

# **Light Peer Review of the Implementation of the European Statistics Code of Practice in Serbia**

**Final Report**

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prepared by  
*Günter Kopsch*  
*Hana Šlégrová*

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## **PREFACE**

The light peer review (LPR) of the Statistical Office of the Republic of Serbia (SORS) was undertaken in the framework of the Eurostat funded project ‘Global assessments of statistical systems of candidate and potential candidate countries as well as ENP countries’. The company ICON-INSTITUT Public Sector GmbH, under contract with Eurostat, was responsible for organising all activities and tasks relating to the LPR.

Light peer reviews are based on the structure and procedures of the ESS (European Statistical System) peer reviews and are designed for candidate and advanced potential candidate countries. The objectives of these reviews are, in particular, to assess compliance of the reviewed National Statistical Institute (NSI) with Principles 1-6 and 15 of the European Statistics Code of Practice, to evaluate the coordination role of the NSI within the statistical system, to highlight transferable practices suitable to foster compliance with the Code of Practice and to recommend improvement actions needed in view of fully complying with the Code.

The review process was initiated by Eurostat at the request of SORS made in March 2010. The review was conducted by the two experts Mr. Günter Kopsch (former director in DESTATIS, Germany) who was the leading expert and Ms. Hana Slegrova (director in the Czech Statistical Office). The review mission took place from 01 March to 04 March 2011 (*see Annex 1*). Besides the two experts, Ms. Claudia Junker and Mr. Torbiörn Carlquist (both from Eurostat) participated in this mission. Written material was made available by SORS in advance and during the assessment mission (*including Annex 2*). The review mission was also prepared through replies to the self-assessment questionnaire sent out in advance to SORS.

The peer review team very much appreciated the well-prepared meetings and the openness of the communication both with the staff of SORS and with representatives from partner and stakeholder organisations. It is hoped that the review will be of benefit to the further development of SORS.

## EXECUTIVE SUMMARY

**Main findings** (including an assessment of the co-ordination role of the National Statistical Institute):

- (1) The peer review team found good evidence of and recognised the progress in the development of SORS with regard to the institutional aspects reviewed, as well as the accessibility of the statistical information. All stakeholders interviewed noted that significant improvements have been achieved in SORS's work and its standing as the leading statistical institution in Serbia during the last few years.
- (2) The Official Statistics Law specifies the legal frame for the production and dissemination of official statistics and also for the organization of the system of official statistics of the Republic of Serbia. Discussions between the peer review team and the management and stakeholders of SORS have left the impression that SORS, based on corresponding regulations of the Law, produces and disseminates official statistics respecting in practice the principles of professional independence, impartiality and objectivity, and statistical confidentiality. A further improvement of the Official Statistics Law is nevertheless recommended. It requires amendment in terms of the inclusion of an explicit reference to independence in the content and timing of statistical releases and of regulations regarding the appointment, the fixed term mandate and the protection against an inappropriate dismissal of the Director of SORS. Moreover the right of SORS to intervene publicly in cases of misinterpretation or misuse of its statistics should be explicitly laid down in the Official Statistics Law.
- (3) The Official Statistics Law, together with the five-year Statistical Programme and the annual Implementation Plan, provides SORS with a clear and broad legal mandate to collect and access the data needed for the execution of the Statistical Programme and the Implementation Plan. Priority is given in the Law to the use of administrative data, and a multitude of administrative data is already used, mostly on the basis of memoranda of understanding. However, an increased use of administrative data for statistical purposes is still of high priority to SORS. In addition, SORS intends to investigate how its influence on the content of administrative data sources can be strengthened. The initiation of the use of electronic data collection from businesses and the establishment of computer assisted interview techniques in household surveys are important improvements which will be further developed.
- (4) The good qualification of its staff is the main strength of SORS with regard to its capacity to ensure the adequacy of its resources. Although the present staff numbers and qualification levels might be sufficient for the current work, the peer review team recognized that there are clear indications which show that the number of staff of SORS is too small to carry out future development actions necessary to reach compliance with European requirements in due time. A

budget increase would also be necessary in order to achieve this. It seems that there is also good potential to increase the efficiency of SORS.

- (5) For the systematic and standardized approach to quality, the Quality Management Framework and other related documents were adopted by SORS. These documents and initial steps currently being made in this area (basic training), confirm the commitment of the top management of SORS to implementing the EFQM model. Extensive training, a project approach, which includes the involvement of the whole office in this process, along with the preparation and the use of quality reports were recommended. These factors are considered to be essential to ensure further successful development in this context
- (6) SORS pays great attention to data dissemination, including the electronic presentation of statistics. A new website has been launched recently (which includes a public database). The standardization of metadata (including selected quality indicators) is planned; the aim being to increase the clarity and better understanding of statistics. Increased promotion of the use of micro-data for research purposes is planned to expand the knowledge of the scientific community about this useful source of statistical information. Anticipating users needs, further orientation on modern ways of data presentation (for potential and future users), as well as statistical literacy activities should continue and should be further developed by SORS.
- (7) Based on the Official Statistics Law SORS coordinates successfully the rather decentralized official statistics system of the Republic of Serbia. Interview partners confirmed that SORS is accepted as the coordinator of the statistical system by the other producers of official statistics. They have signed memoranda of understanding with the most important other producers of official statistics and are the leading institution in the planning process of the five-year Statistical Programme and the annual Implementation Plan.
- (8) The management of SORS expressed its clear intention to take further steps towards full compliance with the European Statistics Code of Practice. The list of improvement actions included in chapter 4 of this report was discussed by the peer review team with senior staff members and the top management of SORS. These actions are fully supported by the whole team.

# 1 FINDINGS PER PRINCIPLE

## 1.1 PRINCIPLE 1: PROFESSIONAL INDEPENDENCE

**The professional independence of statistical authorities from other policy, regulatory or administrative departments and bodies, as well as from private sector operators, ensures the credibility of European Statistics.**

### *Overall assessment:*

*The Statistical Office of the Republic of Serbia (SORS) is, according to Article 33 of the Act on Ministries, a special organisation which is in charge of official statistics in the Republic of Serbia. It is not under the supervision of a Ministry but directly accountable to the Government. The Official Statistics Law (Official Gazette of the RS, No. 104/09) specifies the legal frame for the production and dissemination of official statistics and also for the organization of the system of official statistics of the Republic of Serbia. The Law explicitly determines the professional independence of SORS and of the other producers of official statistics in producing and disseminating official statistics. The Director of the Office is obliged by the Law to protect the professional credibility of official statistics from any unprofessional influence. It is also to be underlined that the Official Statistics Law gives a strong role to SORS in the whole planning process of the five-year Statistical Programme and of the annual work plan.*

*The legal status of a statistical office with regard to professional independence is a good prerequisite for being able to fully comply with the Independence Principle of the Code of Practice. It is, however, not a guarantee. Professional independence of the producers of official statistics has to be accepted in practice, in particular by the Government. Discussions that the peer review team held with the management and other staff of SORS, as well as with members of the Statistics Council and with representatives of various user groups, confirmed the impression that SORS acts independently in practice and that there is no political interference.*

### **1.1.1 Indicator 1.1: The independence of the statistical authority from political and other external interference in producing and disseminating official statistics is specified in law.**

According to Article 2 of the Official Statistics Law official statistics shall provide, on an impartial basis, representative data and information on economic, demographic and social mass phenomena for all respective users. Article 5 of the Law states that official statistics is based on the principles of relevance, impartiality (the objective way of stipulating the definitions, the methods of data collection and processing, and of the dissemination of statistics; statistical data shall be protected from unprofessional influence of any kind), reliability, timeliness, professional independence (the producers of official statistics are exclusively in charge of the decisions on the definitions, methods of collection, processing and dissemination of official statistics),

cost effectiveness, consistency, availability and accessibility, confidentiality, and using individual data for statistical purposes only.

The Law contains rules regarding the independence of decisions on the methods of dissemination. However, it requires amendment in terms of the inclusion of an explicit reference to independence in the content and timing of statistical releases.

**1.1.2 Indicator 1.2: The head of the statistical authority has sufficiently high hierarchical standing to ensure senior level access to policy authorities and administrative public bodies. He/ She should be of the highest professional calibre.**

The hierarchical level of the Director of SORS is comparable to the highest ranking public servants. He has a sufficiently high standing to enable access to policy authorities and administrative public bodies.

The present Official Statistics Law doesn't include any regulation on the procedures for appointment and dismissal, and on the required qualification of the Director of the office. It is also not laid down that the Director shall have a fixed term mandate. However, the last advertisement for the post of the Director of the Statistical Office contained all these issues, in accordance with corresponding rules in the Civil Servants Act. Despite the fact that such rules are laid down in the Civil Servants Act, an amendment of the Official Statistics Law (providing the Director with a fixed term mandate and protecting him/her against an inappropriate dismissal during his/her term of office), would further strengthen the institutional safeguards of the professional independence of SORS. The nomination process and the required qualifications should also be addressed.

**1.1.3 Indicator 1.3: The head of the statistical authority and, where appropriate, the heads of its statistical bodies have responsibility for ensuring that European Statistics are produced and disseminated in an independent manner.**

The obligation of the Director of SORS to protect the professional credibility of official statistics from all kinds of unprofessional influence is explicitly stipulated in Article 10 of the Law.

All interview partners of the peer review stated that SORS compiles its statistics and disseminates the results in a professional and independent manner.

**1.1.4 Indicator 1.4: The head of the statistical authority and, where appropriate, the heads of its statistical bodies have the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases.**

The Official Statistics Law does not explicitly state that the Director of SORS has the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases. It stipulates, however, the impartiality and the professional independence of the producers of official statistics. Since SORS is the main producer and disseminator of official statistics in Serbia, the Director of SORS is nevertheless responsible for the said decisions.

All interview partners during the peer review confirmed that the legal rules with regard to professional independence of official statistics and of SORS are fully applied in practice.

#### **1.1.5 Indicator 1.5: The statistical work programmes are published and periodic reports describe progress made.**

According to Article 18 of the Official Statistics Law, the activities of official statistics are based on five-year statistical programmes, passed by the National Assembly, and on annual implementation plans, passed by the Government. These documents are published in the Official Gazette of the Republic of Serbia. SORS is responsible for the preparation of the multi-annual programmes and the annual plans in cooperation with the other authorized producers of official statistics, proprietors of other data and users. The multi-annual programmes also include the development strategies of official statistics. Before submitting the strategy and the programme to the Government and the Parliament the documents are discussed in the Statistical Council. The process of developing the five-year Statistical Programme 2011–2015 was organized by SORS for the first time in 2010. The Programme is a legal act which requires the written confirmation of all Ministries, public agencies of the state and the Central Bank before being presented to Parliament for final approval. Before the Programme was sent to the Ministries and other public bodies it was discussed with many stakeholders informally, before being presented formally to the Statistical Council. It should be considered for the future whether more formalized structures should be established to involve all groups of users in a more integrated way and in particular the private sector, the scientific community and the society at large in the planning of the Statistical Programme and the annual work plan.

SORS is also responsible for reporting on the implementation of the five-year Programme, which will be, together with the opinion of the Statistical Council, presented to the Government for consideration and approval. The Government passes then the report to the National Assembly. Moreover, SORS publishes yearly reports on its activities.

#### **1.1.6 Indicator 1.6: Statistical releases are clearly distinguished and issued separately from political/policy statements.**

Statistical releases published by SORS are purely statistical in their nature and do not contain any political comments. The peer review team gathered evidence on this issue by studying a number of press releases as well as through discussions with users, in particular with the media.

Press releases are drafted within SORS in close cooperation between subject matter and dissemination departments, following defined internal procedures. One of the objectives of the dissemination strategy of SORS is the improvement of their contacts with the media.



### **1.1.7 Indicator 1.7: The statistical authority, when appropriate, comments publicly on statistical issues, including criticisms and misuses of official statistics.**

SORS reacts publicly on the misuse or misinterpretation of official statistics in the media, which could jeopardize its credibility and image, but only in very important cases. Procedures are described in a brief section of SORS's dissemination strategy and in a recently prepared internal paper. In case of incorrect use of statistical data in political debates SORS does not intervene. The decision is taken by the Director whether to respond to misuse, misinterpretation or criticism in the media of any aspect of the work of the office. The Director also determines the response that should be made. The Official Statistics Law, however, does not include such a rule, as is the case in many other statistical laws. It is therefore recommended that the right of the SORS to intervene publicly in cases of misuse or misinterpretation of its statistics should be explicitly laid down in the Official Statistics Law.

## **1.2 PRINCIPLE 2: MANDATE FOR DATA COLLECTION**

**Statistical authorities must have a clear legal mandate to collect information for European statistical purposes. Administrations, enterprises and households, and the public at large may be compelled by law to allow access to or deliver data for European statistical purposes at the request of statistical authorities.**

### ***Overall assessment:***

*The Official Statistics Law, in particular chapters IV and V, together with the five-year Statistical Programme and the annual work plan, provides SORS with a clear and broad legal mandate to collect and access the data needed for the implementation of the Statistical Programme and the annual work plan. According to Article 24 of the Law, priority is given to the use of administrative data ("If administrative data sources are available, statistical survey shall not be undertaken"). All surveys and censuses are in principle compulsory and reporting units can be fined if they fail to provide complete and accurate data. However, in the case of household surveys the obligation to respond is not enforced, and the instrument to fine non-responding reporting units in compulsory business surveys is hardly used.*

*The Law moreover gives SORS the right to access individual data resulting from the surveys of other authorized producers of official statistics. In addition to the legal provisions, SORS has signed several memoranda of understanding with public institutions concerning the access of administrative data; the conclusion of further memoranda is planned.*

### **1.2.1 Indicator 2.1: The mandate to collect information for the production and dissemination of official statistics is specified in law.**

The mandate of SORS (and of the other producers of official statistics) to collect statistical data for the production and dissemination of official statistics is clearly specified in the Official Statistics Law in connection with the five-year Statistical

Programme and the annual work plan. The work plan contains the list of statistical surveys to be conducted, as well as lists of administrative sources and data obtained by constant monitoring and observation to be used in official statistics. Censuses are always regulated by special laws. Article 8 of the Official Statistics Law instructs SORS to conduct censuses, household surveys and surveys in economy and agriculture. Chapter V. "Data Collection" of the Law (articles 24 to 31) regulates rights and duties of SORS and the other producers of official statistics, as well as the rights and duties of the reporting units including holders of administrative data sources in connection with the collection of data for the production and dissemination of official statistics.

SORS initiated the use of electronic questionnaires and electronic data transmission via internet to and from businesses to reduce their reporting burden, and plans to develop electronic data collection for most business surveys. As far as household surveys are concerned, computer assisted interview techniques are already used and their use will be extended.

### **1.2.2 Indicator 2.2: The statistical authority is allowed by national legislation to use administrative records for statistical purposes.**

According to Article 31 of the Official Statistics Law, SORS has the right to access all administrative data sources, including identification codes, as well as the data collected by constant monitoring and observation methods, unless their statistical use is explicitly prohibited by law. The restriction in the Law does not, according to the management of SORS, reduce the possibility to use administrative data in practice. . The holders of administrative data sources and of data collected by constant monitoring and observation method are explicitly bound to provide data in conformity with the adopted annual work plan and in the way as agreed in consultation with SORS. Moreover, it is forbidden according to Article 24 of the Law to conduct a statistical survey if administrative data sources are available.

On the basis of the clear legal provisions, SORS has been given access to all known and usable administrative data. However, an increased use of administrative data for statistical purposes is still of high priority to SORS. In the strategy 2009 – 2012 as well as in the draft Programme 2011 – 2015, the need to improve the use of administrative data is explicitly expressed. SORS will continue to use any opportunity to broaden its knowledge and to support the improvement of existing administrative data sources. It will further continue to promote the development of new administrative data sources to be used for statistical purposes, and to provide, if required, methodological support. In this context it is to be emphasised that the Official Statistics Law gives SORS already the right and the duty to participate in all activities related to the establishment of new or the change of existing administrative data sources. That means that SORS has the possibility to influence the contents of such data sources with a view to make them fit for statistical purposes. In addition, SORS intends to investigate how its role in that process and its authority to influence the content of administrative data sources can be strengthened. Moreover SORS should be provided with the metadata for the administrative data they use.

SORS has already signed some memoranda of understanding with providers of administrative data; the negotiation on and signature of further memoranda is advisable.

### **1.2.3 Indicator 2.3: On the basis of a legal act, the statistical authority may compel response to statistical surveys.**

In Article 26 of the Official Statistics Law it is stipulated that reporting units in general are obliged to supply, free of charge and under observance of the deadlines set, the accurate and complete data as determined by the authorized producers of official statistics. However, in the case of household surveys, the obligation to respond is not enforced.

The Official Statistics Law includes rules that legal entities as well as physical persons can be fined if they fail to supply the requested data in time to the authorized producer of official statistics, here SORS, or if they supply incomplete or incorrect data, or obstruct the control of the data. The legally defined possibility of sanctions is, however, in practice not used in the case of private households and hardly used in the case of businesses. The reason is that response rates are still rather high, despite the fact that there are increasing problems with small enterprises especially in the Belgrade region. Instead of issuing fines, SORS attempts (in particular with their staff in the regional branches of the office), to intensify cooperation with businesses, stressing the importance of statistics and convincing them to respond.

## **1.3 PRINCIPLE 3: ADEQUACY OF RESOURCES**

**The resources available to statistical authorities must be sufficient to meet European Statistics requirements.**

### ***Overall assessment:***

*The good qualification of its staff is the main strength of SORS with regard to its capacity to ensure the adequacy of its resources. This statement made by SORS in its self-assessment was confirmed by many stakeholders interviewed during the LPR. They described the staff of SORS as highly qualified and very cooperative. Many of the users interviewed mentioned the visible progress that the office has made during the last few years.*

*On a further positive note, it should be mentioned that the salary situation in SORS is comparable with the situation in other public institutions. The staff turnover is very low and not a problem for the office; the recruitment of highly qualified staff is not an issue.*

*The present staff numbers and qualification levels might be sufficient for the current work. The peer review team recognized, however, that there are clear indications which show that the number of staff of SORS is too small to carry out future development actions necessary to reach compliance with European requirements in due time. A budget increase would also be necessary in order to achieve this.*

*Compared with other statistical offices in the region and in the European Union, SORS appears understaffed and underfinanced. Staff resources of SORS decreased instead by approximately 10 % in 2010 compared to 2009, which may lead to difficulties for SORS to launch and implement the necessary development work towards full compliance with the European acquis in statistics. As a consequence, it is advisable that SORS staff resources will be increased over the next years.*

### **1.3.1 Indicator 3.1: Staff, financial, and computing resources, adequate both in magnitude and in quality, are available to meet current European Statistics needs.**

An increase of the number of staff, together with an increase in the financial resources required to support the staff increase is an indispensable prerequisite to fulfil the development activities which are included in the draft new Statistical Programme 2011 – 2015 and which are meant to lead to compliance with the acquis. In the Programme it is correctly stated that funds and staff are required for the development of official statistics and that the realization of the Programme requires investment in human and material resources. As the 2010 report from the compliance measurement database indicates, there are significant efforts needed from SORS to produce and transmit to Eurostat the full range of statistical data required by European regulations in statistics and to apply European methodology in their compilation.

Besides the further enlargement of the scope of statistics that will be in compliance with European requirements, the need to further improve quality, including the appropriate documentation of the quality processes, and to find ways to reduce the response burden makes it necessary in the view of the peer review team that the number of highly qualified staff is noticeably increased.

An increase of the efficiency of SORS is also needed, in particular by a further improvement of the staff structure in the mid-term. The share of approximately 2/3 of the staff with a university degree should be further increased. Moreover, a change in the organizational structure of SORS and the staff reallocation involved, as well as the assignment of new tasks to the regional branch offices, and the development and implementation of a well structured training programme for all the staff will be useful.

## 1.4 PRINCIPLE 4: QUALITY COMMITMENT

**All ESS members commit themselves to work and co-operate according to the principles fixed in the Quality Declaration of the European Statistical System (ESS).**

### *Overall assessment:*

*SORS is paying attention to statistical quality. A systematic and standardized approach to quality will be based on the documents prepared and recently adopted by the office. They focus on quality management and the measurement of the quality of the statistical products produced.*

*The Quality Management Framework (adopted by the office in January 2011), as well as initial steps being taken in this field, confirm the readiness of SORS regarding the implementation of quality management based on the EFQM approach. Training in quality management at the top and middle management levels has started with the assistance of foreign experts. Their input has served as a main source for the preparation of the quality management activity plan, incorporating a variety of activities (including quality measurement, satisfaction surveys, training etc.). The project approach (with the involvement of a specific working group) has been selected and the quality issues have been assigned to an already existing unit (with other responsibilities), which will support the introduction of the EFQM model.*

*SORS has officially accepted the European Statistics Code of Practice; the Code has been translated into Serbian and posted on the website, together with the Fundamental Principles of Official Statistics of the United Nations.*

*Improvements in international comparability, as a result of the harmonization process (according to EU standards), were appreciated by the users, who expect further progress in this direction.*

### **1.4.1 Indicator 4.1 Product quality is regularly monitored according to the ESS quality components.**

The assessment of product quality is now done according to the hierarchical structure and specifically for concrete statistical surveys. In several cases, the structure of quality reports adhering to EU legislation was partly used for this purpose.

“Reporting procedure for the measurement of quality” has been adopted recently for the measurement of data quality according to the ESS quality components. This document will serve as a basis for the standardized approach to quality monitoring and evaluation (including necessary and appropriate documentation related to the quality measurement).

Quality reports in the first phase will be elaborated for statistics where quality reports are required by EU legislation. The subject-matter departments and a specific department responsible for the statistical and mathematical methods will be involved in this work.

#### **1.4.2 Indicator 4.2 Processes are in place to monitor the quality of the collection, processing and dissemination of statistics.**

Quality is monitored to a certain extent throughout the stages of data production, by the staff and responsible managers, according to specifications for concrete surveys. Data collection (e.g. non-response), data capture and processing are usually subject to this monitoring (similarly as timeliness and punctuality). Introduction of the standardized monitoring of the quality of the processes, accompanied by the appropriate documentation, is also planned within the framework of the EFQM activities. A combination of methods such as self-assessment, quality reports, and selected quality indicators will serve for the internal and external presentation of data quality (e.g. selected quality indicators for data users).

#### **1.4.3 Indicator 4.3 Processes are in place to deal with quality considerations, including trade-offs within quality, and to guide planning for existing and emerging surveys.**

In the preparation of the timetable for statistical production and dissemination, the accuracy and timeliness of the data are considered as important quality dimensions. The trade-off between both aspects takes into account the needs including the EU legislation as well as experience gained from the relevant phases of data production. Pilot surveys are conducted in order to test the preparation of new surveys. The procedure for the planning of new surveys is planned to be described in a written form in 2011 as a standard tool for survey managers.

#### **1.4.4 Indicator 4.4 Quality guidelines are documented and staff is well trained. These guidelines are spelled out in writing and made known to the public.**

Internal guidelines related to statistical production exist for most of the surveys. As they serve for the above mentioned purpose they are used internally. For external purposes, disseminated data are accompanied by selected metadata. In the framework of the organization of statistical surveys, selected quality aspects are part of preparing staff involved in statistical production, including interviewers.

Documents related to quality are available on the intranet (“Quality Management Framework”, “Reporting procedure for the measurement of quality”). Quality Management Framework has been posted on the website with the aim to increase the transparency, statistical literacy of the users and to promote the efforts of the SORS in this field. The development of a revision policy is recommended as a further step in this direction.

Recently, training in quality management issues has been conducted as an initial step for the implementation of the quality management in the office, with the support of foreign experts. Extensive training in quality issues is considered to be an important pre-condition for the successful implementation of the EFQM. It will also support the

systematic approach in monitoring and evaluating the quality of statistical products and processes.

#### **1.4.5 Indicator 4.5 There is a regular and thorough review of the key statistical outputs using external experts where appropriate.**

Reviews of statistical production were conducted by international organizations (e.g. IMF), usually with the involvement of external consultants. Data delivery to Eurostat and communication with the various units within Eurostat is considered as being a part of the process as well. In this context, quality reporting according to the EU legislation will also play an important role in the quality improvement process of SORS. Similarly, cooperation with other statistical offices and participation in a variety of projects serve as a source for new information and experience as well as a form of benchmarking with foreign partners.

### **1.5 PRINCIPLE 5: STATISTICAL CONFIDENTIALITY**

**The privacy of data providers (households, enterprises, administrations and other respondents), the confidentiality of the information they provide and its use only for statistical purposes must be absolutely guaranteed.**

#### ***Overall assessment:***

*SORS takes statistical confidentiality very seriously. The confidentiality principle is included in the Statistical Law; it is also reflected in internal documents and in specific measures that are put in place (e.g. information for respondents in statistical forms). The confidentiality principle is also known and its necessity is understood by the users.*

*The legal problem that needs specific attention (namely a contradiction between the Official Statistics Law and the Law on Free Access to Information of Public Importance concerning confidential data), was also noticed on the basis of a specific example presented by SORS.*

#### **1.5.1 Indicator 5.1 Statistical confidentiality is guaranteed by law.**

Statistical confidentiality in Serbia is legally guaranteed. The Official Statistics Law includes (among the basic principles) the principle of confidentiality. A specific chapter in the Law is devoted to this issue – it contains the definition of confidential data, allows the use of confidential data for statistical purposes only, stipulates the duties of the authorized data producers who are obliged to define in more details the measures and procedures of data confidentiality protection, and other related provisions. The Official Statistics Law is available on the internet. A specific article in

the Law on the Census of Population, Households and Dwellings 2011 (on internet as well) also defines the rules for the treatment of data collected (secrecy, use for statistical purposes).

### **1.5.2 Indicator 5.2 Statistical authority staff signs legal confidentiality commitments on appointment.**

The inclusion of the confidentiality principle and related basic rules in the Official Statistics Law (that is binding for the staff of the SORS as well as for all citizens of the country), was considered by the top management of the SORS to be a sufficient pre-condition for the observation of this principle. Therefore staff was not asked to sign confidentiality commitments on appointment. As the signing of the commitment of the staff to protect confidential data follows international good practice and is aimed at strengthening the responsibility of the staff, a confidentiality commitment shall be signed by all the employees in the near future and this practice shall be applied for all the new staff of SORS.

### **1.5.3 Indicator 5.3 Substantial penalties are prescribed for any wilful breaches of statistical confidentiality.**

According to the Official Statistics Law, a penalty will be applied to the “Authorized producer of official statistics in case they fail to stipulate in a special act the measures and procedures to secure the confidentiality of data”, as well as to the person responsible for this breach of confidentiality. In the internal “Guidelines on measures of data and information protection in the SORS”, the respective article specifies that in case a breach of statistical confidentiality occurs, disciplinary or criminal proceeding can be initiated against the person responsible. To further increase the transparency (for general public) of these rules, it is recommended to directly include this kind of provision related to the penalties/procedures in case statistical confidentiality is breached into the Official Statistics Law.

### **1.5.4 Indicator 5.4 Instructions and guidelines are provided on the protection of statistical confidentiality in the production and dissemination processes. These guidelines are spelled out in writing and made known to the public.**

The necessity to adopt the internal guidelines is stipulated in the Official Statistics Law. Internal instructions are incorporated in several handbooks (Rulebook on statistical data protection in the SORS; Rulebook on storage and organization of statistical data; Guidelines on measures of data and information protection in the SORS). Their aim was to define (in more detail) relevant rules, underline the importance of confidentiality and guide the SORS staff in the production and dissemination of statistical data in this respect. The rules are available on the intranet.

The obligation and responsibility of SORS to protect confidential data is included in the introductory part of the statistical forms. The producers of statistics, as well as the



users of statistical data, confirmed their knowledge of the principle and the importance of this approach, as well as their confidence in the appropriate treatment of confidential data by SORS.

**1.5.5 Indicator 5.5 Physical and technological provisions are in place to protect the security and integrity of statistical databases.**

Within the limits of the peer review it appears that there is no reason to doubt the technical and physical protection of the statistical databases. Procedures are in place to ensure the application of the confidentiality principle. Two specific units in the IT section (system and communication support division and internet technology and e-business division) are working on the IT data protection. Automated software is used to ensure the detection and protection of confidential data.

**1.5.6 Indicator 5.6 Strict protocols apply to external users accessing statistical micro-data for research purposes.**

Access to micro-data for researchers is allowed by the statistical law; however, the interest from users in requesting micro-data for research purposes is still very limited. The main rules are also defined in the internal guidelines. As far as requests that are submitted in writing are concerned, the final decision is made by the Director of SORS. For reasons of clarity, a full description of the internal procedure for this access (including the content of the contracts/protocols) will be defined and made available on the intranet. The presentation of this possibility and information on the conditions of gaining access to micro-data for research purposes on the web page is planned with the aim to increase knowledge of the scientific community about this useful source that can assist them with their work. This information will also contribute to higher transparency and clarity regarding the procedures used in this field.

## **1.6 PRINCIPLE 6: IMPARTIALITY AND OBJECTIVITY**

**Statistical authorities must produce and disseminate European Statistics respecting scientific independence in an objective, professional and transparent manner in which all users are treated equitably.**

### ***Overall assessment:***

*Discussions held during the peer review with the top management and staff of SORS and with various groups of stakeholders provided reasonable assurance for the opinion that SORS respects scientific independence in producing and disseminating official statistics and carries out its tasks in an objective, professional and transparent manner. The practice of ensuring equality of access to newly released data is to be emphasised.*

### **1.6.1 Indicator 6.1: Statistics are compiled on an objective basis determined by statistical considerations.**

The objectivity of the production and dissemination of official statistics is stipulated by the Official Statistics Law. The Director of SORS is obliged by the Law to protect the professional credibility of official statistics from all kinds of unprofessional influence. The SORS says in its self-assessment that statistics (mainly CPI data) is sometimes criticized. After interviewing users including the media during the peer review, however, the members of the peer review team were of the opinion that SORS produces and disseminates statistics in an objective manner.

### **1.6.2 Indicator 6.2: Choices of sources and statistical techniques are informed by statistical considerations.**

Legal provisions in Serbia stipulate that decisions concerning the definitions and the methods of collection, processing and disseminating official statistics are the responsibility of the statisticians. The conduct of SORS demonstrates that SORS strives for the full compliance of its statistics with international norms and standards, as well as that their methods of statistical production are solely driven by statistical considerations.

### **1.6.3 Indicator 6.3: Errors discovered in published statistics are corrected at the earliest possible date and publicised.**

The “Strategy for Information and Dissemination Development in the Statistical Office of the Republic of Serbia” describes the procedures on how to deal with errors discovered in already published statistics and how the corrected data should be announced to the users. As a general rule, it is said that in case of errors immediate action shall be taken to correct them. It is explained how to act in the case of errors in printed publications, in online databases and in press releases. The description of the procedures in the dissemination strategy will be further developed.

The interviews with junior staff showed that these rules are well known to the staff of SORS and applied in practice in case errors occur.

**1.6.4 Indicator 6.4: Information on the methods and procedures used by the statistical authority are publicly available.**

SORS is obliged by the Official Statistics Law to offer professional interpretation and assessment of the data they produce and disseminate, and to provide the public with all information on the sources and methodology applied. For nearly all of its statistical output SORS already publishes and regularly updates information on the methods and procedures used on its website according to its self-assessment and the discussions in the course of the LPR. It appears, however, that the present metadata do not follow international standards and vary between the various statistical domains. The implementation of a standardized metadata system is one of the strategic objectives of SORS. Moreover the dissemination strategy of SORS should be amended by a chapter on metadata.

**1.6.5 Indicator 6.5: Statistical release dates and times are pre -announced.**

The Official Statistics Law lays down that the authorized producers of official statistics shall keep an updated and publicly available dissemination calendar. It is moreover stated that any deviation from the time schedule determined by the calendar shall be announced and clarified publicly. SORS publishes a bilingual calendar of its press releases in advance for the coming year. This includes the titles of the indicators to be published, the reference period, the release date and the release time. At present the calendar for 2011 can be found on the website of SORS. In the case a release date has to be postponed because of unforeseen circumstances SORS will, according to its dissemination strategy, clearly indicate the new issuing date in the web-based press release calendar. It would be useful also to explain the reasons for the postponement.

**1.6.6 Indicator 6.6: All users have equal access to statistical releases at the same time and any privileged pre-release access to any outside user is limited, controlled and publicised. In the event that leaks occur, pre-release arrangements should be revised so as to ensure impartiality.**

The principle that all users have equal access to statistical releases at the same time is laid down in Article 39 of the Official Statistics Law and applied in practice by SORS. From the discussions with users during the peer review it appears that this approach is generally accepted and that there is no pressure on SORS to provide privileged access.

**1.6.7 Indicator 6.7: Statistical releases and statements made in Press Conferences are objective and non-partisan.**

The improvement of the cooperation with the mass media is one of the objectives of the new dissemination strategy of SORS. Procedures for the preparation of press releases and of press conferences are described in a chapter in the dissemination strategy and in short internal papers regarding the procedure for publishing press releases and the procedure for the preparation of a press conference. The close

cooperation between experts from the responsible subject matter departments and the dissemination and public relations units helps to guarantee the objectivity and professionalism of the releases and statements. Users interviewed during the peer review confirmed the objectivity of SORS' releases.

## **1.7 PRINCIPLE 15: ACCESSIBILITY AND CLARITY**

**European Statistics should be presented in a clear and understandable form, disseminated in a suitable and convenient manner, available and accessible on an impartial basis with supporting metadata and guidance.**

### ***Overall assessment:***

*SORS considers data dissemination and improvements related to the clarity and accessibility of statistics as one of their main priorities. The dissemination strategy has been adopted by the office and new developments have been realized, mainly in the electronic presentation of the data. A new website was launched recently.*

*Users in general expressed positive opinions about the services provided by SORS. A user satisfaction survey has been introduced as an important source that supports the innovations in the dissemination of statistics.*

*Further orientation on the modern ways of presenting data for potential and future users, anticipating their needs, as well as activities related to statistical literacy should continue and be further developed by SORS. The standardization of metadata and the continuing presentation of the efforts and policies on SORS' website could help to increase the clarity and transparency of statistical work, as well as improving the image of SORS.*

### **1.7.1 Indicator 15.1: Statistics are presented in a form that facilitates proper interpretation and meaningful comparisons.**

SORS' website provides news releases, access to public database, a calendar of press releases and publications, methodology (in Serbian), information about SORS etc. A new website has been launched recently with the goal to improve the content, design and technical support of the website. Several databases from the previous website were replaced by one output database, which allows access to data in several different formats (incl. Excel).

A user satisfaction survey was conducted for the first time in 2010. Continuation of this practice, with a two-year periodicity, is planned to receive feedback for further improvements of data presentation and communication with the users. This is also the reasoning behind the introduction of a specific web satisfaction survey.

The scope and the content of the related metadata including explanatory notes about the methodology differ according to the domain. Methodological comments and explanations are included in the publications and are available on a specific part of the website. The implementation of a new system of standardized metadata according to international standards is planned.

Users expressed their satisfaction with the dissemination of statistics and with the website. In case of questions or additional need for information, users contact SORS directly. Selected quality indicators for the users in future will further contribute to better understanding of statistics.

**1.7.2 Indicator 15.2: Dissemination services use modern information and communication technology and, if appropriate, traditional hard copy.**

SORS makes good use of the internet as a rational way how to communicate statistics. The use of paper publications is still quite frequent; however, the interest in data in an electronic form is increasing as a trend supported by the new generation of users of statistics. The introduction of more user-friendly tools (like Excel) in the new version of the database allows more flexible usage of disseminated data. The exploitation of modern ways for presentation of statistics is one of the tasks of the Dissemination Strategy (incl. Action Plan for its implementation).

**1.7.3 Indicator 15.3: Custom-designed analyses are provided when feasible and are made public.**

Custom-designed analyses and specific statistical outputs according to the needs of the users are part of the work carried out by SORS. Tailor-made products and services are paid by the customers according to the pricing policy of the office and related rules. Users are aware of these possibilities and expressed their positive evaluation of the services provided by the office in this field.

**1.7.4 Indicator 15.4: Access to micro-data can be allowed for research purposes. This access is subject to strict protocols.**

Access to micro-data is allowed, as explained in Principle 5 (Indicator 5.6). SORS plans to conduct further work in this area (promoting how to access data, improving the definition of internal procedures).

**1.7.5 Indicator 15.5: Metadata are documented according to standardised metadata systems.**

The standardization of metadata is (according to the plans of SORS expressed in the Dissemination Strategy), one of the important goals of SORS. The use of international metadata standards and the creation of a metadata database including quality indicators are considered as fundamental elements in this area.

**1.7.6 Indicator 15.6: Users are kept informed on the methodology of statistical processes and the quality of statistical outputs with respect to the ESS quality criteria.**

SORS includes information on the indicators and procedures used for the production of statistics in its statistical products. The new website created by SORS includes a specific part devoted to the presentation of statistical methodology. The description (in Serbian) varies among statistical fields. It usually includes the definitions and explanations of statistical indicators, description of statistical units and the classifications used. News releases as well as publications generally include this type of information.

Various activities (in cooperation with universities, in the framework of the Statistical Society etc.) are used for presentation of official statistics in the framework of statistical literacy initiatives.

The availability of standardized metadata, the use of selected quality indicators and a direct link between data and metadata in the statistical database on the website might further assist in the presentation of statistics to the general public. This approach might contribute to the higher transparency of the work conducted by SORS and a better understanding of statistics in general (including its strengths and limits).

## **2 CO-ORDINATION ROLE OF THE NATIONAL STATISTICAL INSTITUTE**

The National Statistical System of Serbia is rather decentralized. Besides SORS as the main producer and disseminator of official statistics in Serbia the draft Statistical Programme 2011 – 2015 names a long list of Ministries and other public institutions as authorized producers of official statistics. Though many of these authorized producers are only responsible for minor parts of the Statistical Programme, coordination of the system is of high importance for the good functioning and the efficiency of official statistics.

SORS seems to be accepted as the coordinator of the Statistical System by the other producers of official statistics. With the most important ones, the National Bank and the Ministry of Finance, a joint memorandum of understanding regarding the division of work in the fields of macroeconomic and government finance statistics and the sharing of data between the institutions was signed. Memoranda with some other producers also exist. Memoranda of understanding should be agreed with all other authorized producers of official statistics.

SORS is provided with a strong role in the process of planning statistical activities. It is by law the institution which drafts the strategy, the five-year Statistical Programme and the annual work plan, in consultation with the other authorized producers of official statistics, proprietors of other data and users. With the professional opinion of the Statistical Council the draft Programme is submitted by SORS via the Government to the Parliament for adoption. The annual work plan is adopted by the Government. With regard to the need for more formalized planning processes see Principle 1. The establishment of standing committees for selected statistical domains should also be considered. It is a positive sign that the Programme is discussed in meetings of the Statistical Society of Serbia so that active members of the Society are involved in the planning process

According to the Official Statistics Law SORS is moreover responsible to set the standards for official statistics as a whole (classifications, nomenclatures, definitions, principles etc.) and the other authorized producers are obliged to cooperate with SORS in methodological questions of statistical surveys (with the exception of the National Bank for which special provisions are specified in the Law). However, not all statistical departments of other authorized producers are already following common standards. There is still some work to do in this field.

The classification of economic activities is laid down in Serbia by a law and a governmental regulation, both drafted by SORS.

### **3 GOOD PRACTICES TO BE HIGHLIGHTED**

The Official Statistics Law does not only regulate the production and dissemination of official statistics by SORS, but it regulates the production and dissemination of all official statistics by all producers of official statistics. It therefore also includes rules on the coordination of the statistical system.

The Official Statistics Law stipulates that official statistical data shall be available to all users in an equal way and at the same time. Exceptions are not permitted.



## **4 LIST OF IMPROVEMENT ACTIONS BY PRINCIPLE OF THE CODE**

### **4.1.1 Improvement Actions Principle 1: Professional Independence**

#### **Improvement actions**

Including a fixed-term mandate for the position of the Director as well as the procedures for appointment and dismissal of the Director into the Official Statistics Law.

#### **Timetable**

SORS will propose changes to the existing Law within 2 years.

Including the right for producers of official statistics into the Official Statistics Law to intervene publicly on statistical issues in case of misuse or misinterpretation of official statistics.

SORS will propose changes to the existing Law within 2 years.

### **4.1.2 Improvement Actions Principle 2: Mandate for Data Collection**

#### **Improvement actions**

Investigating how to strengthen the role of SORS with regard to the improvement of administrative data sources by providing methodological and technical support for their development and how to enforce its influence on the way administrative data are produced. Defining formal procedures how to achieve that goal including memoranda of understanding.

#### **Timetable**

Timeframe in which this issue will be analysed is 1 year.

Amending the Official Statistics Law by a rule that should give SORS the right to influence the content of administrative sources (see examples in the Laws of Ireland and Norway) and to oblige SORS on the other hand, to provide advice on methodological questions for the collection of administrative data.

SORS will propose changes to the existing Law within 2 years.

Developing a concept for intensifying cooperation with enterprises.

End of 2012

### 4.1.3 Improvement Actions Principle 3: Adequacy of Resources

<b>Improvement actions</b>	<b>Timetable</b>
Developing an inventory of all existing legislation requiring statistical data from SORS needed for decision making and finding ways to strengthen the involvement of SORS in the preparation of new legislation of that kind.	2014
Developing a training programme for all staff.	End of 2011
Developing a concept for a change of the organizational structure connected with a re-allocation of staff resources in SORS (headquarter and regional offices).	End of 2012

### 4.1.4 Improvement Actions Principle 4: Quality commitment

<b>Improvement actions</b>	<b>Timetable</b>
Starting implementation of the EFQM model.	2011
Implementing training on quality issues.	2011-2013
Elaborating quality reports for all statistics for which quality reports are required by European legislation.	2013
Introducing standardized quality measurements of survey processes.	2012-2014
Presenting selected quality indicators as part of standardized metadata on the web page using best practices.	2011-2013
Defining and describing the procedure for planning new surveys.	2011

### 4.1.5 Improvement Actions Principle 5: Statistical Confidentiality

<b>Improvement actions</b>	<b>Timetable</b>
Introducing legal confidentiality commitments to be signed by the staff.	2011
Revising the Official Statistics Law – prescription of the penalties/disciplinary or criminal proceedings in case of breaching statistical confidentiality.	SORS will propose changes to the existing Law within 2 years.

<b>Improvement actions</b>	<b>Timetable</b>
Defining the internal procedure for the access of external users to micro-data for research purposes (incl. contracts with researchers).	2011
Informing on the conditions for the access of external users to micro-data for research purposes on the website of SORS.	2011
<b>4.1.6 Improvement Actions Principle 6: Impartiality and objectivity</b>	
<b>Improvement actions</b>	<b>Timetable</b>
Developing and describing a procedure for preventing leaks.	2011
<b>4.1.7 Improvement Actions Principle 7: Sound Methodology</b>	
<b>Improvement actions</b>	<b>Timetable</b>
Strengthening cooperation, through regular meetings, with scientific research institutions.	2011
<b>4.1.8 Improvement Actions Principle 8: Appropriate Statistical Procedures</b>	
<b>Improvement actions</b>	<b>Timetable</b>
Establishing a metadata-driven automated processing system.	2011-2015
Developing and publishing a revision policy.	2012
<b>4.1.9 Improvement Actions Principle 9: Non-Excessive burden on respondents</b>	
<b>Improvement actions</b>	<b>Timetable</b>
Developing electronic data collection for at least 90% of business surveys.	End of 2012
<b>4.1.10 Improvement Actions Principle 10: Cost Effectiveness</b>	
<b>Improvement actions</b>	<b>Timetable</b>
Extending the use of CAI in household surveys.	2011
Implementing a strategy according to the ICT feasibility study	2011- end of 2014

#### **4.1.11 Improvement Actions Principle 11: Relevance**

<b>Improvement actions</b>	<b>Timetable</b>
Organizing a user satisfaction survey every two years.	2012, 2014
Developing a concept for improving the consultation of users in the process of the preparation of the 5-year Programme and the annual Plan.	2012

#### **4.1.12 Improvement Actions Principle 12: Accuracy and Reliability**

#### **4.1.13 Improvement Actions Principle 13: Timeliness and Punctuality**

<b>Improvement actions</b>	<b>Timetable</b>
Subscribing to the IMF Special Data Dissemination Standard (SDDS).	Second half of 2011

#### **4.1.14 Improvement Actions Principle 14: Coherence and Comparability**

<b>Improvement actions</b>	<b>Timetable</b>
Establishing new organisational unit for statistical methodology, standards and concepts.	With the next change of organization.

#### **4.1.15 Improvement Actions Principle 15: Accessibility and clarity**

<b>Improvement actions</b>	<b>Timetable</b>
Further improving the content of the dissemination products and services – revised content approved by the respective boards of the Office	2012
Introduction of a permanent web satisfaction survey	Starting in 2011
Further development of user-friendly tools for flexible usage of the disseminated data on the web	2011-2013
Implementing international standards for metadata; releasing reference metadata according to these standards together with the disseminated data (incl. quality indicators).	2011-2013

**Improvement actions****Timetable**

Developing a concept for a revision of the publication plan.

2012

Developing new visual identity and standardising the design of all products.

Until 2014

## **5 ANNEXES**

### **ANNEX 1: AGENDA OF THE LPR**

### **ANNEX 2: OFFICIAL STATISTICS ACT**