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# COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

Proposal for a Regulation of the European Parliament and of the Council

amending Regulation (EU) No 99/2013 on the European statistical programme 2013-17, by extending it to 2018-2020

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#### **Executive summary sheet**

Impact assessment on the proposal for a Regulation amending Regulation (EU) No 99/2013 on the European statistical programme 2013-17, by extending it to 2018-2020

#### A. Need for action

#### Why? What is the problem being addressed?

There is a high level of demand for official European statistics, because they are produced and disseminated in accordance with specific principles and therefore have an 'added value' for the user, as compared with other sources of information. A number of statistical gaps need to be addressed in order for statistics to be able to support EU policies. The timeliness of some statistics urgently needs to be improved, so that they can provide the information needed for the European Semester exercise. The needs for statistics arising from the Commission's 10 political priorities and from the increasing complexity of societies are bringing the relevance of current European statistics into question.

Although national statistical systems have made a significant effort to modernise their production methods with the support of the 2013-2017 European statistical programme (ESP), the current statistical infrastructure is still not flexible enough to deliver new statistics when needed, while also limiting the associated cost and administrative burden. Unless the current level of investment is increased, the European Statistical System (ESS) will not be in a position to meet the growing demand for statistics or the need to make them available more quickly.

The parties who would be affected most directly by the proposal are users of statistics (e.g. policymakers, the media and researchers), producers of statistics (national statistical institutes (NSIs) and other national authorities (ONAs)) and respondents (households and businesses).

#### What is this initiative expected to achieve?

This initiative is designed to establish the legislative framework for the ESP for the full duration of the multiannual financial framework (MFF) and to provide the financial support that the ESS needs in order to be able to:

- provide high-quality statistical information and close the statistical gaps that need to be addressed most urgently, focusing on a number of priority areas that reflect the Commission's 10 political priorities;
- build the permanent capacity needed to respond more quickly to emerging needs and to adapt the statistical infrastructure so as to harness the potential of new data sources; and
- strengthen the partnership within the ESS and beyond in order to further increase its productivity and secure its leading role in official statistics worldwide.

## What is the added value of action at EU level?

The design, implementation and monitoring of EU policies rely on impartial, reliable and relevant statistical evidence that can be provided only through the ESP. It is only by having a coordinated approach to the development, production and dissemination of European statistics, as provided for in the ESP, that the necessary consistency and comparability of statistics relevant to the EU's areas of activity can be guaranteed. Action at EU level, as proposed, would also contribute to an effective use of resources (due to economies of scale) and support national authorities in developing their capacity, in terms, for example, of harmonisation and methodologies.

#### **B. Solutions**

## What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?

Under Regulation (EC) No 223/2009 on European statistics, the duration of the ESP is to correspond to that of the MFF (currently 2014-2020). The ESP is due to expire in 2017 and an extension is therefore necessary. The impact assessment does not examine whether to extend the ESP, but how best to do this. The following options have been considered:

- 1. Baseline the current ESP (2013-2017) being extended for a further three years (2018-2020);
- 2. Extension of the current ESP with adaptations:
  - 2a: Amendments to the current ESP and a reduced annual budget;
  - 2b: An amended programme, including improved statistical outputs in line with the 10 political priorities, balanced by strong re-prioritisation (with the same annual budget);
  - 2c: An amended programme including new statistical outputs in line with the 10 political

priorities, complemented by investment in the statistical infrastructure and new sources of statistics (with an increased budget);

1. Two separate programmes.

Option 2c has emerged as the preferred policy option, as it offers the best chance of achieving the above objectives, taking all requirements, obligations and constraints into account.

# Who supports which option?

On the side of the producers, the ESS Committee has repeatedly called for increased investment. The European Statistical Advisory Committee, as the forum representing users of statistics, respondents, civil society, social partners and the scientific community, emphasised the need for appropriate funding, given that creating the capacity to produce new statistics and indicators will require additional investment. The European Statistical Governance Advisory Board has also raised concerns about insufficient investment, which it feels is hampering the ESS's ability to take advantage of the data revolution. The relevant parties from both the users' and the producers' side therefore support new measures to improve official statistics, as set out under option 2c.

#### C. Impacts of the preferred option

# What are the benefits of the preferred option (if any, otherwise main ones)?

Option 2c would have the greatest impact in terms of being able to produce data more quickly, which is essential for meeting users' fundamental needs. It includes new measures to close remaining data gaps and to improve timeliness in key areas like energy statistics. In addition, users would benefit from the better exploitation of 'big data'.

- Comparability of statistics at European level is expected to increase in areas to be covered for the first time by the ESP.
- It will be possible to further modernise the ESS and make greater use of new sources (e.g. 'big data').
- The response burden is expected to decrease due to better use of administrative data and new sources.
- As legislation on statistics primarily affects data users, data producers and survey respondents, its direct economic, social and environmental effects are very limited.

#### What are the costs of the preferred option (if any)?

The budget currently allocated to the ESP (approximately EUR 60 million per year) is small relative to the total EU budget and the proposed increase would be within the limits of existing overall budget constraints. The costs of producing statistics must also be considered in the light of the cost of not having statistics, or only having statistics of insufficient quality. The principal direct costs of option 2c relate mainly to the EU's co-funding of grants for the NSIs' statistical actions, but they should be considered as an investment. They are expected to pay for themselves, thanks to the savings made as a result of reduced administrative burden and more effective and efficient data production methods.

#### How will businesses, SMEs and micro-enterprises be affected?

The measures set out in the proposed programme (such as the re-engineering of statistical production and the better use of administrative data and 'big data') will lead to a simplification of procedures and a reduction of the administrative burden, thus benefiting businesses and individuals.

# Will there be significant impacts on national budgets and administrations?

The initiative will have an impact on NSIs and ONAs. The ESP will allow investment in projects launched in response to new challenges faced by European statistics (e.g. implementation of ESS Vision 2020, strengthening of the European statistical infrastructure and making better use of 'big data' and shared infrastructure). As EU funding is provided on the basis of co-financing, a higher budget for the ESP at EU level also implies higher budgetary costs for the NSIs. Development projects will also often need highly skilled expertise.

#### Will there be other significant impacts?

The initiative will support cooperation with international organisations and capacity-building in non-EU countries, with the aim of ensuring the availability of good-quality data. In turn, this will allow the EU to monitor the results of the enlargement and European neighbourhood policies and to measure (potential) candidate countries' compliance with EU standards in the area of statistics.

#### D. Follow-up

# When will the policy be reviewed?

The final evaluation of the programme is scheduled for 2021.