | 0         | 0           | 100        | 0       |
| 4: Quality commitment               | 0         | 40          | 60         | 0       |
| 5: Statistical confidentiality      | 80        | 20          | 0          | 0       |
| 6: Impartiality and objectivity     | 71        | 29          | 0          | 0       |
| 15: Accessibility and clarity       | 33        | 50          | 17         | 0       |
| Total                               | 51        | 34          | 15         | 0       |

In the Republic of Moldova, the situation is almost similar to the existing one in most of the countries within ESS in terms of legal provisions, commitments and practices of the national statistical institute regarding: statistical confidentiality, impartiality and objectivity, the mandate for data collection, professional independence. According to the results of self-assessment, based on the use of quality indicators, the CoP principles are „fully” met in the Republic of Moldova for 57- 80% of the indicators and „largely met” for 20-43 % of the indicators (in comparison with the average level for ESS countries, respectively 71- 86 % and 11-24 %). Despite the fact that ensuring transparency, accessibility and clarity is a very important dimension of the NBS activity, supplementary efforts are still necessary in view to improve the situation in this respect, in order to achieve the European states’ level.

At the same time, there are great problems related to the implementation of quality management and resources adequacy. In the Republic of Moldova, these CoP principles are only “partly” met. Although the situation related to the compliance with the mentioned principles is much better at European level than in Moldova, the improvement of resources and of quality management...
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constitute major challenge for many states from the ESS as well.

It is to be mentioned the analysis limits, since the evaluation of NBS activity was done based on the assessment carried out by author in October 2010, while the data related to the situation existing in the ESS are based on the results of external assessments, carried out during 2006-2007, presented in the Commission Report of 2008 [6].

**Improvement activities to comply with the Code of Practice requirements**

The analysis of the results of self-assessment on the level of compliance of NBS with the principles stipulated in the Code of Practice pointed some major gaps in the Moldovan official statistics. Below some activities that would allow further improvement of the compliance with the CoP are mentioned.

**Principle 1: Professional independence**
- Extend annual activity reports with the evaluation in terms of progress achieved in the implementation of PSW and of multi-annual programme, made available public.
- Thorough analysis of the use of official statistical data, in view to identify and to speed up the reactions to erroneous interpretation and misuse of statistics.

**Principle 2: Mandate for data collection**
- Carrying out the NBS’ assessment of administrative data sources, aiming at their possible use for official statistics purposes and further collaboration with the owners of ADS, in view to get the access to additional data that are relevant for statistics.
- Analysing and solving the problem of legislative nature related to the access to certain ADS (forbidden or restrained by certain specific laws).

**Principle 3: Adequacy of resources**
- Improving the structure and the functionality of units within the NBS system, in view to increase the capacity (including the number of staff) in central headquarter and of the efficiency of activity of the statistical system.
- Collaborating with decision-makers in view to set up the NBS staff earnings, at the same level with other central administration authorities where, for a similar activity, better remuneration conditions are provided.
- Implementing the new IT concept, envisaging the re-design of statistics production architecture, in view to improve information flow, to diminish
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the dependence on the development of software specific to certain statistical surveys, etc.

- Extending the collaboration with the development partners in view to implement the projects aiming at the strengthening of NBS capacities to produce and disseminate quality statistics, etc.

**Principle 4: Quality commitment**

Drawing up a strategic plan in view to implement the quality management system in accordance with the European best practices that is to be implemented through concrete actions, strictly correlated with the annual and multi-annual statistical programmes, among which:

- Setting up a unit responsible for the quality as a permanent structure within NBS (or, at a first stage, delegating the respective tasks), for promoting and implementing new tools and techniques meant to ensure and monitor the quality of production process.
- Drawing up the quality handbook and the supporting documentation serving as general tool for all statistical surveys.
- Implementing of new surveys for quality evaluation (including those on respondents’ burden) and of the use of quality parameters in view to monitor the statistical production quality.
- Drawing up the quality reports, with the information of users.

**Principle 5: Statistical confidentiality**

- Setting up a Commission on confidentiality to enhance the regular, systematic activity in this respect.
- Standardising physical and technological measures to prevent unauthorised access to files and equipment, as well as of the process of identification and exclusion of data dissemination, according to confidentiality restrictions.

**Principle 6: Impartiality and objectivity**

- Regularly organising press conferences to communicate factual results and increase the number of products with impartial analytical results and series with analytical components (such as time series: seasonally adjusted; working days adjusted).

**Principle 15: Accessibility and clarity**

- Increasing the number of series in the data bank, in view to ensure the coverage of all main statistics.
- Extending the meta-data described in the standard approved by BNS, in accordance with ESMS/SDMX, applied within the EU, covering
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the relevant statistical products and their integration into the statistical information production and dissemination system.

- Setting up “securitised room” facilities for an easier and secured access to anonymous individual data for research purposes.
- Promoting the statistical culture among the users, by organising the related events, drawing up the statistical documents with explicative notes regarding the statistical indicators, as well as on the way of using them, etc.
- Regularly carrying out user satisfaction surveys to identify and fill in the gaps in dissemination.

Conclusions

The assessment of the activity of National Bureau of Statistics (NBS) regarding compliance with principles stipulated in the European Statistics Code of Practice reveals that NBS observes to a large extent the CP principles. In the Republic of Moldova, the situation is almost similar to the existing one in most of the countries within ESS in terms of legal provisions, commitments and practices of the national statistical institute regarding: statistical confidentiality, impartiality and objectivity, the mandate for data collection, professional independence.

Legal framework largely meet the requirements stated in the CoP. NBS, acting as the main producer and supplier of official statistics in the Republic of Moldova, has reached a remarkable level of professionalism and orientation towards the users. The NBS enjoys the user’s credibility, due to its efforts for openness, its activity towards the implementation of international standards, as well its proven capacities to meet the reasonability to disseminate timely, quality data.

At the same time, there are problems related to the implementation of a performing system of quality management. The need for a systematic approach of quality measuring and reporting, based on the tools recommended according to the European best practices is obvious. The NBS access to administrative data relevant for official statistics should become wider, regular and systematic, particularly in case of obtaining micro-data.

One of the key problems is that of adequacy of human resources, particularly in terms of recruitment conditions and of preserving valuable staff, as the result of uncompetitive remuneration conditions as against those offered on information services market. The improvement of the structure and of the functionality at NBS level, the implementation of the new IT concept, focused on redesigning and modernisation of the statistical data production and dissemination architecture will contribute to the increase of the productivity, efficiency of statistical activity and the alleviation of resources’ constraints.
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Selective bibliography


