



This action is funded by the European Union

ANNEX 3

to Commission Implementing Decision on the Neighbourhood East Regional Action Programme 2017 Part I (including 1 action on budget 2018 and 2019), to be financed from the general budget of the European Union

Action Document for Regional Programme on Statistics with Eurostat in the Eastern Partnership

1. Title/basic act/ CRIS number	Regional Programme on Statistics with Eurostat in the Eastern Partnership CRIS number: ENI/2017/040-208 financed under European Neighbourhood Instrument.			
2. Zone benefiting from the action/location	Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine The action shall be carried out in the six Eastern Partnership countries and in the EU Member States.			
3. Programming document	European Neighbourhood Instrument (ENI) Multiannual Indicative Programme 2017-2020 (MIP).			
4. Sector of concentration/ thematic area	Strengthening Institutions and Good Governance.			
5. Amounts concerned	Total estimated cost: EUR 5 000 000 Total amount of EU budget contribution EUR 5 000 000			
6. Aid modality(ies) and implementation modality(ies)	Direct Management - Procurement of services.			
7. DAC code(s)	<i>Statistical capacity building - 16062</i> <i>European Union Institutions - 42000</i>			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance		x	
	Aid to environment	x		
	Gender equality (including Women In Development)	x		

	Trade Development	x		
	Reproductive, Maternal, New born and child health	x		
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	x		
	Combat desertification	x		
	Climate change mitigation	x		
	Climate change adaptation	x		
9. Global Public Goods and Challenges (GPGC) thematic flagship	none			
10. SDGs	Goal 16: Promote just, peaceful and inclusive societies - Ensure responsive, inclusive, participatory and representative decision-making at all levels			

SUMMARY

The objective of the programme is to support evidence based policy-making by improving the availability and quality of statistical data from the European Neighbourhood Policy East (ENP-East) countries as well as their dissemination to a wider public.

The statistical data produced by ENP-East countries need to be improved and better harmonised with European standards, so they can be used as a better tool for the design, implementation and monitoring of national policies as well as European policies towards these countries. At national level, more and better quality statistics is an important source for evidence-based decision making by policy-makers. At the EU level, harmonised data is needed to monitor the implementation of the agreements signed and/or currently negotiated with the ENP-East countries. This is essential to support economic analyses performed by various Commission Services and for following-up on EU policies in such areas as: trade, Small and Medium-sized Enterprises' (SMEs) development, business development and competitiveness, globalisation and economic integration, Sustainable Development Goals (SDGs), transport, energy, migration, governance, social policy including poverty, employment, health, information society, education and training etc. In addition, statistical data is very useful to measure and compare the impact of policy interventions.

Technical assistance to the National Statistical Systems (NSSs) of the ENP-East countries will be delivered through regional or country-specific training as well as provision of expert advice in the countries or in the EU Member States. Technical support will be provided to data collection and publications. Specific actions will be conducted to promote compliance with the European statistics Code of Practice (ESCoP) principles of professional independence, impartiality, statistical confidentiality and accessibility of data. Expert meetings, seminars and workshops will be organised to discuss and tackle problems in producing statistics in accordance with EU standards. Support will be given to improve dissemination of data.

The proposed actions will be implemented, when appropriate, at the regional level, but also at country's level to address specific needs of individual ENP-East country according to the differentiated approach of the revised European Neighbourhood Policy and to the specific situation in the countries.

The programme will result in more and better quality data from the ENP East countries. This will serve improved governance as policy decisions can be taken on the basis of sound evidence. It will be of benefit to the EU to monitor its policies towards these countries on the basis of reliable and comparable data. It will also provide valuable support to the ENP East countries where legislative and policy development, as well as policy monitoring can be based on evidence. Finally, it will contribute to empowering the society at large, as the government can be held accountable on the basis of evidence.

1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

This regional programme is designed to assist 6 ENP-East countries - Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine - to improve the availability and quality of statistical data. It is based on long lasting past experience gained in the context of implementing bilateral and multilateral/regional statistical cooperation programmes through TACIS (past regional programmes) and the European Neighbourhood Policy (ENP), using instruments as the Technical Assistance and Information Exchange instrument (TAIEX) and Twinning projects. It also builds on ongoing cooperation implemented in Armenia and Azerbaijan with the help of TAIEX and twinning projects.

The ENP-East countries share a common past and despite the fact that they have recently undertaken different developments, their National Statistical Systems (NSSs) have been developed within a similar administrative framework. As a result, they still face similar challenges when it comes to improving their statistical systems, as briefly described below.

The European statistics Code of Practice (ESCoP) with its 15 principles is the guiding document for the development of the institutional environment in the ENP East countries. All National Statistical Institutes (NSIs) have committed themselves to respect and implement this Code. As the underlying basis for the production of statistics, all the countries have a law on statistics; most of them were adopted between 2009 and 2015. All ENP-East countries have centralised statistical systems with a major part of official statistics being produced by the NSIs. There are, however, other important producers of official statistics such as central banks, ministries and other public bodies. In all countries, the NSIs are the coordinating body of the statistical systems, but there is a need to delineate the National Statistical System (NSS) by defining the exact coverage of official statistics and the other producers of official statistics. The role of the NSIs as the coordinating bodies for the NSSs is enshrined in the statistical law but needs considerable strengthening in practice. In order to assure the professional independence of the NSI, the position of the Director General needs to be further strengthened by including into the statistical law a fixed length and number of terms, as well as clear provisions on the recruitment procedures for this post (open, transparent and based on competence only) and on the reasons for dismissal (not for professional reasons). Long term strategies and annual work programmes exist in all the countries but could be stronger tools for the NSIs to coordinate the NSS by extended them to the whole NSS. A Statistical Council to enhance user consultation exists in all countries. However, a clearer mandate and extended coverage of the society in these Councils would be beneficial.

All countries have strong legal provisions in their statistical laws to collect data through surveys and to make response to statistical surveys mandatory, especially for economic surveys. However, the statistical laws should include a stronger mandate and authority for the NSIs to access and use administrative data sources held by other public agencies/ministries. This will reduce response burden and increase efficiency. Apart from working on the legal basis, the NSIs

are also working on softer methods and have already concluded (or are in the process of doing so) several Memoranda of Understanding with these public agencies in order to receive these data on a regular basis, to be informed about their quality and to impact the changes in the design of these data, to make them suitable for statistical purposes. The most prominent example of such data where access is needed and useful is the tax register and all countries have already achieved access to it.

In terms of adequacy of resources, human and financial resources are scarce in most of the NSIs in the region and need to be managed in a more efficient way. Moreover, Information and Technology (IT) developments lead to more extensive electronic reporting by respondents. This explains, to some extent, the need for the NSIs to reorganise their extensive regional structures and to gradually reduce the number of regional offices and corresponding staff and to relocate these posts to the head-quarters to embark on more methodological work. Another aspect is the need to develop an appropriate human resource policy and to embark on an assessment of time and costs needed to produce statistical output. This will give an evidence basis for rationalisation/prioritisation of resources and for decisions to reduce/increase resources for the production of certain indicators.

All countries have started to develop and implement systematic quality management systems. Within this framework, they already implement measures to improve the quality of the data and to report on this quality through quality reports in order to inform users about the methodology used.

All countries strictly respect and implement one of the main principles to guarantee trust in statistics: the principle of statistical confidentiality. In all countries, this principle is also included in the statistical law. Individual data from respondents are collected and used for statistical purposes only. Besides, the necessary IT and infrastructure elements are in place to secure these individual data. In the future, NSIs should include provisions in the statistical law to provide access to micro-data for research purposes on a strictly regulated basis with a clear protection of individual data.

According to the principle of impartiality and objectivity, National Statistical Institutes (NSIs) are obliged to develop, produce and disseminate official statistics respecting scientific/methodological independence and in an objective, professional and transparent manner. While this principle is recognised by all countries, there is a need for strengthening the compliance with the principle in terms of institutional arrangements in the country (statistical law, place of the NSI in the government and the respective sub-ordination), of the methodological independence (the Director General of the NSI as the Chief Statistician of the country has the sole right and authority to decide on methodology) and of the dissemination practice (no pre-access for ministers and government officials). The latter is also linked to the principle of accessibility and clarity. All users should have access to the data at the same time, standard statistical information contained in the annual work programmes is disseminated for free on the website, and a statistical release calendar is available on the website with the exact date and time of release for at least headline indicators. All of these practices should be institutionalised through a dissemination policy.

Concerning statistical infrastructure, all countries have implemented the main international and European classifications and they base their national statistical classifications on them. They have set up statistical registers for the purpose of statistical surveys of businesses, or can access administrative registers and derive information from them. Updating existing registers and using administrative sources for statistical purposes is a challenge for all countries. All countries have an Information and Technology (IT) Department or a separate Computing Centre that is

responsible for all technical IT services, maintaining the website and intranet, providing software, developing own software components and applications as well as creating databases. IT systems, software and hardware need to be updated in several countries. Although the IT environment has improved over the years, investments into the hardware and software as well as in the IT staff training are necessary to enhance the capacity of the IT infrastructure and to bring it to modern standards of data processing.

As for the availability of statistical data, for all countries economic headline indicators, such as Gross Domestic Product (GDP) and quarterly GDP are available and partly based on the latest version of the System of National Accounts (SNA-2008). Although steady progress was observed, there is a need to apply the corresponding European standard (ESA-2010) and improve the quality of annual and quarterly GDP and produce sectoral accounts, regional accounts, Supply/Use Tables and Input/Output tables. All countries produce an inflation rate and several other price indices but further methodological development, quality improvements and more transparent dissemination of concepts and metadata is needed. Trade data are also available in all countries but quality and coverage need improvements. While the Balance of Payments is produced by the Central Bank in all six ENP-East countries according to International Monetary Fund (IMF) standards, public finance statistics is available but not yet produced in accordance with European standards (e.g. data are produced on cash basis instead of using accrual accounting).

Business statistics is compiled in all the countries but only very small parts of it follow European standards. The change from a branch-based approach towards the approach of annual and short-term statistics has not yet taken place and few data on business demography, SMEs, globalisation (global value chain), innovation and research are available.

As for social and demographic statistics, most countries have conducted a Population and Housing Census within the world-wide 2010 round and produce vital statistics. Back-casting population data is a significant challenge for a number of the countries due to huge migration flows, conflicts and territories out of the government control. Population registers should be established and migration statistics need urgent improvements. Data on poverty, labour market, education, research and development, health, social protection, culture, sport, crime, housing and communal services statistics are produced by the NSIs. However, data are often not yet produced in accordance with European standards and not of the required quality.

As for agricultural statistics and environment statistics, not all the countries have conducted an agricultural census and hence, the farm register and current production statistics are not complete. Agriculture production statistics, agricultural accounts and prices in agriculture need further development and quality improvement in order to align with international/European standards. For environmental statistics, availability and quality of environmental data varies in the countries in the region. The scope, quality and timeliness of data need further improvement.

1.1.1 Public Policy Assessment and EU Policy Framework

The European Union, through the revised European Neighbourhood Policy, seeks to enhance its cooperation with the neighbouring countries, especially with the Eastern neighbours in key areas of social and political life. Strengthening democratic processes in the ENP countries, good governance, economic growth and integration, energy security, involving civil society are among the priorities. The revised European neighbourhood policy introduced differentiation among the countries, in accordance with their ambitions in the relationship with the European Union. It also calls for prioritisation and for a more focused approach in order to deliver tangible and noticeable results to the citizens, as reflected in the Joint Staff Working document "*Eastern Partnership* –

focusing on key priorities and deliverables" which identifies a list of 20 deliverables for 2020. In May 2017 the Commission has issued the Report on the Implementation on the European Neighbourhood Policy Review, where it has further described the roll out of the revised policy approach.

Both the countries themselves and the EU consider cooperation with and between ENP partners as an important objective. By assisting beneficiary countries in focusing on common challenges, a regional approach has the potential to increase confidence among partner countries, thus to promote increased security, stability and prosperity in the region.

Good quality statistical data, produced in a professionally independent manner is essential to support the implementation of these policies and democratic processes and building up a democratic society in those countries. It is equally needed for trade negotiations, economic analyses, as well as for the monitoring of the efficiency of policies implemented and the assistance provided.

Reliable data is more specifically needed for the implementation of the Association Agreements (AAs) and the Deep and Comprehensive Free Trade Agreements (DCFTAs) with the three countries that concluded those agreements (Georgia, Moldova and Ukraine) and for concluding other cooperation agreements with the remaining three countries (Armenia, Azerbaijan and Belarus). Statistics is a part of these processes, both as a separate domain and as an instrument supplying data in other domains covered by the agreements. Although the AAs concern individual countries, especially in the area of statistics, commonalities are a critical factor, because, in addition to the scope and quality of data, their harmonisation and standardisation, as well as their regional and international comparability, represent a key value for the users, including users from the countries needing data for informed decision making and analyse.

In order to promote cooperation among the National Statistical Institutes (NSIs) of the six countries and with Eurostat, a panel on statistics was established in November 2014 within the framework of the Eastern Partnership (EaP). The Statistics Panel focused on exchanges of information and best practices on the following main issues:

- The implementation of the European statistics Code of Practice (ESCoP) in the National Statistical Systems (including the principle on professional independence), role and place of the national statistical offices in the national statistical systems; work with users, including public administration and private actors;
- Exchange of information and best practices on European standards in selected statistical domains and support towards harmonising these standards where so decided (e.g. business statistics including on SMEs, labour market statistics, social statistics including gender statistics, price statistics, trade statistics, national accounts including non-observed economy, energy and transport statistics, environment statistics, macroeconomic and financial statistics);
- The implementation of a user-producer dialogue for evidence-based decision-making with the emphasis on close cooperation between various ministries and agencies, the cooperation of which is crucial for producing good quality statistics;
- Exchange of information and best practices on how to increase the use of administrative data for statistical purposes.

The objective of this Panel was to contribute to the economic integration and convergence with EU policies by:

- Improving the availability of good quality statistics in line with the statistical *acquis*;
- Modernising the national statistical systems in the region so that partner countries are able to provide, in conditions of professional independence and in an efficient way, internationally

comparable statistical data for good governance and monitoring the effectiveness of the implemented policies.

Since 2015, four meetings have been organised on various statistical domains and the institutional framework for statistics and the work of the panel has generated exchange of knowledge and experience as well as recommendations for the application of European standards in the specific domains. The panel has also proven the willingness of the six countries to work together in the area of statistics. The knowledge transfer organised within the panel now needs to be complemented with a support programme to help the countries to implement the European standards into their statistical production systems so that an increasing number of harmonised and comparable statistical indicators become available.

1.1.2 Stakeholder analysis

The stakeholders to be targeted are the National Statistical Institutes as well as other producers of official statistics being part of the National Statistical System (e.g. National Bank, Ministry of Finance), who are responsible for the production of official statistics in the countries.

The governments in the countries, as well as policy Directorate Generals in the European Commission, are stakeholders, as they need high quality statistical data for the ENP-East countries in order to improve evidence-based policy making, planning, monitoring of the implementation of the existing AA and/or or to negotiate future agreements.

Statistical data also provide factual evidence for a wide range of users: policy makers, economists, media, academia and the public at large. In that sense, assistance provided to the NSSs becomes relevant for the entire society in the partner countries and in the EU Member States.

1.1.3 Priority areas for support/problem analysis

ENP-East countries are at a moderate level of development in statistics as they make a wealth of data available. However, a significant number of data needed for a democratic and social market economy are lacking or are not produced in line with European standards. Moreover, data available are disseminated in an old-fashioned way not using the advantages of the latest IT developments. On the other hand, quite some data are produced for the government that requires information in order to manage state-owned enterprises, micro-manage enterprises and regional development. Moreover, although the understanding of the role of statistics in a democratic society has changed in the countries, they are very often regarded as institutions mainly serving the government and not the society as a whole. Hence, they are considered by the government to serve its interest. This is contrary to the fundamental principles of official statistics and to the European statistics Code of Practice (ESCoP) principles according to which a statistical office needs to be professionally / scientifically independent from the government in order to produce trustful and objective statistical information.

The programme will address these problems and focus on the following key issues:

- 1) strengthening the NSIs and enhancing the institutional environment in such a way that the data are produced and disseminated in a professionally independent manner;
- 2) increasing the capacity of the NSSs, so that they could produce an increasing number of good quality statistics in accordance with EU standards and make them available through modern ways of dissemination.

While many activities will and have to be common for all countries because of the similarity of the challenges faced, the individual situation of each country and the specific goals to be achieved in the context of the AA/DCFTA and other agreements, has to be taken into account. The exact share of assistance between regional activities - for all six countries - and country specific activities, cannot be precisely defined at this point in time. Regional activities will be designed to increase harmonisation and comparability of data. Link and complementarity with country specific activities will be ensured.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Limited human and financial resources available to NSIs in ENP-East countries.	M	Beneficiaries will need to prioritise activities and deliverables within statistical projects in order to manage the implementation of the projects with the available resources.
Inefficiencies in action implementation because of lack of coordination between donors active in the region.	L	Eurostat is constantly monitoring the various donor activities in the region through the annual donor coordination survey, and keeps close contact with other donors through coordination meetings.
Professional independence of the NSI is impacted by different outside factors.	M	It is crucial for a successful implementation of the action that the governments guarantee the professional independence of the NSIs. This can be achieved by implementing global assessments highlighting the importance of the ESCoP, especially its Principle 1 on professional independence and by closely involving the national authorities with oversight functions over the NSIs.
Assumptions		
<ul style="list-style-type: none"> • Commitment of ENP-East national authorities to the process. • Cooperation of official statistics producers in the beneficiaries. Parallel implementation of necessary national projects in the area of statistics. Sufficient support to NSI provided by the Government. • Availability of experts and good cooperation between all stakeholders. The necessary human and technical resources are provided by the national authorities. 		

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

The National Statistical Systems of the ENP-East countries share a common past in being part of heavily centralised government structures and operating as a part of a centrally planned economy. Following the change of political system, the NSS of ENP-East countries have been assisted by

international donors (like the European Union (EU), the United Nations (UN), the International Monetary Fund (IMF), the World Bank, the European Free Trade Association (EFTA)) as well as individual countries (such as France, Germany, Norway, Sweden, United Kingdom) in modernising the way statistics is produced and in implementing a change of system, from providing "state statistics" to producing and disseminating "official statistics".

All ENP-East countries benefitted from various cooperation projects using TAIEX, Twinning, service contracts, bilateral cooperation projects or a combination thereof. Experience shows that the choice of the most appropriate instrument at a given point in time is essential for the success. While Twinning projects are useful when a specific domain requires a major reform, service contracts are better equipped to support the development of many statistical domains at the same time and TAIEX is most appropriate to tackle a specific ad-hoc need for foreign expertise. Cooperation in the past also has proven that the direct involvement of the top management on the beneficiary's side is crucial, as well as availability/recruitment of highly motivated staff and sharing of project results within and outside an NSI.

Past experience in accompanying national assistance programmes and implementing regional assistance programmes has proven that a regional approach is extremely helpful for the ENP-East countries. It allows them to build professional networks and to address common problems in such a way that sustainable statistical and institutional capacity is developed and able to deliver an increasing number of comparable and harmonised data. Regional programmes are the best guarantee that the data produced by the six ENP-East countries are comparable among themselves and with the data from the EU Member States.

The global assessments implemented by Eurostat in the past 5-6 years have helped to identify areas in need for development as well as strengths and weaknesses of the statistical system. They concern both statistical domains and institutional aspects, the latter being a pre-requisite to develop the statistical domains. A regional approach provides added value because it targets the entire statistical systems in all their complexity and provides for increased harmonisation, economies of scale and visibility to the region.

International cooperation and capacity development lead to an increase in statistical production (new indicators, increased coverage, improved timeliness, better quality and dissemination). For the sustainability of results, it is very important to be supported by the government as a whole. Other important factors which can guarantee sustainability are the institutionalisation of changes, proper training of responsible experts and good communication with all stakeholders involved.

Between 2009 and 2013, Eurostat implemented global assessments of the NSSs of all ENP-East countries. The reports provided comprehensive pictures of the state-of-play of the NSSs and contained a number of recommendations for improvement. The corresponding improvement actions are being implemented and monitored annually. A second round of assessment started in 2016 in Ukraine and Azerbaijan and will continue in 2017 with Moldova.

Over the years, the assistance provided by Eurostat - although limited because of budgetary constraints - has contributed to improving the institutional framework for statistics in the ENP East countries as well as the availability and quality of statistics in line with European standards. Some of the data are provided to Eurostat on a regular basis and are published. However, considerable and steady efforts are needed to improve the coverage and quality of data as well as to modernise the NSSs in line with latest international trends. Significant support by the EU is needed to address these shortcomings and challenges.

This regional programme is expected to bring further value added by addressing the current and future challenges such as data for SDGs, globalisation, business development in the countries, information society and innovation/research, social conditions, poverty, migration and others relevant areas for all the ENP-East countries. For this, sharing of experience and best practice by the EU Member States but also among the ENP East countries, by creating peer pressure and joining efforts, not only of the NSIs but of other national data producers and donor organisations (including the EU) active in the region will be necessary.

3.2 Complementarity, synergy and donor coordination

All ENP-East countries benefit from the assistance of other donors active in the region. The non-exhaustive list includes United Nations agencies, the Organisation for Economic cooperation and Development (OECD), the World Bank, IMF, EFTA, Swedish International Development Cooperation Agency (SIDA), Department for International Development (DFID), United States Agency for International Development (USAID), Norway etc. The World Bank and the Government of the Russian Federation established a multi-donor trust fund, ECASTAT, to support statistical capacity building in CIS countries.

In order to formally coordinate all these activities and donors, Eurostat is implementing an annual donor coordination survey. The results of this survey are widely disseminated among the donors and beneficiaries so that all actors are informed of activities in the countries. The results are used by all donors to avoid duplication and use the resources efficiently. The donor survey also demonstrates that the EU is the largest donor for statistical capacity building in the six ENP East countries and based on this, Eurostat's role of coordinating various donor activities is widely recognised and accepted.

Furthermore, the NSIs and their international cooperation departments are aware that donor coordination is one of their main tasks and all of them keep good track of donor projects in statistics in the country. Some of them have even established a donor coordination committee. Effective coordination with EU Delegations is ensured through the above mentioned donor survey and by the NSIs of the countries together with Eurostat.

There are national programmes to assist the NSIs in some of the ENP East countries. These programmes are complementary to the regional programme as they target specific needs of the country at a larger scale, while the regional programme focuses on common problems and challenges and focuses.

Complementarity will also be ensured with existing regional programme notably on Environmental statistics in the Eastern Neighbourhood (Shared Environmental Information System - SEIS, 2016-2020) which is implemented by Eurostat and the EU4Energy cooperation programme (2016-2020) which focuses on evidence-based energy policies with a specific component on enhancing energy data management and use in policy design.

3.3 Cross-cutting issues

Statistics affects many other policy areas by providing the data that policy makers use to design policies and the society to monitor the implementation of the policies. There are very important links to key areas such as SDGs and the Agenda 2030.

NSIs need to coordinate other producers of statistics, such as the national bank, ministries, agencies, etc. In that respect, the programme will lead to improvements not only for the statistical offices but also for the main partners involved in producing official statistics. Hence the capacity of the statistical systems will be enhanced.

The gender dimension will be addressed as more data broken down by gender will become available, where relevant, as a result of the programme.

The programme will not address environmental and climate related matters as such. However, environment-related considerations will be taken into account as the programme will contribute to improving the availability of good quality statistics on environment and partly also including climate change, in complementarity with the Shared Environmental Information System programme mentioned above.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

The overall objective of the regional cooperation in statistics is to increase evidence-based policy-making on the basis of more and better quality statistics provided by the NSIs.

This can be translated into the following more specific objectives:

A. To empower users including policy-makers, civil society and social partners in using statistical information in an educated and informed way

The programme will result in the development of an active dissemination policy, increasing engagement with users and consultation on their needs and their satisfaction with the services provided by the NSIs. Users' engagement and use of modern tools of dissemination will contribute to reaching this objective. Statistical data will be published and made available in different formats in an easy-to-access and easy-to-understand way. This will serve transparency and accountability of decision-making processes (as referred to in the EaP Deliverable 11 – Public administration reform). Increased satisfaction of the users is expected to be the result of the programme, measured through user satisfaction surveys.

B. To improve the availability of good quality statistics for all groups of users

The programme aims at:

- addressing shortcomings/gaps in statistical data production in the domains of macro-economic statistics (national accounts aggregates, government finance statistics, trade statistics, employment data, business statistics, income and living conditions statistics, migration statistics, agriculture statistics, energy and transport statistics etc.);
- maintaining the level of progress achieved in other domains such as price statistics, demographic statistics, environment statistics, etc.
- helping the countries to continue harmonisation with European standards notably by improving the availability of good quality statistics in line with the European acquis in statistics.

The support will result in an increasing number of harmonised and comparable data in selected statistical domains for all/most of the countries.

C. To strengthen the professional independence and institutional capacity of the National Statistical Institutes (NSIs)

This programme will support the professional independence and institutional capacity of the NSIs by implementing the European Statistics Code of Practice (ESCoP). It will strengthen and stabilise the NSIs' institutional set-up and reinforce the management and planning capacities of the National Statistical Systems. This includes the consolidation of the legislative framework, revising the Law on Official Statistics based on the Generic Law on Official Statistics (as mentioned in the EaP Deliverable 11 – Public administration reform). The support will result in an improved institutional set-up of the National Statistical Systems and a modern legal

infrastructure, ensuring the professional independence of the NSIs and objective and impartial data.

4.2 Main activities

The main activities will be provision of technical assistance by European experts, preparation and implementation of surveys, organisation of meetings, seminars, workshops and trainings, and production of statistical publications.

Technical assistance will be provided in priority areas (e.g. SDGs, migration, SMEs, business, economy, trade, competitiveness, poverty, employment etc.) focusing on increasing data availability for beneficiaries, namely on collection of data that are compliant with EU requirements and will be published by Eurostat.

Preparation and implementation of surveys will further enhance and help to coordinate statistical data collection from the countries. This should allow harmonising the reference periods, release dates and presentation standards. As a result a wide range of users may have access to data not only at the national, but also the regional and European levels.

Trainings, seminars, workshops will contribute to improving the statistical knowledge of staff from the countries on many statistical domains and horizontal issues (e.g. governance of NSSs, management of resources, quality etc.). Training courses facilitate the passing of European standards on to all ENP East countries, thereby ensuring that all of them know and apply consistently the same standards. The national authorities in charge of training for civil servants and public employees will be kept informed and, where relevant, they will be involved in the organisation of planned training sessions.

Production of statistical publications for the region providing harmonised regional data. The experience of the EU Member States shows that already the work on a joint publication constitutes a good opportunity to improve data comparability, the quality of data and metadata and the presentation standards. The result in this case would be both the skills developed during on-the-job practical training in preparing a publication and the publication itself including validated data.

a) Priorities to be indicatively addressed through regional activities

In terms of institutional capacity strengthening support will be provided to the NSIs to reach a position in the public administration of the countries that is free from political interference and enshrined in the statistical law and allows the NSIs to produce statistical data in a professionally independent, impartial, objective and reliable manner.

In terms of statistical capacity, support will be provided to the NSIs to increase the availability of more and better quality data through expert advice, data collection, training, workshops and publications. This will ensure that good quality statistical data in major statistical domains are available for evidence-based policy making and policy monitoring. The areas of support listed below are identified as areas in need for further development in the global assessments implemented in the six ENP East countries in the years 2009-2013 (and some more recent assessments in 2016) but other areas may emerge in the course of the project.

The support will be dedicated to the following domains (for each of the domains and resulting data it is assumed that data availability will differ from country to country depending on the current state-of-play in each country):

- macro-economic statistics (leading to the production and dissemination of annual and quarterly GDP according to ESA2010 and possibly sector accounts, government finance statistics in accordance with the ESA 2010, external trade statistics comparable with the EU Member States data, employment/unemployment data in line with the EU acquis;
- social statistics leading to the production and dissemination of data for various aspects of social policy, migration statistics, labour market data in line with EU standards, the availability of earning and labour cost data, data on poverty and other demographic indicators;
- business statistics leading to the introduction of the European concept of business statistics (short-term and structural business statistics), data on SMEs and possibly data for innovation, research and development, and the use of ICT, also in line with the Digital Economy and Society Index (DESI)¹;
- agriculture statistics, leading to the production and dissemination of basic agriculture data in line with EU standards;
- energy and transport statistics leading to the production and dissemination of basic data on energy efficiency and production/balances as well as on transport, in line with EU standards.

For all these domains and resulting data, data broken down by gender will be part of the project, where appropriate and possible (notably demographic and social statistics) and relevant (for instance linked to increased sample sizes to get a representative survey and this needs adequate financing).

In the context of the 2030 Agenda and the Sustainable Development Goals there is also an increasing demand for the sustainable development indicators that are produced within the many statistical domains mentioned above.

Furthermore, the next world-wide round of population and housing census will take place in 2020. While the implementation of the census itself in the countries is not within the reach of this regional programme, advice on methodology and survey tools will be provided. Support on national level will be needed in this context.

b) Priorities at national levels

As the countries also differ in some ways (size, political situation, relations with the EU, economic system), it is obvious that some of the activities need to target either individual countries or a smaller group of countries in the region. Exact priorities at country level are indicative and will be fine-tuned or adjusted during the inception phase. For example, Ukraine may require specific assistance to provide data on the current population and demographic situation, number of displaced people, internal and external migration. Belarus might require more support in ensuring professional independence of statistics, market-economy driven statistics on businesses as well as environment statistics and accounts. Moldova might need more focused assistance in producing employment and migration data because of the considerable migration flows out of the country and their effects on the labour market. The three countries that have signed AA/DCFTAs – Georgia, Moldova and Ukraine - need more assistance in developing comparable trade statistics, for both goods and services. Azerbaijan might need more assistance for developing statistics on the energy sector and the diversification of the economy. Georgia needs assistance for better economic and business statistics as well as population and migration statistics. Armenia might need assistance for providing data on business development, especially for SME, migration and the social situation and support for methodology development for the next population census. These are a few examples of a differentiated way in which a regional

¹ <https://ec.europa.eu/digital-single-market/en/desi>.

programme could tackle both the issues that are common for the countries in the region and those which are country-specific.

Activities carried out under this programme will also support the national mechanisms for monitoring progress and reporting on the implementation of the **Sustainable Development Goals**.

4.3 Intervention logic

The methodology to be applied in the programme is well tested in providing assistance in statistics to countries outside the EU, especially to the enlargement countries, but also to the ENP countries. It organises practical transfer of know-how by means of expert advice on statistical standards and methodology, training courses for targeted specialists, support for data collection, joint publications, methodological workshops etc. All aim at increasing the availability and coverage of good quality statistical data in the Eurostat database (Eurobase) and in the databases on the NSIs.

The main implementing partners are the NSIs which are the focal point for official statistics in the countries and closely cooperate with other producers of official statistics (typically some Ministries, the Central Bank and other specialised state bodies). The partners are well known and established as the Commission (Eurostat) cooperates with them on a regular basis by collecting and publishing data in the Eurostat database (Eurobase) and by providing assistance within its limited resources to increase the availability and quality of the data (training courses, publications, assessments of the national statistical systems or of specific domains).

The sustainability of the results of the programme stems from the fact that assistance in statistics focuses on building an appropriate infrastructure for the professionalism of the statistical institute and for statistical data production. Once a statistical survey is designed and implemented or an international classification is translated into the national language and is used in data collection process, they constitute instruments of the NSS and stay there beyond the lifetime of an assistance programme.

The multiplier effects would be manifold. Tools and instruments developed for one domain of statistics (sampling, processing, quality measures and reports) could also be applied to other domains of statistics. The regional programme gives also an opportunity for all the countries in the region to learn from best practices, as well as to apply the same standards and methodology at the same time. This contributes to achieving comparability of statistical data across the region and with the EU.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

5.2 Indicative implementation period

The indicative implementation period for this Action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Action Document.

Extensions of the implementation period may be agreed by the Commission’s authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

The action will be implemented under direct management by Eurostat following the conclusion of a cross-subdelegation between DG Neighbourhood and Enlargement Negotiations and Eurostat. DG Eurostat will be responsible for tendering and concluding one service contract.

Through the service contract technical assistance will be provided to the National Statistical Institutes (NSIs) of the Eastern Partnership countries and the other producers of official statistics (such as national banks, ministries of finance and other ministries as relevant and related to their area of competence). This will take the form of providing support to the implementation of statistical projects in key areas listed above (provision of expertise, training on methodology, support to data collection, study visits to experienced EU Member States' NSIs, consultations, analysis and dissemination of the data), participation in meetings/seminar/workshops, provision of general training on methodology and institutional issues, study visits to Member States and other appropriate forms.

5.3.1 Procurement (direct management)

Subject	Type	Indicative number of contracts	Indicative trimester of launch of the procedure
As described under section 4.2	Services	1	Q1 2018

5.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission’s authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.5. Indicative Budget

	EU contribution (in EUR)
Procurement (direct management)	5 000 000

5.6 Organisational set-up and responsibilities

The programme will be managed by Eurostat in close cooperation with the NSIs of the six ENP-East countries. The annual High Level Seminar (HLS) will play the role of the Steering Committee for taking strategic decisions on the areas of statistics to be targeted, priorities, the scope of activities and the expected results. The HLS will review periodically programme implementation and suggest necessary corrections and adjustments.

At the end of the inception period of the contract the specific priority areas of intervention will have to be defined and then consulted with the relevant stakeholders such as DG NEAR, the European External Action Service (EEAS), the EU Delegations in the countries and possibly line DGs and assessed/weighted against the available resources. This consultation process will also include the NSIs of the partner countries, through the High Level Seminar mentioned above and other consultation mechanisms.

The NSIs will constitute the coordinating bodies in their respective countries for the involvement in the programme of other stakeholders being part of the national statistical system (other producers of official statistics such as the national Bank, Ministry of Finance) or providing data to the NSI (Ministries and agencies holding administrative data or registers) or users (for defining needs for statistics).

The NSIs will be required to produce and submit annual Country Progress Reports (CPR) to describe the state of the national statistical systems, taking into account the progress made towards the international comparability and harmonisation, and the main statistical activities carried out in the meantime.

The CPR will provide an overview of the legal and general institutional framework, capacity of the statistical system and infrastructure, information system, training and resources. Besides, the CPRs will review the results and progress achieved in the implementation of the support programmes, follow-up, monitoring and assessment of the results and impact of the statistical co-operation for ENP-East countries.

Eurostat will ensure the coordination with the interested stakeholders including relevant Commission Services, EU Delegations, Member States, United Nations Economic Commission for Europe (UN/ECE), the European Free Trade Association (EFTA), the OECD, etc. It will identify synergies with other relevant, programmes, projects and initiatives related to or having impact on statistics such as, for example, EU for Energy, ENI East Regional - Shared Environmental Information System (SEIS), IMF assistance programmes. This coordination will take place through the annual donor coordination survey implemented by Eurostat.

The programme will be sub-delegated by DG NEAR to Eurostat based on an annex to the existing Memorandum of Understanding between Eurostat and DG NEAR in the form of a service-level agreement. The service level agreement will define the responsibilities for each actor in the programming, implementing and reporting phases and will set out reporting requirements for Eurostat through progress meetings and the annual activity report.

5.7 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action – based on information on data availability provided by the NSIs of the partner countries - and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties

encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

The Commission may, during implementation, decide to undertake an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing decision.

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

For country based activities, the "EU4country" branding will be used.

APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)²

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

	Intervention logic	Indicators	Baselines (2018)	Targets (2021)	Sources and means of verification	Assumptions
Overall objective: Impact	<ul style="list-style-type: none"> To increase evidence based policy-making on the basis of more and better quality statistics provided by the National Statistical Institutes from the European Neighbourhood Policy East (ENP-East) 	<ul style="list-style-type: none"> Satisfaction of users with the data provided by the statistical systems for evidence-based decision-making 	<ul style="list-style-type: none"> Satisfaction of users at a fair level 	<ul style="list-style-type: none"> Increased level of satisfaction of users and decision-makers with the data available 	<ul style="list-style-type: none"> Association Agreement reports and reports on Partnership Priorities Results from user satisfaction surveys implemented by the NSIs Feedback from international community and civil society in the country. 	<ul style="list-style-type: none"> Support to NSIs and use official statistics for policy decisions by national authorities
Specific objective(s): Outcome(s)	<ul style="list-style-type: none"> Empowerment of users including policy-makers, civil society and social partners in using statistics data in an educated and informed way 	<ul style="list-style-type: none"> Extent to which data is used for policy decisions Percentage level of satisfaction of users 	<ul style="list-style-type: none"> Statistical data are used occasionally for policy decisions Fair level of satisfaction (overall satisfaction at 30%) 	<ul style="list-style-type: none"> Statistical data are regularly used for policy documents Good level of satisfaction (overall satisfaction at 50%) 	<ul style="list-style-type: none"> Association Agreement reports and reports on Partnership Priorities User satisfaction surveys carried out by the NSIs Databases of Eurostat and the NSIs websites 	<ul style="list-style-type: none"> Necessary resources for implementation are provided by national authorities

² Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

	<ul style="list-style-type: none"> Improved availability of good quality statistics for all groups of users Strengthened professional independence and institutional capacity of the National Statistical Institutes 	<ul style="list-style-type: none"> Availability and coverage of data Percentage number of methodologies harmonised with European standards Number of quality reports available to users Number of principles of the European statistics Code of Practice implemented 	<ul style="list-style-type: none"> Estimation of baseline data availability by the contractor for 2018 Between 10-20% of methodologies harmonised Between 10-30 quality reports per NSI available Less than 50% of the principles are completely implemented 	<ul style="list-style-type: none"> 15% Increased availability of data – depending on the country (e.g. Macroeconomic indicators, labour market statistics, poverty data, Business statistics, Transport statistics, Energy statistics and Agriculture statistics etc.) in databases in comparison to baseline year 2018 Around 30-40% of methodologies will be harmonised Between 30-50 quality reports per NSI available Around 70% of the principles are implemented 	<ul style="list-style-type: none"> Eurostat sector review reports on selected domains of statistics Website of the NSIs Quality reports on the NSI websites Global assessment reports, Eurostat assessment of progress 	
Outputs	<ul style="list-style-type: none"> Increased number and quality of data available Easier access to data is provided 	<ul style="list-style-type: none"> Number of datasets on the websites accompanied by quality reports/metadata Number of dissemination policy documents available 	<ul style="list-style-type: none"> Baselines number to be established in 2018 No country has a comprehensive dissemination policy published 	<ul style="list-style-type: none"> Increase by 15% compared to the baseline At least four countries have developed, adopted and published a dissemination policy 	<ul style="list-style-type: none"> Assessment by Estat Conclusions from High Level Seminars Country progress reports User satisfaction surveys Reports on seminars and 	<ul style="list-style-type: none"> Availability of experts and good cooperation between all stakeholders

	<ul style="list-style-type: none"> • Improved knowledge and use of statistical methodologies • Improved quality management systems • Increased coordination of the national statistical system • Revised statistical laws 	<ul style="list-style-type: none"> • Number of seminars and trainings conducted to increase NSIs knowledge on European methodologies • Number of countries having a quality policy documented • Number of MoUs signed with other data providers • Number of statistical laws revised 	<ul style="list-style-type: none"> • 3-4 seminars and trainings per year • No country has a documented and publicised comprehensive quality management system in place • Coordination of the NSS is loose and not systematic • At least one country has revised and adopted its statistical law in accordance with the "Generic Law on Official Statistics" 	<ul style="list-style-type: none"> • Around 15-20 seminars/trainings per year • At least four countries have developed and publicised a comprehensive quality management system • Coordination of the NSS is established in MoU and with other producers • At least four countries have revised their statistical laws in accordance with the "Generic Law on Official Statistics" 	<p>trainings</p> <ul style="list-style-type: none"> • Data on websites of the NSIs and in Eurostat database • Laws on the websites of the NSIs 	
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Activities: training, study visits and consultations, data collection, publications, workshops and seminars.

Input: expertise, EU know-how, EU acquis in statistics, support to surveys.