

Friends of the Chair Group on Economic Statistics, 28-30 May 2019

Contribution by Statistics Denmark to the session on “A governance structure that ensures a responsive and relevant system of economic statistics”

- 1) These are impressions from Statistics Denmark and as such not necessarily representative of views in other NSOs or even NSOs in comparable countries. Indeed, Denmark is an EU member and statistical governance hence takes place on a number of layers. In practice, however, EU governance takes precedence with EU-level decisions typically representing must-do's and a tight national budget environment limiting the scope for national-level governance. While hard to quantify, a reasonable estimate is that well above 80 per cent of statistical outputs at Statistics Denmark respond to EU mandates.
- 2) At the EU level, discussions are currently ongoing on how to set and revise priorities in a manner that allows for greater agility and flexibility in the face of new demands. While focused on production, some of the ideas brought to the fore in that process may be relevant for the purpose at hand.
- 3) One element being discussed is a process of systematic review on a rotating basis of the main statistical domains. The idea is to identify new demands and candidates for streamlining. This would comprise various parameters of statistics (frequency, coverage, detail, quality, etc.) but in principle entire statistics could be in play. Ideally, the discussion would be supported by knowledge of the marginal costs of different actions so as to elucidate the trade-offs faced.
- 4) Another element is a reinforcement of regular and systematic user dialogue. The aim is to gauge new user needs and reactions to potential streamlining. Again, the quality of this dialogue would be helped by providing users with a greater sense of the trade-offs involved. Users groups targeted include policy users, academia and others. While conceived of as allowing users to express views on trade-offs between different activities, the dialogue could in principle be extended to issues such as trade-offs between continuity (e.g. long, unbroken time series) versus the need to update standards and classifications to respond ongoing developments.
- 5) An element which assists agility and reduces resistance to change is the provision of grants from the centre (Eurostat) to individual NSIs for development and implementation of new standards or new statistics. The particular EU structure of decentralized production and funding at both the central and the decentralized level (in the former case from the EU budget and in the latter case from national budgets) would seem to be a precondition for this mechanism.
- 6) Structures that allow some countries to move forward on an experimental basis exist both at the UN level and in the EU. In the EU, networks on issues deemed relevant often receive support from the central level, which may also facilitate experimentation. Experimental statistics are published by Eurostat and some NSOs.
- 7) Danish national practice provides few lessons. However, all main areas of statistics have long-established user groups that provide feedback and can signal, when there are needs for new statistical development. No user group expresses views on overall prioritization which, arguably, is also difficult for users who often have sectoral affiliation. User groups also exist for particular user constituencies, e.g. reserachers, dealing with data and statistics across a wide range of domains. In addition, in what may be characterized as a “market test” some statistics are being produced by Statistics Denmark against payment or co-payment (often in the form of dedicated grants from line ministries). Such budget allocations now constitute a significant share of Statistics Denmark's overall budget.

- 8) A market test also exists in the area of research cooperation, which has been increasing rapidly in importance. Statistics Denmark is paid on a cost basis for preparing datasets for analysis by researchers and analysts (albeit with a rebate to university researchers financed by a block grant to Statistics Denmark from the government's research infrastructure agency). This allows Statistics Denmark to expand capacity in line with demand.