



2019

Annual Activity Report

EUROSTAT



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THE DG IN BRIEF

Eurostat is the statistical authority of the European Union. Its mission is to provide high-quality statistics for Europe.

European statistics are developed, produced and disseminated in accordance with the statistical principles enshrined in Article 338 of the Treaty on the Functioning of the European Union and further elaborated in Regulation (EC) 2009/223 on European statistics¹ as well as the European statistics Code of Practice². European statistics conform to the principles of impartiality, reliability, objectivity, professional independence, cost-effectiveness and statistical confidentiality. Their collection should not cause an excessive burden to business nor households. By providing reliable and comparable statistical information, Eurostat supports evidence-based EU policies and the implementation of the 10 Commission Priorities.

Eurostat produces European statistics in partnership with the Member States based on shared statistical standards, methods, procedures, practices and tools. The Member States' National Statistical Institutes (NSIs) and other national authorities designated to produce official statistics form European Statistical System (ESS)³. European Economic Area countries and Switzerland participate in the ESS under specific agreements⁴ that cover matters such as the provision of data to Eurostat and the country's participation in joint ESS actions together with others. An administrative arrangement⁵ lays down the technical cooperation with the European Free Trade Association (EFTA) in the field of statistics.

Eurostat and its ESS partners continuously invest in the modernisation of European statistics under the ESS Vision 2020⁶ and implement new methods of production through a portfolio of projects and supporting frameworks. Eurostat organises cycles of peer reviews on the compliance of the Member States with the European Statistics Code of Practice.

Commission Decision (2012/504/EU) defines the role and responsibilities of Eurostat within the internal organisation of the Commission, as regards the development, production and dissemination of statistics. In addition, Eurostat cooperates very closely with the European Central Bank and international organisations, such as the UN, OECD, IMF, ILO, and World Bank, in developing international standards to ensure comparability of statistics across the globe.

Eurostat is also involved in the process for own resources verification. Eurostat checks the application of the Gross National Income (GNI) regulation⁷, proposes methods to ensure the exhaustiveness, comparability and reliability of national GNI data, verifies the data provided annually by Member States and directs the work of the GNI Expert Group. Furthermore, Eurostat supports DG Budget in the verification of the VAT statements provided annually by the Member States, in particular the parts that are linked to the use of national accounts data.

¹ Regulation (EC) 2009/223 of the European Parliament and the Council of 11 March 2009 on European statistics, OJ L 87 of 31.3.2009, as amended by Regulation (EU) 2015/759 of the European Parliament and of the Council of 29 April 2015, OJ L 123 of 19.5.2015.

² The European Statistical System Committee (ESSC) adopted the revision of the European Statistics Code of Practice in November 2017.

³ Article 4 of Regulation (EC) 2009/223, as amended by Regulation (EU) 2015/759 of the European Parliament and of the Council of 29 April 2015, OJ L 123 of 19.5.2015.

⁴ Agreement on the European Economic Area, in particular Protocol 30 on specific provisions on the organisation of the cooperation in the field of statistics, OJ L 1 3.1.1994; Agreement between the European Community and the Swiss Confederation on cooperation in the field of statistics, OJ L 90, 28.3.2008

⁵ Administrative arrangement between the Statistical Office of the European Union (Eurostat) and the EFTA Secretariat regarding technical cooperation in the field of statistics, ARES(2016)6727642 of 01.12.2016.

⁶ The ESS Vision 2020 is a common strategic response of the ESS to the challenges that official statistics is facing. The ESS Committee adopted it in May 2014.

⁷ Regulation (EU) 2019/516.

Eurostat is involved in the economic governance of the EU. It verifies the public finance statistics used in the Excessive Deficit Procedures (EDP) and also provides statistics for the Macroeconomic Imbalance Procedure (MIP). Eurostat contributes to budgetary surveillance as is allowed to carry out investigations and recommend fines if data is misrepresented⁸.

The EU's statistical priorities are defined in multi-annual statistical programmes proposed by the Commission and adopted by the European Parliament and the Council. In October 2017, the European Parliament and the Council adopted Regulation (EU) No 2017/1951⁹ amending Regulation (EU) 2013/99 on the [European Statistical Programme \(ESP\) 2013-17](#), by extending it until 2020.

Eurostat implements the budget of the ESP through grants and public procurement contracts, for the purpose of producing European statistics. Eurostat awards contracts mainly to firms specialised in statistics or informatics services. Grants are mainly given to authorities in the Member States, which produce official European statistics.

In 2019, Eurostat managed a total of EUR 136.74 million, made up of operational and administrative budget commitments, both with own and subdelegated appropriations. Part of the budget is subdelegated to Eurostat by other Commission departments.

As of 31 December 2019, Eurostat had 727 staff members. Of these, 599 were in establishment posts and 128 were external personnel.

⁸ Commission Delegated Decision 2012/678/EU of 29 June 2012 on investigations and fines related to the manipulation of statistics as referred to in Regulation (EU) 2011/1173 of the European Parliament and of the Council on the effective enforcement of budgetary surveillance in the euro area, OJ L 306 of 6.11.2012.

⁹ OJ L 284, 31.10.2017.

EXECUTIVE SUMMARY

This Annual Activity Report is a management report of the Director-General of Eurostat to the College of Commissioners. Annual Activity Reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties¹⁰.

a) Key results and progress towards the achievement of the Commission's general objectives and DG's specific objectives (executive summary of section 1)

As laid down in its Strategic Plan 2016-2020, in 2019 Eurostat contributed to the achievement of the overall objectives of the Commission by providing high-quality statistics needed for the development, monitoring and evaluation of the policies of the European Union in a cost effective manner without unnecessary duplication of effort.

Eurostat continued to provide comparable, reliable and timely information to support the 10 Commission Priorities and to monitor progress towards the circular economy and the Sustainable Development Goals (SDGs) and the Europe 2020 strategy. European official statistics underpinned key EU policy areas, such as the Investment Plan for Europe, the enhanced stability and Growth Pact, the Macroeconomic Imbalance Procedure, the European semester, the European pillar of social rights, the Energy Union and the digital agenda.

The [ESP](#) programme delivers EU added value by providing trustworthy statistics while maintaining the balance between the needs of a wide range of users and the response burden on citizens and business. Moreover, EU added value is generated through the sharing of knowledge and 'best practices' across Member States and the development of new technologies, common tools and collaborative networks in the ESS with a view to taking advantage of possible synergies and avoiding duplication of effort, thus paving the way for a modern statistical production system equipped to meet future challenge

The following achievements can be highlighted:

Modernised statistical legislation

The reporting year was characterised by important progress with the legislative process for adopting several major initiatives that will shape the future of European official statistics on people and business, namely the common frameworks for European statistics relating to persons and households and to business statistics, respectively, the GNI regulation and the amended regulation on migration and international protection.

Improved methodology (timeliness and harmonization/more comparable data)

- Eurostat finalised from a statistical viewpoint the multi-annual (2016-2019) GNI verification cycle and identified the improvements needed concerning quality of sources and methods used by Member States to compile GNI. These improvements will lead to enhanced reliability, comparability and exhaustiveness of the data provided for EU GNI own resources purposes. In turn, this will further improve the overall quality of national accounts and support the management and implementation of the EU budget.

¹⁰ Article 17(1) of the Treaty on European Union.

- Concerning the priority on a deeper and fairer economic and monetary union, Eurostat organised a consultation with Member States and provided advice to the European Stability Mechanism (ESM). This will greatly facilitate the phasing out of the European Financial Stability Facility (EFSF).
- The progress made to complete the procedures regarding methodological guidance related to the Excessive Deficit Procedure (EDP) were welcomed in the November 2019 ECOFIN conclusions. Eurostat will continue to work together with Member States to complement and clarify the existing EDP data procedures providing for increased stability and transparency in the process of implementation of methodology underpinning EDP data.
- Eurostat published a new version of the manual on government deficit and debt as well as a new manual of government expenditure by function (COFOG). These will both be of use when dealing with the future issues of government green investment. The manuals also clarify methodological rules, so contribute to the overall quality and comparability of data across Member States and to improved understanding of the data by users.
- Five years after the implementation of the ESA 2010 and related international methodologies in 2014, a coordinated benchmark revision of national accounts and balance of payments was carried out. In accordance with the harmonised European revision policy, countries incorporated new data sources, introduced major changes in compilation methods and improved the consistency of accounts over time, between domains and across Member States.
- In the area of own resources, efforts were intensified to prepare for the proposed new EU budgetary own resource based on non-recycled plastic packaging waste. These included preparing a methodology, making country visits and holding country specific meetings together with DG BUDG.
- Eurostat provided advice to several Member States on how to record investment and Public Private Partnerships (PPPs), therefore contributing to the undertaking of investment projects in the EU.
- Eurostat continued its participation in committees and working groups to improve international cooperation in various statistical areas, in order to improve availability, comparability and timeliness of data.

Key sources of information/data for environmental policies

- The 2019 EU SDG monitoring report is considered as best practice by several Member States and the UNECE. It was also welcomed by the Council as a key document for measuring the EU's progress towards the achievement of the SDGs with a clear focus on EU policies. The report and Eurostat's other data and communication products on SDGs, such as a digital publication and a summary brochure are key sources of information for a wide and diverse range of users.
- For the first time, Eurostat published energy footprints estimates for the EU. These data show the energy used throughout the production of goods and services up to the final product, the final user as well as the type of final use (final consumption, investment or export). The footprint data show the spillover effects of EU energy demand in the rest of the world.
- Eurostat contributed to the development of harmonised risk indicators (HRI) on the sustainable use of pesticides. It published methodological guidelines and the tools for calculating the HRIs, to assist Member States in fulfilling their obligations under Directive 2009/128/EC.

Embracing digital technologies, new data sources and techniques.

- Eurostat improved its statistical production methods, in the field of the collaborative economy. It reached an agreement in principle with four major online platforms that are active in short-term accommodation rentals, for the transmission of data as of 2020. This agreement provides a framework where, in the future, international online platforms will send data directly to Eurostat as a single collecting point. This reduces the overall burden on enterprises, improves the quality of tourism statistics and provides better information on the size of the collaborative economy.
- The development of an IT infrastructure to support the exchange of micro-data was completed. It is now being tested before the new framework regulation on European business statistics EP/EC 2019/ 2152 becomes applicable. The infrastructure is highly automated, allowing the submission and processing of millions of records from each EU Member State, via secure networks. The level of IT security controls are to be certified by an independent third-party organisation.
- Eurostat advanced in its preparation of the Trusted Smart Statistics Centre. This aims at sustaining the production of official statistics based on new data sources and technologies (Trusted Smart Statistics), which will complement existing or produce new statistics to support the Commission's main political priorities. This will provide value added to users through improved timeliness, fill statistical data gaps, and make statistical services more flexible to adapt to new challenges.

Enhanced digital communication.

- The Eurostat website was viewed more than 38 million times in 2019, compared to 33 million views in 2018. Eurostat intensified communication through social media. It tweeted more than 1,300 messages in 2019, gaining over 10,000 new Twitter followers (now over 144,000 followers). Polls and Twitter chats were used to increase interaction with citizens and the media. Eurostat's Facebook page, with over 460 posts in 2019, now has more than 42,000 followers. Facebook posts reach a wide audience: a post on female managers, board members and senior executives gained almost one million views and more than 2,000 responses.
- The use of infographics to enhance the attractiveness of Eurostat's publications, news releases, news items and social media posts increased.
- A range of webinars explained Eurostat products to fact-checkers and data journalists, in view of their key role as transmitters of European statistics to society.
- Eurostat engaged in dialogue with citizens through data support services, meetings, and social media.

An evaluation of the European Fishery Statistics (EFS) regulations was completed ([SWD\(2019\) 425 Final](#)). It found that fishery statistics are an important and independent source of information for a wide range of users in fisheries management, market monitoring and research. At the same time, the evaluation also showed that the relative added value of those statistics for the Common Fisheries Policy is declining because other (administrative) data sources managed by DG MARE and/or the JRC better meet management and analysis needs. Furthermore, the outcome of the evaluation indicated that Eurostat should consider improving the statistical regulations framing the EFS.

In summary, in 2019 Eurostat achieved the following specific objectives, as defined in its 2016-2020 Strategic Plan.

Specific objective 1 defines the main statistical outputs of the programme: indicators, accounts and primary data, in other words the European statistics that will be produced

or developed by the ESS during the period. The European statistics produced are listed in the catalogue of statistical products disseminated by Eurostat. This is the main output in the Management Plan for 2019.

In 2019, 96.9% of planned outputs (covering statistical products as well as other outputs) were achieved or were on target.

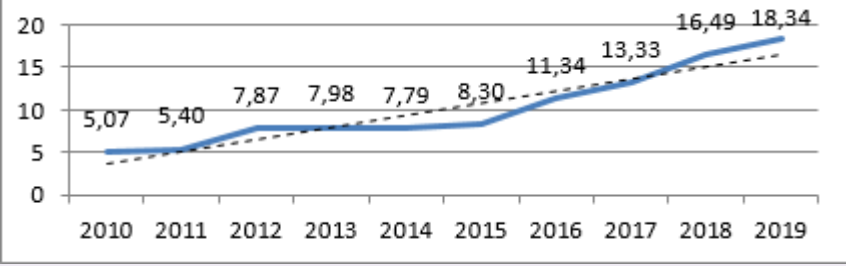
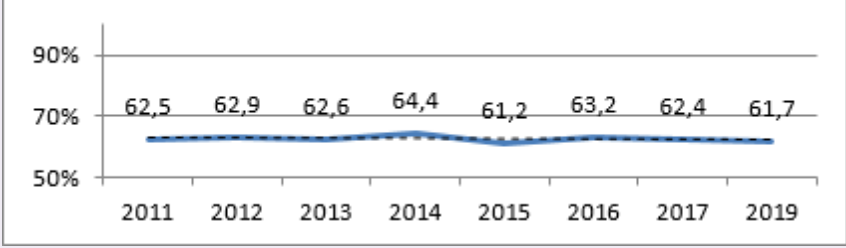
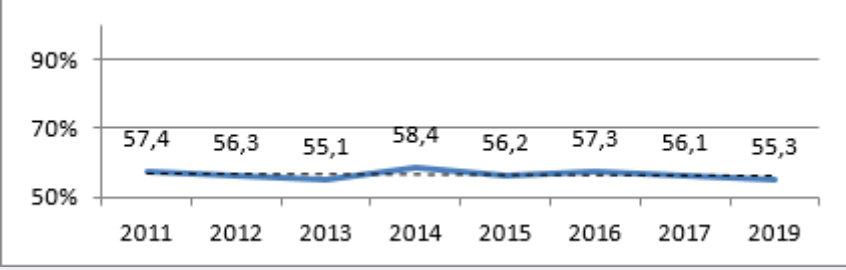
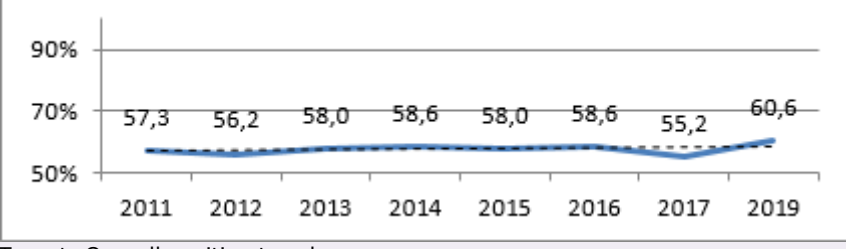
The activities under specific objective 2 supported the improvements to the production methods of European statistics and their quality, while reducing costs and the response burden. Another activity under this specific objective focused on preparing the third round of peer reviews in the European Statistical System, scheduled for 2021-2022 and results in the adoption of the overall methodology for these reviews and the preparation of tools and instruments to implement them.

Under specific objective 3, the Management Plan outputs further strengthened the partnership and cooperation within the ESS, essential for the production of comparable statistics and achieving overall efficiency. -

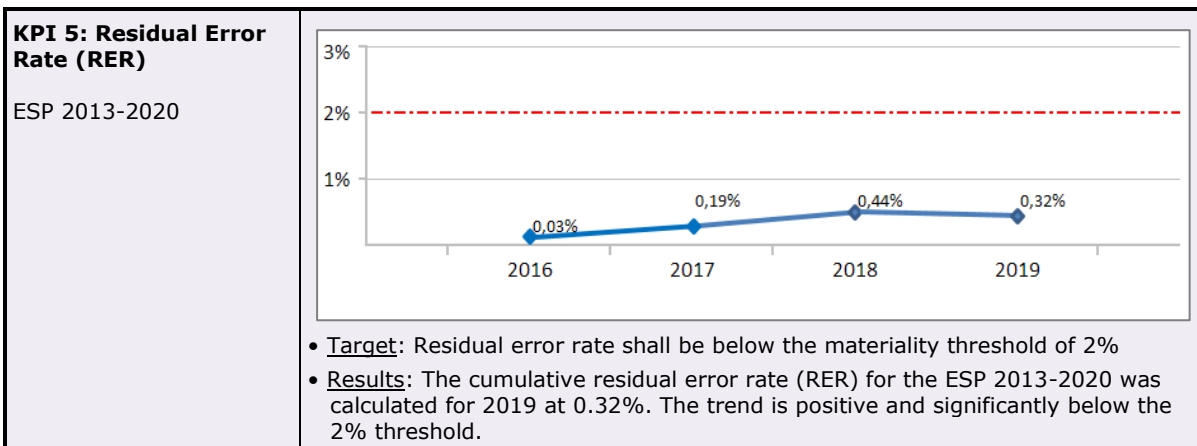
As regards the efficiency of the financial implementation of the [ESP](#) on a multi-annual basis, Eurostat had an execution rate of 98.74%.

b) Key Performance Indicators (KPIs)

The tables and graphs below show Eurostat's five key performance indicators (KPIs) relating to this report:

Description of the KPI ¹¹	Target and latest known results
<p>KPI 1: Number of data extractions (in millions) made by external users from Eurostat dissemination databases via the Eurostat website.</p> <p><u>Source:</u> Eurostat – more information can be found in the monthly Monitoring report on Eurostat electronic dissemination (available on demand).</p>	 <ul style="list-style-type: none"> • Target: Positive (approximately linear) trend • Results: A strong increase in end users' data extractions was observed in the last 3 years.
<p>KPI 2: Quality of European Statistics: percentage of users that rate as 'Very good' or 'Good' the overall quality of European Statistics.</p> <p><u>Source:</u> user satisfaction survey carried out by Eurostat (documentation available on demand).</p>	 <ul style="list-style-type: none"> • Target: Overall positive trend • Results: Overall, user perception about the quality of European statistics remains substantially stable, with a slight decrease in the last two years.
<p>KPI 3: Timeliness: percentage of users that rate as 'Very good' or 'Good' the timeliness of European Statistics for their purposes.</p> <p><u>Source:</u> user satisfaction survey carried out by Eurostat (documentation available on demand).</p>	 <ul style="list-style-type: none"> • Target: Overall positive trend • Results: Overall, user perception about the timeliness of European statistics remains substantially stable, with a slight decrease in the last two years.
<p>KPI 4: Comparability: percentage of users that rate as 'Very good' or 'Good' the comparability of European Statistics among regions and countries.</p> <p><u>Source:</u> user satisfaction survey carried out by Eurostat (documentation available on demand).</p>	 <ul style="list-style-type: none"> • Target: Overall positive trend • Results: The good result of this year confirms the overall positive trend.

¹¹ The source of KPIs 2, 3 and 4 is the user satisfaction survey that was not carried out in 2018. Those three KPI's must be cautiously interpreted because they only measure the users' perception of quality, timeliness and comparability of European statistics. Furthermore, the numbers refer to a sample of anonymous users, which can vary over the years.



The majority of KPIs shows a positive trend. In particular KPI 1 indicates that the usage of European statistics is firmly increasing, as a general trend and in particular in the last years.

The KPIs based on users' opinion show that, in the whole period, users' satisfaction has been rather stable. The KPI 5 is significantly and consistently below the 2% materiality threshold.

c) Key conclusions on Financial management and Internal control (executive summary of section 2.1)

In accordance with the governance arrangements of the European Commission, Eurostat conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

To ensure the achievement of policy and management objectives, the Commission has adopted a set of internal control principles, based on international good practice. The financial regulation requires that the organisational structure and the internal control systems used to implement the budget be set up in accordance with these principles. Eurostat has assessed its internal control systems during the reporting year and has concluded that it is effective and the components and principles are present and functioning well overall, but some improvements are needed as minor deficiencies were identified related to the components "risk assessment", "control activities" and "monitoring activities". Please refer to AAR section 2.1.3 for further details.

In addition, Eurostat has systematically examined the available control results and indicators, including those for supervising entities to which it has entrusted budget implementation tasks, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2.1 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

d) Provision of information to the Commissioner

In the context of the regular meetings during the year between the DG and the Commissioner on management matters, the main elements of this report and assurance declaration, have been brought to the attention of Commissioner Thyssen, responsible for Employment, Social Affairs, Skills and Labour Mobility as well as for Eurostat until the 30 November and from the 1 December, to Commissioner Gentiloni, responsible for the Economy, as well as for Eurostat.

1. KEY RESULTS AND PROGRESS TOWARDS THE ACHIEVEMENT OF THE COMMISSION'S GENERAL OBJECTIVES AND DG'S SPECIFIC OBJECTIVES

1.1 Achievement of general and specific objectives

As laid down in its Strategic Plan 2016-2020, Eurostat contributes to the achievement of the overall objectives of the Commission by providing high quality statistics needed for the development, monitoring and evaluation of the European Union's policies in a cost-effective manner without unnecessary duplication of effort. These statistics constitute information assets that are managed and safeguarded by Eurostat in an efficient and effective manner.

The following table shows the end-2019 status of all Eurostat activities that have produced outputs in 2019, grouped by ESP Specific Objectives:

Status of completion of outputs	Outputs - SP Specific Objectives						Total	
	N° 1: <i>Provide quality statistical information</i>		N° 2: <i>Implement new methods of production</i>		N° 3: <i>Strengthen the partnership within the ESS and beyond</i>			
	N°	%	N°	%	N°	%	N°	%
Achieved / On target ¹²	186	97.4	68	95.8	25	96.2	279	96.9
Cancelled or not fully achieved	4	2.1	2	2.8	1	3.8	7	2.4
Revised	1	0.5	1	1.4	0	0.0	2	0.7
All status	191	100.0	71	100.0	26	100.0	288	100.0

In 2019, 96.9% of planned outputs were achieved or have been on target. The outstanding outputs had no significant impact on the achievement of the objectives.

Eurostat has analysed in details the outputs with a status other than "Achieved / On target". None of them put in danger the achievements of the ESP objectives. The causes can be broken down in the following main categories: resources related issues, unexpected complexity or difficulties in IT work, reprioritisation and delays in related activities.

The corrective actions undertaken following the end-year monitoring of 2018 have helped reducing the number of activities that were not "Achieved / On target" in 2019 (from 5.2% in 2018 to 3.1% 2019).

1.1.1 General objectives of the policy

Under its mission to provide high-quality statistics, Eurostat contributed to other DG's policy and programme achievements. Eurostat is not a policy DG. It is fully responsible for and is the leading provider of official statistics for the EU. Eurostat's independence and its responsibility for statistical activities have been further clarified in the amendments to Regulation (EC) 2009/223 ¹³.

¹² 'Achieved or on target' means that the work is proceeding according to the plan, i.e. the work on the annual outputs has been completed and the work on the multi-annual outputs is proceeding without serious problems (and therefore the outputs are expected to be achieved on schedule).

¹³ Regulation (EU) 2015/759 of the European Parliament and of the Council of 29 April 2015, OJ L 123 of 19.5.2015.

Eurostat contributes actively to the delivery of all the general objectives of the Commission by providing high-quality statistics on Europe. The statistical products and services produced, developed, disseminated and managed by Eurostat constitute key Commission assets and resources.

External factors may influence Eurostat's objectives, such as the NSIs' capacity to deliver high-quality data in the face of budgetary constraints. Whilst constraints on resources at national and European level increase, new challenges for official statistics have also emerged. These include dealing with new data sources, new statistical and analytical methods and tools, competition among data providers, and changing user needs.

Four legislative initiatives were finalised. Three of them were published, namely Regulation (EU) 2019/2152 on European business statistics, repealing 10 legal acts in the field of business statistics (FRIBS), the harmonisation of gross national income at market prices (GNI regulation), and the common framework regulation for European statistics relating to persons and households. The fourth initiative was the regulation on statistics on migration and international protection, for which a compromise was achieved in November.

A progress report on the implementation of the ESP was submitted to the ESSC, the Parliament and the Council in 2019. It was requested under Article 15(2a) of the extended ESP Regulation (EU) 2013/99. The report detailed the main results and progress in the implementation of the ESP in 2018 and in the first half of the 2019.

The report confirmed that the implementation of the ESP is progressing well, producing significant results under the programme's various objectives. The outcome of the report was also considered while drafting and simplifying the structure of the future programme. This will enable a timelier and more cost-effective production of European statistics, using multiple data sources, advanced data analytics methods and digital technologies to support the design, monitoring and evaluation of EU policies.

An evaluation of the European fisheries statistics (EFS) regulations was completed (published as a staff working document on 28 November 2019¹⁴). It was the first ever evaluation of a statistical legislation with full 'Better Regulation' methodology.

The main conclusion of the evaluation is that EFS are an important independent source of information for a wide range of users. At the same time, the evaluation showed that the relative added value of those statistics is on a downward trend. An impact assessment was started in December 2019 aiming to streamline and simplify the data collections needed to produce EFS, to meet users' needs, while at the same time reducing the statistical burden on respondents.

Following the results of the evaluation, Eurostat will conduct an impact assessment, in view of possibly revising the fisheries statistics regulations to adapt them to user needs and reduce the response burden.

EFS have been produced by Eurostat for a long time to support common fisheries policy (CFP) management and analysis. EFS cover data on catches, landings, fleet and aquaculture. The statistics are largely based on existing administrative sources developed for the CFP, except for aquaculture where surveys and censuses are used. The total additional cost of producing EFS across the EU is estimated at less than EUR 2 million per year, only around 0.01% of the yearly production value of the fisheries sector.

Overall, Eurostat provided comparable, reliable and timely statistical information in areas such as the economy, social affairs and the environment. It thus supported the evidence-based implementation of EU policies, the Europe 2020 strategy and the 10 Commission priorities.

The details below under point 1.1.2 reflect Eurostat's major achievements.

¹⁴ [SWD\(2019\) 425 Final](#).

1.1.2 Specific objectives of the Strategic Plan 2016 - 2020

The specific objectives of Eurostat in 2019 reflect the objectives of its 2016-2020 Strategic Plan. These are identical to those of the European Statistical Programme, which was extended for the period 2018-2020. The extension of the programme takes into account the growing demands for high quality and timely statistics to support the design and evaluation of European policies. The programme will ensure the effective contribution of European statistics to the achievement of the Commission's political priorities between 2019 and 2020. It will also strengthen the capacity of Eurostat and the European Statistical System (ESS) to react faster to new demands through embracing the potential of big data, geo-spatial-data and digital technologies, while limiting the burden on respondents.

Specific objective 1 defines the main statistical outputs of the programme: indicators, accounts and primary data, that is to say the European statistics that will be produced or developed by the ESS during the period. The European statistics produced are listed in the catalogue of statistical products disseminated by Eurostat, which constitutes the main output in the Management Plan for 2019.

Specific objectives 2 and 3 are enablers for the production and dissemination of the statistics identified in specific objective 1. In 2019, the outputs in the Management Plan under specific objective 2 supported changes to be carried out to improve the production methods of European statistics, such as changes in production processes, training, quality management, and dissemination tools, which are necessary to improve quality and to adapt more easily to new needs, while reducing costs and burden. Under specific objective 3, the Management Plan outputs further strengthened the partnership and cooperation within the ESS, which are both essential for the efficient production of comparable statistics.

Specific objective 1: Provide quality statistical information	
Total number of outputs achieved / on target for Specific Objective 1: » 186 «	Budget executed in 2019: » 40.3 MEUR «

Tables below show the main outputs in 2019, for specific objective 1 as of 31 December 2019 (reflecting the Management Plan 2019):

Main outputs for specific objective 1: Delivery on legislative proposals pending with the legislator			
Description	Indicator	Target	Latest known results (situation on 31/12/2019)
Community statistics on migration and international protection (2018/0154)	Political agreement	March 2019	Compromise achieved in November 2019. Linguistic finalisation on-going.
European business statistics amending regulation (EC) No 184/2005 and repealing 10 legal acts in the field of business statistics (2017/0048)	Political agreement	March 2019	Compromise achieved in March 2019. Published in the OJ on 17 December 2019
Statistics for the macroeconomic imbalance procedure (2013/0181)	No action is expected- File on hold	NA	
Harmonisation of gross national income at market prices (GNI regulation) 52017/0134)	Adoption by the co-legislators	March 2019	Compromise achieved in November 2018. Published in the OJ on 29 March 2019
Common framework for European statistics relating to persons and households (2016/0264)	Political agreement	March 2019	Compromise achieved in March 2019. Published in the OJ on 14 October 2019

Main outputs for specific objective 1: Important items from work programmes/financing decisions/operational programmes			
Description	Indicator	Target	Latest known results (situation on 31/12/2019)
Catalogue of statistical products ¹⁵	Produce and disseminate all statistical products listed in the catalogue of STATISTICAL products	2019	98.9% achieved

98.9% of statistical products included in the Annual Work Programme 2019 were produced and disseminated which constitutes a constant improvement compared to previous year's results.

Improving the statistical basis for economic and financial governance

Example:

Five years after the implementation of the ESA 2010 and related international methodologies in 2014, 17 Member States and Norway carried out coordinated benchmark revisions of national accounts and balance of payments. In accordance with the harmonised European revision policy, countries incorporated new data sources, introduced major changes in compilation methods and improved the consistency of accounts over time, between domains as well as across Member States.

In the reporting year, **coordinated benchmark revisions of national accounts and balance of payments took place.** Major quality improvements of both national accounts and balance of payments statistics were carried out. These will benefit users.

The revisions, in the context of the priority dealing with jobs, growth and investments, were pre-announced, communicated and implemented. The coordinated action ensured that users obtained timely and internationally comparable updates of time series.

Eurostat finalised, from a statistical viewpoint, the multi-annual (2016-2019) **GNI verification cycle** and identified improvement needs regarding the quality of sources and the methods used by Member States to compile GNI.

Eurostat finalised the multi-annual (2016-2019) GNI verification cycle and identified improvement needs with regard to quality of sources

The results of this work led to enhanced reliability, comparability and exhaustiveness of the data provided for EU GNI own resources purposes. In

turn, this further improved the overall quality of national accounts and supported the implementation of the EU budget.

A new Regulation on the harmonisation of gross national income at market prices (**GNI Regulation**) was published in the Official Journal on 29 March 2019 as [Regulation \(EU\) 2019/516](#). Its relevant elements for 2019 – notably the creation of a GNI Expert Group and change of the data transmission deadline – were implemented during the course of the year.

In relation to **government finance statistics (GFS) and quality** major achievements were recorded.

Example:

Eurostat organised a consultation between Member States and provided advice to the European Stability Mechanism (ESM), about facilitating the phasing out of the European Financial Stability Facility (EFSF).

In the context of the priority concerning a deeper and fairer economic and monetary union, Eurostat organised a consultation between Member States. Eurostat also provided advice

¹⁵ See Eurostat [Annual Work Programme 2019](#)

to the European Stability Mechanism (ESM), to help the phasing out of the European Financial Stability Facility (EFSF).

Concerning the priority on the new boost for jobs, growth and investment, Eurostat provided advice to several Member States on how to record investment and Public Private Partnerships (PPPs).

For the first time in 13 years, the Excessive Deficit Procedure (EDP) notification of October 2019 resulted in no reservations on the quality of the figures provided by EU Member States. This bears witness to the huge work undertaken by Eurostat in the last 13 years to clarify statistical rules. This work therefore helped the monitoring of the statistical implications of the Stability and Growth Pact.

The November 2019 Economic and Financial Affairs Council (**ECOFIN**) conclusions welcomed the progress made to complete the procedures regarding methodological guidance. Eurostat will continue to work together with Member States to complement and clarify the existing EDP data procedures. These will give increased stability and transparency when implementing the methodology underpinning EDP data.

Enhancing indicators on economic globalisation

The completed GNI verification cycle was marked by a number of innovations, particularly the **Multi-National Enterprise (MNE) pilot exercise**. This represented a new way of working and cooperating on **globalisation** recording within the ESS, involving the necessary statistical domains in all statistical authorities concerned. The results of the pilot exercise contributed to a better understanding of the recording of globalisation in national accounts. It also helped to identify quality-related issues to be tackled in the future in both national accounts and inter-related statistical domains.

More integrated and harmonised business statistics

Example:

To make the access to business and trade data more user-friendly, a new dissemination tool was made available. "The Business Sector Profile" allows an easy overview of the most current business and trade indicators per sector of activity.

During 2019, Eurostat continued to provide users with timely, **high quality European statistics in the area of business and trade**.

To make the access to business and trade data more user-friendly, a new dissemination tool was made available. "The Business Sector Profile" allows an easy overview of the most current business and trade indicators per sector of activity.¹⁶

Eurostat organised an **international conference on real estate statistics** in Luxembourg on 20-22 February 2019. The conference brought together high-level experts from the statistical community and other important stakeholders in this domain. Attendees numbered 130, and came from statistical offices, government departments, central banks, international organisations as well as the academic world and the private sector.

The conference underlined the urgent need for more and better statistics on both residential and commercial real estate. To meet the equally urgent needs of key policymakers, national authorities and international organisations were asked to better coordinate their production and development activities related to real estate indicators and exchange best practices.

¹⁶ It is available here: <https://ec.europa.eu/eurostat/cache/scoreboards/BSP/>

The adoption, on 27 November 2019, of [Regulation \(EU\) 2019/2152](#) of the European Parliament and of the Council **on European Business Statistics** marked the end of the negotiations with the stakeholders and the discussions by the co-legislators to repeal 10 basic acts in the area of business and trade statistics. The creation of this framework regulation was part of the better regulation programme of the Commission, aimed at simplifying and improving EU legislation.

The adoption of the Regulation on European Business Statistics allowed the repealing of 10 basic acts in the area of business and trade statistics.

The regulation contributed to the meeting the Juncker Commission's priority 10 - "a Union of democratic change". It will also foster more cost-efficient and modern data production as well as reducing the administrative burden on data providers.

The adoption of the framework regulation now opens a new phase for the implementation of this basic act. In particular, the **main "general" implementing act will now define in detail the statistical data requirements of business and trade statistics in the future.** This supports the priority of the new Commission "An economy that works for people". The regulation will deliver data to our users as from 2021 and will give more comprehensive statistics on services sectors as well as new

The adoption of the framework regulation now opens a new phase for the implementation of this basic act that will define in detail the statistical data requirements of business and trade statistics in the future.

indicators on globalisation. It will also produce more timely short-term business statistics (15 days faster for a number of key indicators) and structural business statistics (preliminary data on small and medium-sized enterprises (SMEs) in T+10months). Intra-EU trade in goods statistics will benefit from exchanging micro-data on intra-EU exports, providing a new data source and allowing for a significant reduction of burden on respondents. This micro-data exchange, which is a key novelty in statistics, will become mandatory under the new framework regulation on European business statistics from January 2022 onwards. For more details see point 2.2 at page 43.

Modernisation of social statistics – more timely and detailed – and improving the statistical basis on social performance

In the context of the priorities dealing with jobs, digital market and with fairness, the adoption by the European Parliament and the Council of the [Integrated European Social Statistics \(IESS\) regulation](#) is a major step forward leading to harmonised, comprehensive and cost-effective social statistics, establishing a common framework for European statistics relating to persons and households, based on data at individual level collected from samples.

In the context of the priorities dealing with jobs, digital market and with fairness, the adoption of the IESS regulation is a major step forward in social statistics.

The regulation, which covers seven data collections that were mainly previously covered by separate legal acts, encompasses the labour market, income and living conditions, education, health, use of ICT, consumption and time use. This regulation will allow Member States to design their national data collections in a much more integrated way thereby reducing the burden. It will result in improved timeliness of the data for the users, in particular in the field of income and living conditions where data should be available nearly one year in advance compared to the current situation. Concepts will also be more harmonised. Furthermore, given the flexibility in its implementation, statistics can be more easily adapted to meet new data needs.

In the context of the priorities dealing with jobs and with fairness, the IESS Regulation foresees several delegated and implementing acts. In 2019, three delegated and five implementing acts were adopted by the Commission in a very short period so that it is now possible to implement the IESS regulation in 2021. These acts concern the multiannual rolling planning, the definitions of elements common to several data collections, the content, number of variables, and detailed descriptions needed to

implement the data collections in both the labour force domain and the income and living conditions domains.

These acts have particularly:

- strengthened the harmonisation of the employment/unemployment definitions and implementation, ensuring better comparability between countries and alignment to the international definitions;

- increased the coverage of issues of interest to users, such as migration, disability, education, health, children, housing, and quality of life. They have also introduced more details on social benefits that will give new, more regular statistics, which allow for improved model-based analyses;

Example:

One of the main progress in the IESS delegated/implementing acts is the higher coverage of issues of interest for the users, like migration, disability, education, health, child situation, housing details, quality of life, more details on social benefits, etc. that will provide new statistics, more regular and allowing better model based analyses.

- increased population-related information such as labour market stocks and flows, thus delivering important new statistical support for policymaking.

Concerning the migration statistics, the agreement reached in the trilogue of November 2019, amending the migration statistics regulation, supports European migration policy by providing EU policy and decision-makers with better and timelier policy-relevant statistics. This will strengthen the response to the challenges posed by migration in the area of asylum and managed migration. In particular, it will ensure provision of statistics in those areas where clear needs were expressed by the stakeholders - on asylum, returns (higher frequency and more mandatory categories), resettlement, residence permits and migrant children. The regulation is also flexible enough to be able to adapt to future needs while strengthening the quality and relevance of European statistics.

At the moment of writing this report, Eurostat had two open important recommendations issued by the European Court of Auditors (ECA), for which an action plan is in place.

One recommendation was issued in the Special Report 01/2016: "Is the Commission's system for performance measurement in relation to farmers' incomes well designed and based on sound data". In order to further develop the EAA's, Eurostat is drafting an amending act on Regulation (EC) No. 138/2004 to include regional economic accounts for agriculture, to relax the second estimate for improving the data quality and to include quality reporting obligation (estimated completion date is end 2020 i.e. Eurostat aims to present the draft act the European Statistical System Committee (ESSC) by that time). The ECA issued a clearing letter on 17/12/19 on this audit (follow-up of SR 01/16). The Commission has been formulating its replies to the ECA, which are to be sent early 2020.

Another recommendation was issued in the Special Report 08/2019: "Wind and solar power for electricity generation significant action needed if EU targets to be met" and stated that the Commission should prepare an amendment of the relevant parts of the energy statistics regulation. First discussions with the Energy Statistics Working Group and with DIMESA (Directors of sectoral and environmental statistics and account) were held in October/November 2019 and follow ups are already planned for 2020. To improve the timeliness of annual energy statistics Eurostat is cooperating with Member States. An amendment of the energy statistics regulation entered into force in the first week of January 2020 and work on the next update will start soon.

Sustainable development goals and monitoring the circular economy

The 2019 **EU Sustainable Development Goals (SDG) monitoring report**¹⁷ was presented by the EU at the UN high-level political forum in July (3 months earlier than in 2018). The report and the accompanying communication package are considered to be **best practice by several Member States and the United Nations Economic Commission for Europe (UNECE)**. In fact, the EU SDG monitoring report is the only assessment of the progress of the EU towards the SDGs with a clear focus on EU policies.

The Council conclusions "Building a sustainable Europe by 2030 – Progress thus far and next steps" from 10 December 2019, state: "The Council welcomes the 2019 edition of Eurostat's **"Monitoring report on progress towards the SDGs in an EU context"** as a key document for measuring the EU's progress towards the achievement of the SDGs. As such, the report and Eurostat's other data and communication products on SDGs such as the digital publication and summary brochure are a **key source of information** for a wide and diverse range of users, including policy makers, researchers and non-profit organisations. To create an economy that works for people, Eurostat is helping to refocus the European Semester by integrating the SDGs, providing both advice on potential indicators with relevance for SDGs and preparing the annexes to the country reports, setting out the individual Member States' SDG performance.

Sustainable Development Goals – Overview

INTRODUCTION

What are the sustainable development goals (SDGs)?

The 17 Sustainable Development Goals (SDGs) and their related 169 targets, which are at the heart of the UN's 2030 Agenda for Sustainable Development, provide a new policy framework worldwide towards ending all forms of poverty, fighting inequalities and tackling climate change, while ensuring that no one is left behind.

[> read more](#)



HIGHLIGHTS

SDGs & me

Visualise the SDGs

Have a look at the new features of our innovative digital publication 'SDGs & me' and explore and evaluate the situation of your country compared to others for a subset of the EU SDG indicators.



Discover the progress of SDGs in the EU

Our visualisation tool will give you a quick overview of the current progress towards each of the SDGs and its sub-goals on an EU level.



Compare your country

Dig deeper: choose the goals and indicators you are interested in and use our easy and user-friendly time graphs to compare your country to others.



SDGs at a glance

Not much time? Have a look at the 2019 brochure which offers a concise and visual overview of the key findings of the 2019 EU SDG monitoring report.

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Key findings



Indicators: goal by goal



Tables



Publications



Statistics Explained



Policy context



Links

EXPLORE FURTHER



Read the full 2019 report

Our publication provides a detailed description of the situation in the EU and its Member States, in relation to the 17 SDGs in an EU context.

¹⁷ Link: <https://ec.europa.eu/eurostat/documents/3217494/9940483/KS-02-19-165-EN-N.pdf/1965d8f5-4532-49f9-98ca-5334b0652820>

In the area of own resources, efforts were intensified to prepare for the proposed new EU budgetary own resource based on non-recycled plastic packaging waste. These included preparing a methodology, making country visits and holding country specific meetings together with DG BUDG.

Throughout 2019, Eurostat contributed to the preparation, evaluation and implementation of policies related to agriculture, rural development, the environment, climate and energy, transport and cohesion policy. This included the development of indicators for the new performance-based common agricultural policy delivered using national plans, as well as making recommendations on the draft national energy and climate plans to ensure a robust analytical basis.

Eurostat updated the regional classification for statistics, by an amendment to the NUTS regulation. The new version "NUTS 2021" will be used from 2021 onwards. Moreover, numerous territorial typologies (including cities and rural areas) were defined in an implementing regulation. This updated legal base provides the statistical geography to be used in the 2021 population census including new spatial units like grid cells and cities.

Timeliness of energy statistics

The fifth amendment to the **Energy Statistics Regulation (ESR)**, published on 2019, entered into force in early January 2020. This brings about important changes. These include, more disaggregated data on final energy consumption in the industry sector, advancing by one month the reporting of monthly coal and electricity statistics, as well as integrating the 'crude oil imports register' and its expansion to more than 600 types of origins. All of this will allow more accurate calculation of related greenhouse gas emissions.

Making use of multiple data sources

Following the Commission Communication on Collaborative Economy in 2016 (18), the policy interest in compiling more statistical information in this area has grown. Consequently Eurostat, together with DG GROW, reached an agreement in principle with four major short-term accommodation rental online platforms, to transmit data as of 2020. This provides a framework for a future data collection from international online platforms directly to Eurostat, thereby reducing the overall burden on enterprises, especially SMEs, improving the quality of tourism statistics and providing better information on the size of the collaborative economy.

Progress towards the effective achievement of Eurostat's multi-annual specific objective 1 is illustrated, amongst others, by the strong increase in the number of data extractions (in millions) made by external users from Eurostat dissemination databases via the Eurostat website (KPI 1; see table page 8).

Specific objective 2: Implement new methods of production	
Total number of outputs achieved / on target for Specific Objective 2: » 68 «	Budget executed in 2019: » 26.3 MEUR «

¹⁸ Link: <https://ec.europa.eu/docsroom/documents/16881>

Main outputs for specific objective 2: Important items from work programmes/financing decisions/operational programmes			
Description	Indicator	Target	Latest known results (situation on 31/12/2019)
ESS Vision 2020 portfolio of projects, which includes: Digital Communication (DIGICOM), European Statistical Data Exchange Network (ESDEN), Shared SERvices (SERV), Big Data (BIGD), Administrative data sources (ADMIN) and European System of Interoperable Statistical Business Registers (ESBRs)	Achievements as laid down in the Annual Work Programme 2019 ¹⁹	2019	100% achieved

These items are a subset of the outputs referred to in the table under paragraph 1.1.

The following table shows the end-2019 status of Eurostat projects related to the main output of the specific objective 2, namely the ESS Vision 2020:

ESS Vision 2020 portfolio of projects (which is part of the Eurostat Annual Work Programme 2019)		
Status	N°	%
Achieved or on target ²⁰	15	100.0
Cancelled or not progressed according to plan	0	0.0
Revised	0	0.0
Total	15	100.00

Other important outputs for Specific Objective 2: Important items from work programmes/financing decisions/operational programmes			
Description	Indicator	Target	Latest known results (situation on 31/12/2019)
New Techniques and Technologies for Statistics (NTTS) conference in March 2019)	Number of publications published in Scientific Journals and in the Eurostat Statistical Working paper collection after the conference	3	100% achieved

Making use of multiple data sources and big data

The Big Data project (BIGD) was concluded successfully in 2019, implementing the Scheveningen Memorandum on "Big Data and Official Statistics" (21). It enabled the integration of big data into official statistics, enhancing collaboration both within the ESS and at global level. It helped develop new capabilities and skills, facilitated new partnerships drafted statistical methodology, and prepared quality and IT infrastructures.

To support the main political priorities of the Commission, Eurostat prepared the Trusted Smart Statistics Centre. This aims at sustaining the production of official statistics based on new data sources and technologies (Trusted Smart Statistics) that complement existing or produce new statistics. The main achievements and progress of its principal components, including added value to users through improved timeliness in some

¹⁹ Eurostat [Annual Work Programme 2019](#)

²⁰ 'Achieved or on target' means that the work is proceeding according to the plan, i.e. the work on the annual outputs has been completed and the work on the multi-annual outputs is proceeding without serious problems (and therefore the outputs are expected to be achieved on schedule).

²¹ Link: <https://ec.europa.eu/eurostat/documents/42577/43315/Scheveningen-memorandum-27-09-13>

domains, reducing statistical data gaps, and increasing the flexibility of statistical services are the following:

- a) **the Web intelligence platform** was designed in 2019 to improve the production of official statistics using data available on the web, specifically statistical information on job vacancies and the demand for skills. Cooperation agreements were set with CEDEFOP to collect, process and make available statistical information from on-line job advertisements for policymaking purposes. The platform will be flexible, offer a wide range of services harnessing new information from the internet and will build on technologies at the core of the new business architecture for official statistics.
- b) **Trusted Smart Surveys:** Eurostat and NSIs aim at developing a flexible European platform to manage trusted smart surveys for specific application domains at EU and at national level. In 2019, the call for proposals was successfully launched and the work will be carried out by the ESSnet running over the period 2020-2021.
- c) **ESS use of Mobile Network Operator (MNO) data:** In 2019, the methodological development work focused on the problem of estimating the spatial density of the population present. A cooperation project between Eurostat and a leading mobile operator to gather reference data in support of methodological development was completed and the ESSnet on Big Data II made considerable progress in elaborating a reference methodological framework for the problem of spatial density estimation. In late 2019, Eurostat initiated a follow-up project to develop a privacy enhancing solution (PET) to mitigate the privacy risks associated with processing longitudinal personal data.
- d) The work of the **group on using privately held data for official statistics** continued. The Group produced a draft classification of big data types to identify generic enablers for using privately held data. It proposed actions to enable the use of privately held data and developed principles to be included in any possible EU legislative framework that would allow the use of privately held for statistical purposes.

The ESS Vision 2020 Administrative data sources (ADMIN) project supported Member States in making increased or better use of administrative data and delivered common approaches pertaining to an increased use of administrative data for statistical purposes. Eurostat collected best practices in the Member States in the area of access and guidelines. Best practices on using estimation methods when integrating administrative data in production were delivered. The ESSnet on the quality of multisource statistics delivered quality guidelines for multisource statistics and for social statistics frames. In addition, the project offered grants for piloting and implementing the results in Member States and for dealing with specific challenges at national level. It provided training, helpdesk and consultancy services linked to the use of administrative data in official statistics. All the results including the pilot studies are available and were shared with ESS Members.

Strengthening user-focused and digital communication of statistics

Eurostat organised the **NTTS 2019 conference** ²² in March 2019 in Brussels, including two days of satellite events. The number participants registered and attending reached a record level of more than 700 people. In total, over 30 parallel sessions, 3 poster sessions and 8 plenary sessions with high-level keynote speakers and panellists were on the programme. After their presentations at NTTS2019, **three articles** were published as **Eurostat Statistical Working** papers or in the Statistical Journal of IAOS. Another **31 papers** were submitted for publication in the Journal of Official Statistics (JOS) by end of May 2019. At time of writing, **at least six articles** will be published in the JOS special edition for NTTS, which is expected to be released by the end of 2020.

A final event in November marked the conclusion of the **DIGICOM project**. Key areas addressed were the identification of European statistics users, developing innovative and

²² Link: https://ec.europa.eu/eurostat/cros/NTTS2019_en

shareable products, promoting the value of European statistics, engaging users, and enhancing digital communication.

Innovation and digitalisation

In 2019, Eurostat together with Member States, **completed the development of an IT infrastructure to support the exchange of micro-data**. This is now available for systematic technical and statistical testing before the new legislation becomes applicable. The IT infrastructure implemented is highly automated, allowing millions of records from each EU Member State to be submitted and processed. The exchange of this sensitive data is done using secure networks: a number of IT **security controls** agreed at the ESS level have to be implemented by the countries and Eurostat, and **certified** by an independent third-party organisation. In 2019, 19 Member States completed the certification, allowing them to start with the exchange of micro-data.

The European Statistical Data Exchange Network (**ESDEN**) project ended on December 2018 and fulfilled its objectives of modernising the data exchange services across the European Statistical System, increasing its capacity and upgrading its security.

This objective had two specific deliverables:

- a) Connectivity to secure networks operated by the European Commission for more than 25 ESS members.
- b) Modernisation of EDAMIS, which is the information system that implements the Single Entry Point used for data exchange within the ESS. Eurostat prepared a new version based on future-ready technologies. It now offers a friendlier, easier-to-use interface, as well as many additional functionalities mainly concerning security, performance and automation.

In 2019, the project end report was produced and approved and the deployment of ESDEN's deliverables was progressing well.

The shared services (SERV) project ended in December 2019 and fulfilled its objective of fostering the sharing and reuse of services in the ESS. The project had a number of deliverables, the most notable being guidelines and recommendations for the adoption of international standards and a service oriented architecture, a central hosting infrastructure, a modernised service catalogue and new statistical services developed in the ESS, readily available for reuse by the statistical community.

The Eurostat Statistical Service Catalogue, which is on the Data ecosystem platform Statistical Service Catalogue, was developed and launched in 2019, as a means of offering and delivering statistical services to Commission services. The online catalogue, which provides an extensive mapping of all the statistical services offered, should foster further cooperation by helping our Commission colleagues access and interpret the European statistics we produce, or helping them to disseminate their own data.

During 2019, as part of the "Synergies and Efficiencies" initiative to make the Commission leaner, more efficient and more effective, Eurostat completed the migration of its local IT data centre to the Commission data centre managed by DG DIGIT.

Improving the statistical basis for economic and financial governance

In 2019, Eurostat published a new version of the Manual of government deficit and debt and a new Manual of government expenditure by function (COFOG).

In 2019, Eurostat published a new version of the manual of government deficit and debt as well as a new manual of government expenditure by function (COFOG). **Both manuals will be key concerning the upcoming issues on government green investment** (expected to

feature prominently in the new revision of the Stability and Growth Pact), as well as on correctly reporting government deficit and debt. The clarity of the methodological rules contributes to the overall quality and comparability of data across Member States. With the help of the COFOG manual, users can be better informed and explore the available data to its full potential.

Two **Government Finance Statistics** (GFS) interpretations were released for the first time in 2019. These are the GFS interpretation on deductions from compulsory employers' actual social contributions and the GFS interpretation on the borderline between trade credits and advances and other accounts payable relating to social transfers in kind – purchased market production. The two interpretations are part of Eurostat's methodological work aimed at further clarifying the ESA 2010. These clarifications should harmonise the recording of specific government transactions across the Member States' government accounts.

More integrated and harmonised business statistics

The European Statistical System Vision Implementation Programme (ESS.VIP) on the **European System of Interoperable Statistical Business Registers (ESBRs)** aims to improve the consistency and quality of business statistics by developing a business architecture and interoperability framework for the ESBRs. In 2019, all the remaining project objectives were achieved. The project's closing activities and the project's assessment will be carried out in 2020. The project's deliverables will contribute to **more consistent and better quality data in the Statistical Business Registers** in the ESS. In particular, this will improve the measurement of globalisation effects on economic statistics, and in turn provide better data to help policymakers' decision-making.

Sustainable development goals and monitoring the circular economy

As required under Directive 2009/128/EC on the **sustainable use of pesticides**, and

Example:

Eurostat contributed to the development of harmonised risk indicators (HRI), required under Directive 2009/128/EC on the sustainable use of pesticides, and introduced by Commission Directive (EU) 2019/782.

introduced by Commission Directive (EU) 2019/782, in co-operation with DG Health and Food Safety, Eurostat contributed to the development of harmonised risk indicators (HRI). Eurostat's first calculations were published by DG Health and Food Safety on 14 November 2019. HRI1 is based on annual statistics of on the

market placement of active substances used in plant protection products. HRI2 is on the annual number of emergency authorisations under Article 53 of Regulation (EC) 2009/1107. Eurostat published methodological guidelines and the tools for calculating the HRIs, to assist Member States in fulfilling their obligations under Directive 2009/128/EC.

In 2019, Eurostat published for the first time **estimates of 'energy footprints'** for the

In 2019 Eurostat published for the first time estimates of 'energy footprints' for the EU.

EU. These data give the energy used in all the steps of manufacturing a good or producing a service to the final product, the final user and the type of final use (final consumption, investment or export). The footprint data show

the spill over effects of EU energy demand in the rest of the world.

Eurostat has been working closely with DG ENV, DG RTD, JRC and the European Environmental Agency to produce the first pilot ecosystem services accounts for the EU (the **INCA project**).

This will help policymakers and planners achieve multiple environmental, social and economic objectives for the EU. These accounts contribute to the evaluation of target 2 of the EU Biodiversity Strategy to 2020.

Three Eurostat decisions were published on Eurostat's website, providing further clarification on the accounting rules on the statistical recording of the 2015 contributions to National Resolution Funds, the statistical treatment of Energy Performance Contracts and the statistical recording of euro coins. The decisions constitute general methodological guidance and will allow compilers to better understand the accounting rules. In turn, this should result in more homogeneity in the recording practices across

the Member States. This in turn will contribute to improving overall data comparability, a factor particularly sought after and highly appreciated by users.

Third round of peer reviews: Eurostat intensively started preparing the next, third round of ESS peer reviews to be implemented in 2021-2022. Based on several discussions at ESS and expert levels, the overall methodology for the ESS peer reviews was developed by Eurostat and adopted in October 2019. Furthermore, instruments and tools for implementing the ESS peer reviews, such as the ESS Quality Assurance Framework, self-assessment questionnaires, guides for peer reviewers and NSIs/ONAs and templates for the peer review visit agenda and the resulting reports were developed by expert groups.

Progress towards the effective achievement of Eurostat's multi-annual specific objective 2 is illustrated by the fact that, apart from 3 outputs out of 71 that were delayed due to reprioritisation and delays in related activities, Eurostat delivered all outputs as planned.

Specific objective 3: Strengthen the partnership within the ESS and beyond	
Total number of outputs achieved / on target for Specific Objective 3: » 25 «	Budget executed in 2019: » 2.6 MEUR «

The following table shows the outputs for specific objective 3 as of 31 December 2019 (reflecting the 2019 Management Plan):

Main outputs for specific objective 3: Delivery on legislative proposals pending with the legislator			
Description	Indicator	Target	Latest known results (situation on 31/12/2019)
The Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics (SMP) - COM(2018)441 final	Adopted by EP and the Council in time	2019	Negotiations ongoing

The European Parliament, the Council and the Commission continued negotiating the Single Market Programme with a view to agreeing on the specific provisions related to European statistics (Annex II of the Commission proposal). The final adoption of the Single Market Programme depends on the finalisation of the inter-institutional negotiations of the Multiannual Financial Framework 2021-2027, which continued throughout 2019.

Other important outputs for Specific Objective 3			
Description	Indicator	Target	Latest known results (situation on 31/12/2019)
Building partnership with international and regional organisations	Number of new administrative arrangements with international/regional organisations	2 by end of 2019	100% achieved

Two new agreements were signed in 2019: one with the OECD on PPPs and one with EFTA on statistical cooperation.

Globalisation and the increasingly complex value chains of businesses create challenges to the traditional ways of producing economic statistics. New indicators and additional breakdowns of existing ones are required to describe the value chains and to understand how and where value is generated. To address these challenges, the Directors General of the National Statistical Institutes discussed the statistical implications of **economic globalisation in their conference in October 2019**. Several work streams were identified for further actions, the follow up will be discussed in the meeting of the ESSC in February 2020.

Eurostat continued to improve **international cooperation in the area of business and trade statistics**. Beyond cooperation at ESS level, Eurostat is a member of a new United National Statistical Commission (UNSC) Committee of Experts on Business and Trade Statistics (UNCEBTS). This Committee provides a forum for coordinating and guiding the development of business and trade statistics at global level. Eurostat is actively contributing to all five work-streams: globalisation and digitalisation, exhaustive business registers, well-being and sustainability, business dynamics, business demography and entrepreneurship, and capacity building.

Eurostat provided regular reporting on EDP activities to other committees and groups such as the Directors' Group for Macroeconomic Statistics (DMES) and the Committee for Monetary, Financial and Balance of Payments Statistics (CMFB). The quality report on the 2019 EDP reporting is in the process of approval by the Commission.

The EDP Statistics Working Group, the Task Force on the Classification of the Functions of the Government (COFOG) and the Task Force on GFS continued to meet in 2019 on a regular basis, addressing topical issues and giving Eurostat advice and guidance on methodological matters. Additionally, the first meeting of the CMFB Task Force on Development Banks took place. Government Finance Statistics and Excessive Deficit Procedure training was continued as part of the European Statistical Training Programme.

Eurostat, DG Regional and Urban development, the Food and Agriculture Organization of the United Nations (FAO), the International Labour Office (ILO), the Organization for Economic Co-operation and Development (OECD), the United Nations Human Settlements Programme (UN-Habitat) and the World Bank have been working closely together to develop a harmonised method to define cities and rural areas. This will facilitate international statistical comparisons.

This work was welcomed by the UN Statistical Commission. Following the decision of the 50th Statistical Commission, Eurostat co-authored a UN Background Paper titled "A recommendation on the method to delineate cities, metropolitan, urban and rural areas for international statistical comparisons".

In 2019, Eurostat led the global review of the international system of environmental economic accounts (SEEA) experimental ecosystem accounts, and participated in the UN Committee of experts on environmental-economic accounting (UNCEEA) and the London Group of experts on environmental accounts. The SEEA is a valuable data source particularly for SDGs, circular economy and resource efficiency.

At the moment of writing this report, Eurostat had three open important recommendations issued by the ECA in the Special Report 16/2019: "European Environmental Economic Accounts: Usefulness for policymakers can be improved", published on 10 October. In order to improve the strategic framework for EEEA data (target date end 2021), Eurostat and the Member States already agreed in DIMESA in October 2019 an implementation document as the basis for the action plan required to fulfil the Court recommendation. In order to improve the relevance of EEEA modules for policy making and improve the timeliness of EEEA data, an action plan is in place (target dates for the implementation are end 2021, end 2023 and end 2022).

The cooperation with the Joint Data Initiative Organisation (JODI) has been formalised through a Commission Decision.

Eurostat has sponsored and contributed to the triennial International Conference on Agricultural Statistics (ICAS VIII) "Statistics for Transformation of Agriculture to Achieve the Sustainable Development Goals (SDGs)" which took place 18-21 November 2019 in New Delhi. The Commission funded the participation of 50 participants from Asia and a one-day training on the use of administrative data in agricultural statistics.

In the field of external relations, Eurostat continued the management of **regional cooperation statistical programmes** as well as general statistical support and cooperation with enlargement and neighbourhood (ENP East and South) countries. The main aim is to achieve reliable and comparable statistics and increase data production.

Progress towards the effective achievement of Eurostat's multi-annual specific objective 3 is illustrated by the fact that, apart from 1 output out of 26 that was delayed, Eurostat delivered all outputs as planned.

2. ORGANISATIONAL MANAGEMENT AND INTERNAL CONTROL

This section explains *how* the DG delivered the achievements described in the previous section. It is divided into two subsections.

The first subsection reports the control results and other relevant information that supports management's assurance on the achievement of the financial management and internal control objectives²³. It includes any additional information necessary to establish that the available evidence is reliable, complete and comprehensive. It covers all activities, programmes and management modes relevant to the DG.

The second subsection deals with the other components of organisational management: human resources, better regulation principles, information management and external communication.

2.1 Financial management and internal control

Assurance is an objective examination of evidence for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes.

This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Director-General. These are:

- the reports regarding the declaration of assurance provided by authorising officers by subdelegations (AOSDs);
- the contribution of the director in charge of risk management and internal control, including the results of internal control monitoring at the DG level;
- the reports of the ex-post supervision or audit;
- the register of exceptions and non-compliance events;
- the limited conclusion of the internal auditor on the state of control, and the observations and recommendations reported by the Internal Audit Service (IAS);
- the observations and recommendations reported by the European Court of Auditors (ECA).

These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Director-General of Eurostat.

This section is for reporting the control results and other relevant elements that support management's assurance. It is structured into (a) Control results, (b) Audit observations and recommendations, (c) Effectiveness of internal control systems, and resulting in (d) Conclusions on the assurance.

2.1.1 Control results

This section is for reporting and assessing the elements identified by management which support the assurance on the achievement of the internal control objectives²⁴. The DG's assurance building and materiality criteria are outlined in AAR Annex 4. Annex 5 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.


²³ Art 36.2 FR: a) effectiveness, efficiency and economy of operations; b) reliability of reporting; c) safeguarding of assets and information; d) prevention, detection, correction and follow-up of fraud and irregularities; and e) adequate management of risks relating to the legality and regularity of underlying transactions



²⁴ Ibidem.



For further details, please see annex 3, table 1 and table 2.



In 2019, the financial operations managed by Eurostat were exclusively under direct management mode²⁵.


The overall conclusion table below presents the main objectives and indicators and summarises the control results. It covers all expenditure, revenue and non-expenditure items:


 Management plan: Financial management indicators vs. actual figures		
Indicator	Target	Actual
• Residual error rate (multi-annual) for operational budget	< 2%	0.32%
• Estimated overall risk at closure	None	0.28 MEUR
• Estimated future corrections	None	0.01 MEUR
• Timely execution of payments for grants	> 95%	99.37%
• Timely execution of payments for procurements	> 95%	99.96%
• Number of critical or very important recommendations overdue for more than 6 months	None	None
• Conclusion of cost-effectiveness	Positive	Positive
• Number of anti-fraud actions implemented in the year	100%	100%

 Control results	 Efficiency / Economy
<ul style="list-style-type: none"> • Detected error rate, ex post controls of grants ESP 2013-2020; FY 2019 = 0.02% • Detected error rate, ex post controls of grants ESP 2013-2020, multi-annual 0.34% 	<ul style="list-style-type: none"> • Time to pay (grants) 38 days 😊 • Time to pay (procurements) 20.6 days 😊 • Overall cost of controls 11.022 MEUR • Ratio cost of control/expenditure 12.08%

 Commitments and payments	 Safeguarding of assets/information
<ul style="list-style-type: none"> • 131.18 MEUR commitment (of which 61.56 MEUR subdelegated by other DGs) • 91.56 MEUR in payment appropriations (of which 38.37 MEUR subdelegated by other DGs) <p><i>[For further details, please see annex 3, table 1 and table 2]</i></p>	<ul style="list-style-type: none"> • No incidents regarding data integrity • No incidents regarding breach of confidentiality

 Independent audits	 Reservations
<ul style="list-style-type: none"> • No open critical recommendations 	<ul style="list-style-type: none"> • No reservations to be reported

 Other
<ul style="list-style-type: none"> • No cases of 'confirmation of instructions' according to Article 92 (3) of the Financial Regulation (FR) had to be reported • Eurostat did finance one grant action, including two modules, where the form of financing was not linked to costs. In total, 25 grant agreements were signed for this grant action (22 included both modules, 3 included one module.) [Art. 125 (3) FR] • Eurostat did not implement projects via financial framework partnerships that exceeded a duration of 4 years [Art. 130 (4) FR] • Eurostat implements a flat-rate funding of 30% for indirect costs in line with Article 181(6) FR • Eurostat did not implement projects that are not in line with the principle of non-retroactivity [Art. 193 (2) FR]


The AOD considers that the risks relating to the legality and regularity of the underlying transactions are adequately managed. No significant weaknesses were identified by ex ante controls. The error rate for Eurostat's financial transactions is significantly below the materiality threshold of 2%. There are no overdue critical or very important recommendations, no reservations are due.

The following results of the controls performed are presented by internal control objective²⁶ and are further subdivided by main type of expenditure, namely grants

²⁶ Effectiveness, efficiency and economy of operations; reliability of reporting; safeguarding of assets and

(payments on grants in 2019 amounted to 50.99 MEUR) and procurement transactions (in 2019 40.23 MEUR), covering 99.63% of the payments made by Eurostat in reporting year 2019.

2.1.1.1 Control Effectiveness


In order to be considered effective, controls are expected to meet the internal control objectives and result in benefits.

2.1.1.1.1 Legality and regularity of the transactions

Eurostat is using internal control processes to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programme and the nature of the payments concerned.

GRANTS

The European Statistical Programme ESP is implemented by means of agreements between the NSIs, other national authorities and Eurostat. In accordance with Regulation (EC) No 2009/223 on European statistics, grants are awarded without calls for proposal to the members of the ESS.

 Beneficiaries of grant agreements signed by Eurostat are mainly National Statistical Institutes (NSIs) of the EU Member States and of the enlargement countries and of the EFTA countries. They do not belong to a high-risk environment: they are public sector organisations and partners of Eurostat within the European Statistical System (ESS). The number of Eurostat grants' beneficiaries is limited and the population of potential beneficiaries is highly stable, as they are NSIs or other national authorities designated by the Member States as members of the ESS. Expenditure linked to grants paid to the ESS beneficiaries constitutes around 97% of the budget implemented through grants by Eurostat (own and co-delegated appropriations).

- As from 2015, the Commission decided that any direct personnel costs incurred to implement grants awarded by Eurostat shall be declared on the basis of unit costs²⁷. This simplification further helps reduce the error risk.
- In line with Article 181 (6) of the FR and based on Commission Decision C(2013)2900 of 23 May 2013, for the duration of the European statistical programme 2013-2020 Eurostat has implemented a flat rate funding on the beneficiary's indirect costs of 30% of the total eligible direct staff costs for the vast majority of grants²⁸.

Eurostat implements its budget based on a multiannual control strategy valid until 2020.

In 2019, all stages of Eurostat grant agreements were verified by mandatory **ex ante controls** relating to operational and financial aspects in line with the relevant control system for budget implementation (see annex 5). No major weaknesses were identified. All errors detected ex ante were corrected before payment.

Re-assurance is given by complementary financial **ex post controls**. Three of the controls launched in the reporting year were finalised as foreseen; one control is under final review and is expected to be finalised within the first quarter of 2020. The controls performed did not disclose any major financial or internal control findings, thus the detected error rate for the reporting year is 0.02%. The multi-annual residual error rate declined to 0.32% well below the materiality threshold of 2%²⁹.

information; prevention, detection, correction and follow-up of fraud and irregularities; and adequate management of the risks relating to the legality and regularity of the underlying transactions.

²⁷ Under the ESP and subdelegated credits, with the exception of IPA beneficiaries

²⁸ 303 grant agreements out of a total of 306, in line with article 2 of Commission Decision C(2013)2900: "Beneficiaries of grants according to Article 5 of Regulation (EC) 2009/223 shall declare eligible indirect costs on the basis of a flat rate of 30% of the total eligible direct personnel costs for grant agreements implementing the work programme of Eurostat for 2012 and for the duration of the European statistical programme 2013-2020."

²⁹ All error rates related to ESP 2013-2020.

Detected error rates on ESP 2013-2020:

Indicator	Audit year				Multi-annual
	2016	2017	2018	2019	
• Audited population (€)	1 093 183	1 253 928	965 461	1 198 551	4 511 123
• Audited beneficiaries (n°)	4	5	3	4	16
• Audited grants (n°)	14	22	25	28	89
• Amount of errors concerned (€)	302	4 507	10 495	210	15 514
• Detected error rate	0.03%	0.36%	1.09%	0.02%	0.34%
• Number of fraud-related audit observations	none	none	none	None	none
• Number of audit results failed implementation	none	none	none	None	none


N.B.: All figures referring to ESP 2013-2020; subdelegated credits are not included.

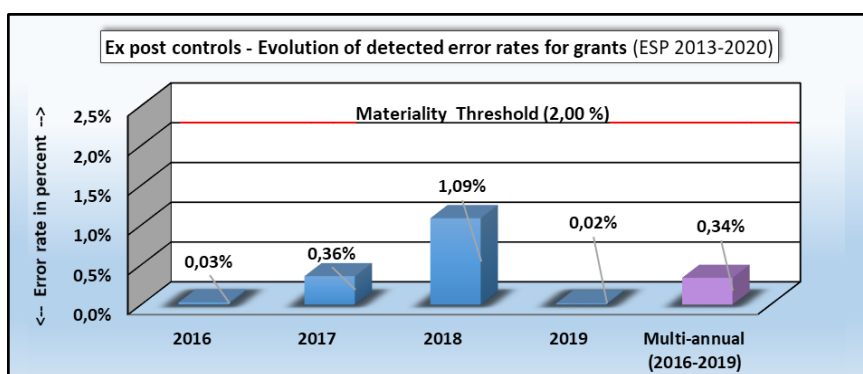
Eurostat is responsible for appropriations transferred from co-delegating Commission-DGs and services to Eurostat via co-delegation agreements. The table below presents the ex post control indicators including the amounts co-delegated to Eurostat:

Detected error rate ESP 2013–2020 and co-delegated appropriations³⁰:

Indicator	Audit year				Multi-annual
	2016	2017	2018	2019	
• Audited population (€)	1 093 183	1 253 928	965 461	2 465 076	5 777 648
• Audited grants (n°)	14	22	25	33	94
• Amount of errors concerned (€)	302	4 507	10 495	1 135	16 439
• Detected error rate	0.03%	0.36%	1.09%	0.05%	0.28%

The number and amount of errors detected by ex post controls related to the funds managed by Eurostat is rather limited, positively reflecting a low error rate. Eurostat is of the opinion that this fact reflects the low level of risk of its financial transactions. In addition, non-quantifiable benefits expressing the results of controls in non-financial terms have to be taken into account to assess the effectiveness of controls. They include being compliant with the rules and regulations regarding the financial management of funds entrusted to Eurostat. Eurostat also takes into account the deterrent and pedagogical benefits that arise from its controls when determining the effectiveness of its controls.

 **The ex post controls' multi-annual detected error rate related to ESP 2013-2020 grant agreements declined in 2019 compared to the previous year. It remains comfortably below the materiality threshold of 2%.**



General note relating to error rates: The European Court of Auditors in its 2018 Annual Report and its review of the Commission's ex-post audits observed that the Commission's methodology for calculating the error rate leads to an understatement of the error rate the extent of which cannot be quantified. As a result, the Commission will adapt its methodology for the calculation of the ESP 2013-2020 error rate in line to the Court's observations starting with the implementation of the 2020 ex-post audit campaign.

³⁰ Co-delegated appropriations are included from the year 2019.

In order to address this issue, the error rates for the year 2019 were calculated with an adapted calculation method that was proposed by Commission's Central Services in order to avoid understated error rates.

PROCUREMENTS



Procurement transactions implemented by Eurostat in 2019 concerned mainly: 1) Provision of statistical services and methodologies; 2) IT services, supplies and database management; 3) Seminars, workshops and training.

As requested under Article 74(5) of the FR, all procurement transactions were covered by standard ex ante controls. These controls are checklist-based and cover financial as well as operational aspects of a transaction. Before authorising a transaction, financial or procedural errors are corrected. No significant errors or weaknesses were unveiled in 2019. Of the total amount invoiced by third parties, 0.62% was corrected before payment within the reporting year.

In addition to the mandatory ex ante controls, in terms of management checks and supervision, the market committee reviews the quality of the terms of reference of planned calls for tender on a sample basis, based on internal criteria. In 2019, the market committee reviewed the quality of two terms of reference's procedures, six lots in total.

CONCLUSION



The analysis of the available control results, assessing the issues identified and their relative impact on legal regularity did not unveil any significant weakness, which could have had a material impact on the legality and regularity of the financial operations. Eurostat considers that the control results give a complete and reliable picture and thus concludes that, based on the main indicators' results, the control objective as regards legality and regularity has been achieved.

Estimated overall amount of risk

In the context of the protection of the EU budget, the DGs' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated at Commission level. DG Eurostat's data is shown in Table [X] and its accompanying notes below.

The estimated overall risk at payment for 2019 expenditure is 0.29 MEUR. This is the AOD's best, conservative estimation of the amount of *relevant expenditure* during the year (71.25 MEUR) not in conformity with the contractual and regulatory provisions applicable at the time the payment was made.

This expenditure will subsequently be subject to ex-post controls and a proportion of the underlying errors will be detected and corrected in successive years. The conservatively estimated future corrections for 2019 expenditure are 0.01 MEUR. This is the amount of errors that the DG conservatively estimates will be identified and corrected by controls planned to be carried out in succeeding years.

The difference between those two amounts leads to the estimated overall risk at closure for the 2019 expenditure of 0.28 MEUR.

Table X – Estimated overall risk at closure

N°	Subject	Description	Grants	Procurements	Admin. credits	Overall
1	Payments made	FY in MEUR As per AAR annex 3, table 2	50.99	40.23	0.34	91.56
2	Minus new pre-financing	(Plus retentions made) As per ABAC DWH BO report on prefinancing	- 25.09	- 0.21	- 0.00	- 25.30
3	Plus cleared prefinancing	(Minus retentions released) As per ABAC DWH BO report on prefinancing	+ 4.97	+ 0.02	+ 0.00	+ 4.99

4	Relevant expenditure	FY in MEUR	= (1) -/+ (2) +/- (3)	Σ 30.87	Σ 40.04	Σ 0.34	Σ 71.25
5	Average error rate	Weighted AER in %	Detected error rates, or equivalent estimates	0.28%	0.50%	0.50%	0.40%
6	Estimated overall amount at risk at payment	FY in MEUR	= (4) x (5)	0.09	0.20	0.00	0.29 0.41% of (4)
7	Average recoveries and corrections	Adjusted ARC in %	H-ARC (as per ABAC DWH report on corrective capacity), but adjusted	0.02%	0.00%	0.00%	0.00%
8	Estimated future corrections [and deductions]	FY in MEUR	= (4) x (7)	0.01	0.00	0.00	0.01 0.01% of (4)
9	Estimated overall risk at closure	In MEUR	= (6) - (8)	0.08	0.20	0.00	0.28 0.39% of (4)

Notes to the table:

N°	Comments
(1)	Payments made or equivalent, e.g. expenditure registered in the Commission's accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle. In all cases of Co-Delegations (Internal Rules Article 3), "payments made" are covered by the Delegated DGs. For Cross-Subdelegations (Internal Rules Article 12), they remain with the Delegating DGs.
(2)	New pre-financing actually paid by out the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). "Pre-financing" is covered as in the context of note 2.5.1 to the Commission annual accounts (i.e. excluding "Other advances to Member States" (note 2.5.2) which is covered on a purely payment-made basis). "Pre-financing paid/cleared" are always covered by the Delegated DGs, even for Cross-Subdelegations.
(3)	Pre-financing actually cleared during the financial year (i.e. their 'delta' in the Financial Year 'actuals', not their 'cut-off' based estimated 'consumption').
(4)	For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (see the ECA's Annual Report methodological Annex 1.1), our concept of "relevant expenditure" includes the payments made, subtracts the new pre-financing paid out [& adds the retentions made], and adds the previous pre-financing actually cleared [& subtracts the retentions released; and any deductions of expenditure made by MS] during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.
(5)	In order to calculate the weighted Average Error Rate (AER) for the total relevant expenditure in the reporting year, [for grants] the detected error rate [4 years average = 0.28%] has been used. For types of low-risk expenditure with indications that the equivalent error rate might be close to 'zero' (e.g. administrative expenditure, procurement), the recommended 0.50% has been applied as a conservative estimate. For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (e.g. administrative expenditure, operating subsidies to agencies), it is nevertheless recommended that 0.5% be used as a conservative estimate.
(7)	Even though to some extent based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective capacity of the ex-post control systems implemented by the DG over the past years, the AOD has adjusted this historic average from 2,24% for all financial transactions of Eurostat to 0,02% related to grant agreements. In order to come to the best but conservative estimate of the ex-post future corrections to be applied to the reporting year's relevant expenditure for the current programmes, only the recoveries based on ex-post controls have been taken into account [0.01% for grants]. As no ex-post controls are carried out on procurement transactions and administrative credits [no recoveries were made for procurements and administrative credits], the ex-post future corrections for those segments are assumed to be 0.0% as a best and most conservative estimate.

Due to the low-level risk of Eurostat's grant transactions, the estimated future corrections and the estimated overall risk at closure for the reporting year 2019 remain both on a very low level. The same conclusion can be reached with regard to procurement transitions and administrative appropriations. As in the previous year, the

conservative estimate of 0.5% has been applied as a weighted error rate for those transactions. Therefore, the estimated overall amount at risk at closure remains at a very low level.

2.1.1.1.2 Fraud prevention, detection and correction

Eurostat has developed and implemented its own anti-fraud strategy since 2013, on the basis of the methodology provided by OLAF. It is updated at the end of each three-year implementation period or before if necessary. It was last updated in 2017.

Anti-fraud implementation is monitored twice a year and reported to management. All necessary actions have been implemented.

In 2019, Eurostat organised three training sessions together with OLAF on anti-fraud for its staff. In line with Eurostat's anti-fraud strategy action plan, the training sessions raised the awareness of Eurostat's staff about all aspects of anti-fraud. In 2019, an information session on anti-fraud was included in each of the four newcomers' induction-programme training sessions. Market concentration for procurement was monitored and the results presented to management.

The quantified benefit of controls covering fraud prevention, detection and correction are evident in the fact that there were no pending investigations opened by OLAF from previous years (all potential fraud cases notified by Eurostat have been dismissed by OLAF since 2012). Eurostat neither registered a fraud nor reported to OLAF any potential fraud-related case during 2019. The unquantified benefits are the deterrent effects of controls. In addition, no fraud risks were included in the Eurostat risk register.

2.1.1.1.3 Other control objectives: safeguarding of assets and information, reliability of reporting

Safeguarding of assets and information

Eurostat's information systems and data are highly important assets supporting Eurostat's mission to be the leading provider of high-quality statistics in Europe.

Therefore, Eurostat regards it as crucial to safeguard, monitor and secure its information systems and applications as well as its collection, handling and hosting of sensitive information including the dissemination chain and the web site used for publishing statistics and press releases. As far as IT security and data integrity is concerned, the control objectives in place are mainly related to the definition and dissemination of Eurostat information security policy, implementation of the controls defined in the IT security policy, monitoring and control of access to IT infrastructure, and use of IT infrastructure and information. In 2019 there were no incidents recorded regarding data integrity in the reception and transmission of information, including the web site.

Regarding the safeguarding of sensitive information, the control objectives are mainly the identification and definition of sensitive information in Eurostat, access to sensitive information, and control of access to sensitive information. Within the ESS, the ESS IT security framework defines the controls to be put in place in order to safeguard the sensitive information. Eurostat as part of the ESS, has been certified by an external authority as correctly implementing these controls. During 2019, no incidents related to a breach of confidentiality were reported.

Reliability of reporting (GNI)

The DG of the Commission in charge of the budget (DG Budget) is the authorising service with regard to own resources. However, Eurostat is the Commission service in charge of checking the implementation of the GNI regulation. This entails proposing methods to ensure the exhaustiveness and comparability of national GNI data, verifying the compilation of those data and directing the work of the GNI Expert Group. Each year, this group adopts an opinion on the appropriateness of Member States' GNI data for own resource purposes with respect to reliability, comparability and exhaustiveness. At the very beginning of Eurostat's involvement in own resources verification, the division of responsibilities between Eurostat and DG Budget was agreed. This is given in a Memorandum of Understanding that includes good practice regarding GNI reservations,

which allow Member States' GNI data to be revised after a cut-off date. The GNI verification work is carried out using a multi-annual verification cycle based on periodic inventories (description of sources and methods used to compile GNI) sent by Member States as well as an annual verification of GNI questionnaires and reports on quality underlying the data revisions.

The main indicators used in this activity are for the verification cycle 2016-2019 and are presented in Annex 10. These indicators are broken down by input, output and results for the multiannual and annual verification. They underpin the legality and regularity of underlying transactions concerning own resources based on GNI.

In 2019, several GNI information visits to the Member States took place and the verification work on the GNI inventories, including the cross-country analyses of transversal issues, was finalised. The verification cycle 2016-2019 was successfully accomplished. Reservations were proposed to be placed on Member States' GNI data where additional work with respect to reliability, comparability and exhaustiveness is necessary.

2.1.1.2 Efficiency

To assess the best possible relationship between resources devoted to controls and outputs achieved, Eurostat defined a set of efficiency indicators, which are regularly monitored and analysed. The tables below provide an overview of the indicators related to grants and procurements.

GRANTS

Indicator	Financial year				
	2015	2016	2017	2018	2019
• Average time-to-inform applicants [Art 194 (2a) FR sets a time limit of six months] (180 days)	87 days	79 days	71 days	108 days	80 days
• Average time-to-sign grant agreements or notify grant decisions [Art 194 (2b) FR sets a time limit of three months] (90 days)	28 days	36 days	46 days	59 days	64 days
• Time-to-pay (% on time, number of transactions)	95.9%	92.63%	83.70%	91.20%	99.37%
• Average time-to-pay [Art 116 FR]	46 days	47 days	57 days	48 days	38 days

The average time taken to inform grant applicants improved significantly in the reporting year 2019 (see chart right, blue line). It decreased from 108 days in 2018 to 80 days in 2019 and stayed well below the limit of 180 days as defined by the FR. The average time to sign grant agreements (Art 194 (2b) FR) increased slightly within the normal functioning of the process and stayed under the limits of 90 days set by the FR.

The efficiency indicator 'time-to-pay' relating to grant cost-claims was also further improved within the reporting period. In 2019, 38 days were necessary to settle payments based on cost-claims, compared to 48 days in the previous year (see chart right, orange line). This improvement results from the implementation of a dedicated payment time monitoring system, which has an active follow-up of the advancement of individual payment files through the payment-process.



In addition, Eurostat implemented a simplified and fully paperless management process for grant payments managed outside the eGrants tool, while in eGrants, Eurostat implemented the payment module and started to make the first payments.

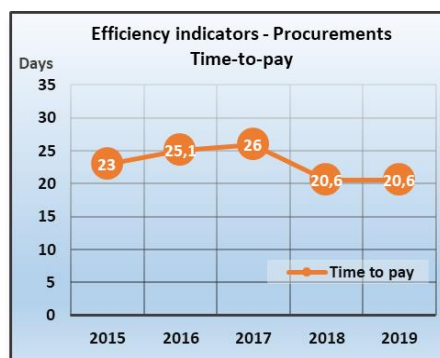
PROCUREMENTS

Indicator	Financial year				
	2015	2016	2017	2018	2019
• Time-to-pay (number of transactions paid in time) as a percentage %	89.60%	88.51%	82.92%	92.52%	99.96%
• Average time-to-pay [Art 116 FR]	23.00 days	25.13 days	26.02 days	20.61 days	20.60 days

Nearly all invoices (99.96%) were paid in time in 2019, representing a further improvement compared to the previous year.

The efficiency indicator 'time-to-pay' remained stable at 20.6 days (see chart on the right).

Simplified and paperless payment management processes were behind the improvements regarding time-to-pay-indicators within the last two reporting periods.



2.1.1.3 Economy

The calculation of cost of controls is based on a best and most reasonable estimate³¹. Staff costs were measured by multiplying the number of full-time equivalents (FTE) with an annual average cost rate depending on the staff category. External costs were included in the calculation using the individual contracted amount.

The estimation of FTEs for staff was carried out using two distinct approaches: one for staff dealing with financial management and one for staff attributed to Eurostat's operational activities:

- All Eurostat's staff working in the area of financial and budgetary management were identified and attributed to internal control activities. In a second step, if the time spent on control activities surpassed 10% of time spent per year, the percentage of time dedicated to internal control was estimated and translated into FTE.
- As regards staff assigned to the operational domain of Eurostat, the amount of FTEs was determined by multiplying the time estimated to be necessary for managing specific financial transactions with an average estimated number of financial transactions handled within a financial year.

Eurostat believes that the calculation of cost gives a true and fair view of Eurostat's control costs for the reporting year, based on a best and most reasonable estimate.

Eurostat regularly monitors and assesses indicators on the efficiency of its controls. The tables below present an overview of cost-effectiveness and control efficiency indicators broken down by the relevant control system as described in Annex 5 of the AAR and by control stage (ex ante / ex post) for grants and procurement transactions.

³¹ The corporate methodology for the estimation, assessment and reporting on the cost-effectiveness of controls was revisited in September 2018 and applied for the first time in the 2018 annual reporting. The difference in the estimated cost of controls compared to previous years derives from this new methodology and does not reflect any substantial change in the DG's control strategy.

Overall cost of control:

Indicator	Financial Year			
	2016	2017	2018	2019
(1) Overall cost of control (k€)	*)	*)	10 694	11 022
(2) Overall cost of controls / total expenditure executed during the year (payments made for grants and procurements)	*)	*)	11.3%	12.1%
Overall cost of control includes the cost of control related to grants, procurements, IT security and data integrity as well as safeguarding of sensitive information.				

*) No comparative data for previous years available

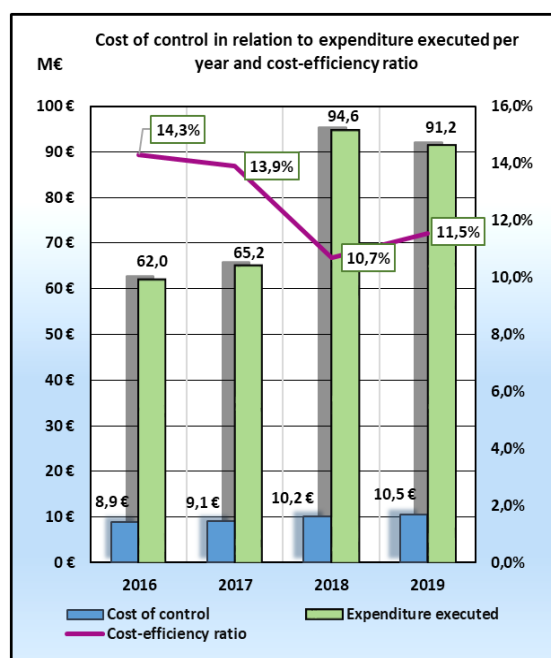
Grants and procurements (total):

Indicator	Financial Year			
	2016	2017	2018	2019
(1) Overall cost of control (k€)	8 863	9 066	10 162	10 522
(2) Total cost of controls of process / total expenditure executed during the year (the payments made for grants and procurements)	14.3%	13.9%	10.7%	11.5%

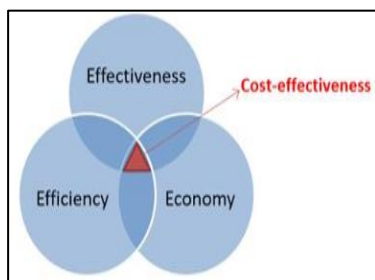
The cost of control in absolute terms for grants and procurement transactions increased slightly from 10.2 MEUR in 2018 to 10.5 MEUR in 2019 (see blue bars in chart on the right). The number of FTEs attributed to control-related activities was kept stable, whereas the annual average cost per FTE increased moderately.

As the payments made declined from 94.6 MEUR in 2018 to 91.2 MEUR in 2019 (see green bars on the left), the cost-efficiency ratio declined slightly (see red line in the chart on the right) compared to the previous year, though it remained significantly below the years 2016 and 2017.

However, it should be noted that the cost-efficiency ratio presented here does not reflect the efforts necessary to implement the large increase in the number of commitment transactions in 2019.



2.1.1.4 Conclusion on the cost-effectiveness of controls



Source: DG BUDG – Reporting & Discharge

At first glance, the cost-effectiveness ratios appear relatively high. However, one of the key determinants of the ratio is the volume of payments made during the reporting year. It should be noted that in 2019, the volume of commitment transactions in absolute figures increased by more than 87% compared to the previous year. The additional time necessary to proceed with those commitment transactions is not reflected in the cost-effectiveness ratio presented here.

In this context, it is important to underline that Eurostat is implementing a rather small volume of budgetary appropriations per financial year. Furthermore, although the average size of grant transactions is relatively small, a full set of controls must be put in place. This results in diseconomies of scale. Additionally, it is important to note that

controls are implemented to manage revenue and expenditure in accordance with the underlying budgetary rules and regulations, ensuring compliance with the requirements regarding the legality and regularity of transactions. To prevent, detect and correct errors and irregularities, many of the controls performed in Eurostat are mandatory; the margin for reducing them is therefore limited.

However, further efficiency and cost-effectiveness improvements are in the final implementation phase. In 2019, the eGrants tool was used where possible, to conclude grant agreements. Exceptions are grant agreements with international organisations and grant agreements with simplified forms of financing, which to date are not supported by the eGrants tool.

The introduction of further modules (namely payments and reporting, as well as amendments) of the eGrants tool in the grant management cycle required an important investment in terms of resources for training and adapting to the new working methods. Further efficiency gains are expected when everyone managing grant agreements, both in Eurostat and at the participants' side, become more familiar with eGrants. In future, the workflow for ex post controls and the implementation of audit results should also be carried out using eGrants.



Based on the most relevant key indicators and control results, Eurostat assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible.

2.1.2 Audit observations and recommendations

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

Audit work performed by IAS during the year 2019

In 2019, the IAS carried out the following engagements in Eurostat:

- **"Audit on Eurostat's quality management of statistical processes"**. In the final audit report of 15 November 2019, IAS issued one "very important" and one "important" recommendation. An action plan, to be implemented by 31 December 2020, was elaborated and the IAS concluded that *"the action plan established is deemed to satisfactory mitigate the risks identified"*.
- **"Audit on HR Management in ESTAT"**. The final audit report is expected in Q2/2020.
- **"Audit on Commission's policy for data, information and knowledge management"**. Eurostat, SG, DG BUDG, DIGIT and JRC have been audited. The final audit report is expected in Q3/2020.
- Second follow-up on the implementation of the "very important" recommendation, one of the "Audit on performance of Eurostat's support to the Europe 2020 strategy and the new Commission priorities". The recommendation referred to Eurostat's role to strengthen the planning, and coordinate the development and production of other statistics related to Europe 2020.
- Follow-up of the implementation of recommendation five of the "Audit on the Production Process and the Quality of Statistics not Produced by Eurostat". This "very important" recommendation referred to referencing and use of a disclaimer when publishing "other statistics".

Eurostat accepted all recommendations issued by the IAS.

Open issues from IAS audits before 2019

During the reporting year 2019, Eurostat worked on the implementation of a "very important" recommendation issued by the IAS on 18 January 2019 in the final report of the "Audit on effectiveness of Eurostat's cooperation with external stakeholders". Furthermore, Eurostat substantially progressed with the implementation of three "very important" recommendations issued by IAS on 31 January 2018 in the final report of the "Audit on the Production Process and the Quality of Statistics not Produced by Eurostat". For further information, please consult Annex 10.

Audits performed by the ECA during the year 2019

In 2019, the ECA published the following Special Reports where Eurostat is chef de file for implementing at least parts of the issued recommendations:

In its **Special Report 08/2019: "Wind and solar power for electricity generation: Significant action needed if EU targets to be met"** the Court of Auditors issued one "important" recommendation where Eurostat is chef de file.

Three "important" recommendations where Eurostat is chef de file were issued by the Court of Auditors in its **Special Report 16/2019: "European Environmental Economic Accounts: Usefulness for policymakers can be improved"**.

Eurostat accepted all the recommendations issued by the European Court of Auditors. For further information, please consult part 1 of the AAR 2019.

Open issues from audits of the ECA before 2019

In its **"Annual Report 2016"**, the Court of Auditors issued two "important" recommendations for Eurostat. These recommendations concern the potential implications of multinational activities on the estimation of Gross National Income (GNI) and the correct capturing of R&D assets during the ongoing GNI verification cycle in Member States' national accounts. Both recommendations were implemented by Eurostat during 2019.

In its **Special Report 01/2016 "Is the Commission's system for performance measurement in relation to farmers' incomes well designed and based on sound data?"**, the Court of Auditors issued two "important" recommendations whose implementation is at least partly under the responsibility of Eurostat. An action plan was established and is being implemented.

While one recommendation had already been implemented in 2018, the parts of the second recommendation under Eurostat's responsibility will be implemented, as planned, by 31 December 2020. For further information please consult part 1 of the AAR 2019.

Conclusion of the Internal Auditor on the state of internal control in Eurostat



The Internal Auditor concluded on the state of internal control in Eurostat that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the 'very important' recommendations.

Conclusion on the assessment of audit observations and recommendations



No "critical" recommendations were issued by IAS in 2019. Currently Eurostat does not have any "critical" or "very important" recommendations issued by the The European Court of Auditors. During 2019 and in January 2020, Eurostat worked on three "very important" recommendations stemming from IAS audits as implemented.

Eurostat is currently in the process of implementing three "important" recommendations and two "very important" recommendations, all issued in IAS audit reports, as well as five "important" recommendations issued by the Court of Auditors.

Action plans referring to the "very important" and "important" audit recommendations were established and are being implemented. Some of the risks detected have been reduced significantly. Therefore, from Eurostat's point of view, the weaknesses and risks that were detected in the audited processes, do not endanger the functioning of the IC system as a whole.

Currently Eurostat has no overdue audit recommendations as all were implemented by 31 January 2020.

The Internal Auditor concluded on the state of internal control in Eurostat that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the 'very important' recommendations. Therefore, Eurostat concludes that audit observations and recommendations do not disclose significant weaknesses of the internal control system that would request to qualify the declaration of assurance with a reservation.

2.1.3 Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

Eurostat uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

Twice a year, Eurostat's management monitors the implementation of the mitigating actions identified for the risks relevant at DG level. Twice a year Eurostat's management also assesses whether: 1) new mitigating actions need to be implemented to further mitigate identified risks; 2) the risk level for the risks included in Eurostat's risk register has changed; 3) new risks have been identified.

The functioning of the internal control systems was closely monitored throughout the year.

Eurostat's management assessed the effectiveness of the internal control system and its results following the methodology established by DG BUDG in the "Implementation Guide of the Internal Control Framework of the Commission". Please refer to Annexe 11 for the detailed approach and its sources.

The results of the assessment have been analysed and discussed between the Director-General and the DRMIC.

Eurostat has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and

functioning well overall, but some improvements are needed as minor deficiencies were identified related to the components “risk assessment”, “control activities” and “monitoring activities”.

The improvements and/or remedial measures implemented or envisaged are mainly the implementation of action plans related to audit recommendations and the implementation of the action plan to follow-up the results of the European Commission Staff Opinion Survey 2018-2019.

2.1.4 Conclusions on the assurance

This section reviews the assessment of the elements already reported above (in Sections 2.1.1, 2.1.2 and 2.1.3), and the sub-conclusions already reached. It draws an overall conclusion to support the declaration of assurance and whether it should be qualified with reservations.

The information reported in Section 2.1 stems from the results of management and auditor monitoring contained in the reports listed. These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a comprehensive coverage of the budget managed by the Director-General of Eurostat.

Eurostat’s performance in 2019 demonstrated that it is on course to meet the long-term policy, programme and operational objectives. In Eurostat's judgement, its operational expenditure authorised has contributed to the policy achievements and generated Union-added value. The KPIs indicate that the usage of European statistics is firmly increasing as a general trend and in particular in the last years. Finally, the residual error rate is significantly and consistently below 2% materiality threshold.

The estimated overall amount at risk at closure for the 2019 payments made is 0.28 M EUR.

Based on an assessment of the most relevant key indicators and control results, Eurostat has assessed the cost-effectiveness and the efficiency of the control system as satisfactory in its current environment and has identified actions in order to improve.

There were no pending investigations opened by OLAF from previous years. In 2019, no potential fraud related case was reported to OLAF.

In 2019 there were no incidents recorded regarding data integrity in the reception and transmission of information including the web site. No incidents related to breach of confidentiality were reported.

Eurostat has set up internal control processes aimed to ensure the adequate management of the risks relating to its operations. Eurostat performs a risk assessment on DG level twice a year.

Eurostat has systematically examined the available control results. Controls performed have allowed the identification of specific actions to further improve the control environment.

Furthermore, Eurostat has assessed the observations and recommendations issued by the IAS and the ECA and continued in 2019 with the implementation of actions plans addressing audit recommendations.

IAS concluded on the state of internal control in Eurostat that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the “very important” recommendations. Eurostat concluded that audit observations and recommendations do not disclose significant weaknesses of the internal

control system that would request to qualify the declaration of assurance with a reservation.

Eurostat has assessed the effectiveness of its internal control system during the reporting year and has concluded that the internal control system is present and functioning but some improvements are needed.

The AOD gained a true and fair (i.e. a reliable, complete and correct) view on the state of affairs in Eurostat and has reasonable assurance that, overall, suitable controls are in place and working as intended

Overall Conclusion



In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director General, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

2.1.5 Declaration of Assurance

DECLARATION OF ASSURANCE

I, the undersigned,

Director-General of Eurostat

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view³².

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the institution.

Luxembourg, 31 March 2020

(e-signed)

Mariana KOTZEVA

³² True and fair in this context means a reliable, complete and correct view on the state of affairs in Eurostat.

2.2 Other organisational management dimensions

Examples of economy and efficiency:

1) *Intra-EU trade in goods statistics will benefit from exchanging micro-data on intra-EU exports, providing a new data source and allowing for a significant reduction of burden on respondents. This micro-data exchange, which is a key novelty in statistics, will become mandatory under the new framework regulation on European business statistics from January 2022 onwards.*

In 2019, Eurostat, in collaboration with Member States, completed the development of an IT infrastructure to support the exchange of micro-data. This is now available for systematic technical and statistical testing before the new legislation becomes applicable. The IT infrastructure implemented is highly automated, allowing the submission and processing of millions of records from each EU Member State, a quantity impossible to handle manually.

Secure networks are used to exchange this sensitive data. To reinforce the security, a number of ESS-agreed IT security controls have to be implemented by the countries and Eurostat. These are certified by an independent third-party organisation. In 2019, 19 Member States went through the certification process, making them ready to start with micro-data exchange.

2) *In 2019, as anticipated in last year's AAR, more grant procedures were launched using the eGrants tool. In fact, where possible, Eurostat used the eGrants tool to conclude grant agreements. Exceptions are grant agreements with international organisations and grant agreements with simplified forms of financing, which to date are not supported by the eGrants tool. This ensured an increased transparency as all communication and reporting is centralised in one electronic tool, accessible to beneficiaries and EC staff. The tool allows for the management of the full financial cycle of a grant from the submission of proposals, the evaluation of applications, the award and grant signature through to the follow-up of the project implementation and its final payment. In 2019, Eurostat continued to adapt the necessary business processes of the tool integrating reporting, payments and grant amendments. Over the coming years, more efficiency gains are expected to take full effect with increased expertise and experience, notably in terms of time to grant and to pay.*

3) *The corporate IT tool AGM (Advanced Gateway to Meetings) was progressively rolled out in 2018. In 2019, its use became obligatory for all Committee and Expert group meetings. Even though AGM is still in its pilot phase, with further releases of the tool expected during the year, some useful features were developed. These will generate efficiency gains mostly from 2020 onwards, when it will be fully integrated with other key tools.*

2.2.1 Human resource management

In July 2019, an annual resource review was carried out, aiming at matching activities planned with the resources available. Eurostat's priorities have been further reviewed based on the political guidelines of the Commission 2019-2024.

In November 2019, Eurostat achieved its target for first-time female middle management appointments, contributing to the goal of achieving a rate of at least 40% of this type of appointment in the Commission. On 1 November 2019, Eurostat's rate of women in its middle management was 55%.

Eurostat continued to support wellbeing activities over 2019, offering 18 types of activities in its premises every week. A further 11 events linked to health and wellbeing (for example Relais pour la Vie, Breast Cancer Run, European Week of Sport, VeloMai, ...) were organised by Eurostat staff.

During 2019, 4 out of 7 senior manager's positions were not occupied. An HR strategy that could not be finalized in 2019 will be finalized during 2020.

Eurostat's Development Plan was finalised, approved by its senior management and sent to the central Commission services in October 2019. It provides for improved internal communication (see more details in Annexe 2).

2.2.2 Better regulation (only for DGs managing regulatory acquis)

Eurostat takes active part in the Commission's REFIT and better regulation activities. There exists a statistical annex covering the domains of business, agricultural and social statistics. The change in these domains aims to streamline the existing acquis into wider framework regulations, allowing a more efficient production of European statistics. The relevant regulations were adopted by the legislator, one in 2018 (integrated farm statistics) and two in 2019 (social and business statistics). The main output linked to the better regulation objective in the strategic plan was the report on the "Evaluation of the European Fishery Statistics" (EFS), which was concluded in November 2019 ([SWD\(2019\) 425 Final](#)). The evaluation of the EFS conducted in 2018-2019 included a wide range of consultation activities. It found that fishery statistics are an important and independent source of information for a wide range of users in fisheries management, market monitoring and research. At the same time, the evaluation also showed that the relative added value of those statistics for the Common Fisheries Policy is declining because other (administrative) data sources managed by DG MARE and/or the JRC better meet management and analysis needs. Furthermore, the outcome of the evaluation indicated that Eurostat should consider improving the statistical regulations framing the EFS.

Following the results of the evaluation, Eurostat will conduct an impact assessment, in view of possibly revising the fisheries statistics regulations to adapt them to user needs and reduce the response burden.

In 2019, Eurostat prepared a staff working document on progress in the implementation of the European Statistical Programme 2013-2020 (SWD(2019) 423). It shows that the ESP's implementation is progressing well, producing significant results under the various objectives. A final evaluation of the ESP will take place by the end of 2021, as provided for in Article 15(3) of Regulation (EU) 2013/99.

2.2.3 Information management aspects

Data, information and knowledge are strategic assets. Eurostat continuously promotes improved gathering, sharing and use of information and knowledge among staff and with other DGs.

The Director-General of Eurostat is an active member of the Information Management Steering Board. She has committed to contribute to delivering the strategy and to ensure coherence between actions, to prioritise them and to oversee their implementation, both at corporate level and locally. Eurostat is also very active at the Information Management Team (IMT), composed of experts from the DGs represented in the board. During 2019, Eurostat was involved in several data management initiatives, such as the development of an inventory of other statistics produced by the Commission services, coordination of data acquisition within the Commission, definition of guidelines for dissemination, and production of a services catalogue.

Increasing efficiency, quality and modernisation – in particular through internal training and the promotion of information – is at the very heart of centralised document management at Eurostat, thus contributing to the safeguarding of information and knowledge as strategic assets. Internal quality controls are used to correct and identify training needs in the four document management activities.

The internal training programme focuses on all staff. In 2019, Eurostat expanded its offer

of refresher courses, and confirmed its action in individual sessions as well as large-scale presentations in various units. The overall network of DMO correspondents was mobilised several times and trained on the latest developments in security and visibility.

As the statistical authority of the Union and as a service of the Commission, data protection is a fundamental element of Eurostat's activity. Eurostat is implementing and monitoring all aspects (including general compliance with data protection rules) of the Commission's data protection action plan, based notably on established practices for the application of the principle of statistical confidentiality and on its own internal action plan. Major steps taken so far to ensure compliance with the new data protection rules (Regulation (EU) 2018/1725) and the Commission's Data Protection Action Plan (C(2018)7432) are:

- A new compliance assessment was carried out for all Eurostat data processes in the DPO register. All "legacy notifications" were subsequently transferred to the new data protection management system (DPMS), as "records".
- The assessment resulted in full compliance of all Eurostat records with Reg. 2018/1725.
- The validation and publication of these records are being finalised.
- All privacy statements related to Eurostat's records have been, or are being, updated to provide clear and concise information to the data subjects concerned. The process is nearing completion. Eurostat has updated all its privacy statements in the course of the transition to the Data Protection Management System (DPMS) of the SG. They were provided to data recipients via the channel described in the individual DPMS record, mostly by uploading on the relevant website or, in the case of events/meetings, by providing the invitees in the invitation with the new version of the privacy statement when the next event is organized.
- Throughout the year, all Eurostat's staff dealing with data protection were trained on the new rules in the field. The training was mainly in the form of individual meetings with data controllers. A general training session for all staff and a separate senior management training session also took place.
- An assessment on the need for further restrictions of data subjects' rights, as well as the need to carry out data protection impact assessments (DPIAs), concluded that neither restrictions nor DPIAs are currently necessary at Eurostat.

Eurostat has assessed each individual data processing during the transition to the DPMS. This included in each case a full assessment of compliance with the general principles (Art. 4 Reg. 2018/1725).

2.2.4 External communication activities

In 2019, the Eurostat website was viewed more than 38 million times, compared to 33 million views in 2018. Eurostat continued to enhance its citizen-centred digital communication, intensifying its communication through social media. It tweeted more than 1,300 messages in 2019, gaining over 10,000 new Twitter followers (now over 144,000 followers). Polls and Twitter chats were used to increase interaction with citizens and the media. Eurostat's Facebook page, with over 460 posts in 2019, now has more than 42,000 followers. Facebook posts reach a wide audience: a post on female managers, board members and senior executives gained almost one million views and more than 2,000 responses.

The use of infographics to enhance the attractiveness of Eurostat's publications, news releases, news items and social media posts increased.

A range of webinars explained Eurostat products to fact-checkers and data journalists, in view of their key role as transmitters of European statistics to society.

Eurostat engaged in dialogue with citizens through data support services, meetings, and social media.