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COUNCIL OF
THE EUROPEAN UNION



**Council conclusions
on the Commission Communication
'Towards robust quality management for European statistics'**

*3100th ECONOMIC and FINANCIAL AFFAIRS Council meeting
Luxembourg, 20 June 2011*

The Council adopted the following conclusions:

- "1. The Council WELCOMES the approach set-out in the Commission's communication "Towards robust quality management for European statistics" presented in April and the aim of the strategy that would give the European Statistical System a quality management framework for statistics related to the enhanced economic policy coordination. The Council NOTES that the governance of the European Statistical System has been improved over the recent years, allowing to progress in the production and dissemination of high quality statistics in the EU, but it also ACKNOWLEDGES that in the context of the recent financial crisis some weaknesses have been identified, in particular with regard to the quality management framework.
2. The Council WELCOMES the aims of the strategy put forward by the Commission and takes note of the steps taken to ensure the reliability of fiscal data, which is key to the credibility of the budgetary surveillance system. In particular, the Council:
 - broadly SUPPORTS the proposal to move to a more preventive approach in regard to the quality management of European fiscal statistics. It ACKNOWLEDGES the need of an efficient quality management system for public finance statistics, covering methods, data and compilation processes, to be established in close cooperation with the National Statistical Institutes, Central banks and Ministries of Finance, ensuring the need that national administrative organisations in each Member State are duly taken into account.

P R E S S

- DEEMS that systematic and proactive identification, assessment and monitoring of significant risks, with respect to the quality of fiscal data at the level of the individual Member States, is crucial in order to detect them at an early stage and to initiate corrective actions in time. The Council CALLS UPON Member States to fully co-operate with Eurostat in the context of future dialogue visits when upstream public finance data are examined, in full compliance with the existing legislation on EDP statistics (Regulation n. 479/2009 revised through Regulation n. 679/2010); and INVITES Member States to reflect on the enhanced connection between the regular 'dialogue visits' conducted to all Member States and 'methodological visits' undertaken in exceptional cases when significant risks with the quality of data have been clearly identified.
 - SUPPORTS the efforts towards notably more consistency between the accrual-based public accounting approach and the principles of the European System of Accounts, and with respect to the timeliness, including published quarterly general government accounts, and exhaustiveness of fiscal data particularly as regards the state, local and social security levels and the entities controlled by the latter. The Council also URGES Member States to implement without delay, once adopted, the public accounting arrangements relevant to ensure high quality of public finance statistics, as provided by the Council Directive on the requirements for budgetary frameworks of the Member States currently before the legislator.
 - INVITES the Commission to supplement the preventive approach that is proposed by a more systematic use of infringement procedures in cases where misleading information has been provided or fiscal data have been falsified; and TAKES NOTE of the suggestions to introduce provisions in the regulation on the effective enforcement of budgetary surveillance currently before the legislator, ensuring that misrepresentation of fiscal data with intent or by serious negligence constitutes an infringement which is subject to effective, proportionate and dissuasive sanctions.
3. The Council STRESSES the importance of continuously improving the governance and efficiency of the European Statistical System. In this context, the Council:
- WELCOMES the Commission intention to propose amendments to Regulation (EC) No 223/2009 on European statistics in order to reinforce the governance framework for statistics and IS OF THE VIEW that the amending proposal should clarify and ensure, by making it legally binding, the principle of professional independence of national statistical authorities, particularly as regards all aspects of the development, production and dissemination of European statistics, duly taking into account national specificities.
 - CALLS on Member States to take the necessary measures to ensure good coordination within their national statistical systems, which would contribute to significantly lessen the burden on statistical respondents and TAKES NOTE of the intention of the Commission to enhance the role of statistical authorities in the management of administrative data in order to facilitate the further use of available administrative records for statistical purposes, while duly taking into account existing national administrative organisations and carefully assessing costs and benefits involved to the NSIs.

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- WELCOMES the work conducted on the revision of the European Statistics Code of Practice, according to the experiences gained in the last years, which i.e. elaborates further the concept of professional independence and INVITES the Commission to consider appropriate ways to define and enforce minimum standards regarding the institutional environment within which European statistics are produced, in particular as far as structural quality, professional independence, mandate for data collection and adequacy of resources, duly taking into account national specificities. WELCOMES in its principle the idea put forward by the Commission according to which Member States should commit themselves, based on the European Statistics Code of Practice, to taking necessary measures to maintain confidence in their statistics and to monitoring the implementation of the Code ('Commitments on Confidence in statistics'), with the launch of pilot exercises as a first stage, in the framework of the future 'Commitments on Confidence in statistics'..
 - CALLS on the Commission to make full use of existing national and European structures, notably by involving the European Statistical Governance Advisory Board (ESGAB), in this work to improve data quality and governance, including the Code of Practice at the European level and
 - INVITES the EFC to consider the need to extend the ESGAB competences and resources by November 2011.
4. The Council EXPECTS the Commission to swiftly specify the actions outlined in the Communication and LOOKS FORWARD to further reporting on progress in November 2011 and advice from the EFC."
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