

EXPERIENCES WITH USER-PRODUCER DIALOGUES

Note by EUROSTAT

1. The pace of integration in Europe has been rapid over the past decade. In particular, the Single European Act and Monetary Union have resulted in profound changes in life for citizens of the EU member states, both at a macro and micro level. This situation has required an integration of statistical systems within the EU and this has come at a cost. A number of statistical instruments have been introduced to respond to this, most notably INTRASTAT (the system for measuring intra-Community trade after the dismantling of customs barriers) and the Harmonised Index of Consumer Prices. The introduction of the Euro has also sparked a dramatic change of priorities from structural to short-term statistics from a number of new users. Added to this, the increasing use of statistics for direct policy purposes has necessitated further harmonisation of statistics, such as the use of GNP figures to determine the member states' contribution to the EU budget, the use of regional GDP figures to allocate regional funding and the use of harmonised inflation rate and government debt and deficit statistics in the process for deciding which countries qualified for membership of the euro-zone.
2. National Statistical Institutes (NSIs), with some justification, complain that their workload is increasing since the extra requirements of EU statistics must be met in addition to domestic needs. Although Eurostat is able to offer some funding to finance statistical development, it is often insufficient or cannot be used efficiently, possibly because of national accounting rules or, in the case of some smaller offices, they have already reached their full capacity.
3. In many cases Eurostat obtains such funding from policy Directorates General (DGs) in the European Commission that are significantly better funded than Eurostat and the NSIs themselves. These DGs sometimes think that any problem can be solved by just throwing money at it, which is certainly not the case for statistics as there are significant lead times involved in setting up statistical infrastructure and the NSIs may not, for reasons mentioned above, be able to spend such funding as it has been intended.
4. The Statistical Programme Committee (SPC) meets quarterly and brings together the NSIs and Eurostat to discuss strategy. Time and time again, NSIs have reacted to one of Eurostat's proposals by saying that they do not have sufficient resources and questioning the need of such statistics in the first place. It is in response to this criticism that Eurostat has begun to invite representatives of the policy DGs to the SPC meetings in order to justify their demands.
5. This initiative is very much in its infancy, having commenced in 1998, but, in recent years, representatives of the following policy directorates general have been invited to speak to the SPC:

- Regional policy DG – use of regional GDP figures, eventually using PPPs, to allocate structural funds to regions;
- Taxation and Customs Union DG - a proposed revision of the VAT system which would necessitate a reallocation of tax receipts among member states through macro-economic clearing;
- Employment and Social affairs DG – a special summit on employment issues resulted in the need for EU-wide statistics on employment;
- Economic & Financial Affairs DG – discussion on structural indicators to be used in a benchmarking report following a European Summit.

6. The regional and taxation initiatives are extremely costly, the latter in particular requiring major adjustments to national statistical systems, and the initial reaction of NSIs when the proposals were first discussed without the representatives of the policy directorates general was verging on hostile. When they were present at the SPC, the representatives of the policy services were left in no doubt as to the costs of the projects and that substantial resources would have to be made available if sufficiently high quality data were to be made available.

7. The other two proposals concerned the choice of indicators. The SPC noted that the indicators chosen would have to be based on already existing data because of cost implications and the fact that new data collection systems would take some time to set up. The need to keep the volume of data being used in such exercises to a minimum. Quality and comparability were also agreed as being key issues.

8. Of course this type of dialogue will not solve all problems. However it does prevent Eurostat being caught in the middle between user and producer. It can put the producer's mind at rest knowing that there is a genuine need for such statistics. It can also make the user more aware of the resource and timing restrictions suffered by the producer.

9. The lessons to be drawn are as follows:

- there should be early involvement of policy DGs in discussions with NSIs so as to avoid initial hostility;
- Eurostat has to make policy DGs aware of concerns in NSIs regarding resources and lead times for major changes in statistical infrastructure;
- such meetings are worthwhile as it is easy to criticise an absentee but the mood can often mellow during a frank and well informed face to face discussion
