



# **RTD Evaluation Network Meeting**

**Vienna, 7 November 2018**

**Eurostat**

# Getting ready for the experiment

- The European Statistical System is the most important player in providing high-quality statistics for policy making in the EU.
- The co-operation between Eurostat and the National Statistical Institutes (NSIs) is arguably the closest administrative co-operation between offices in the Member States and at Commission level.
- It is based on European law, and the very close involvement of Member States in all steps of decision making and implementation.

# Getting ready for the experiment

- The 'European Code of Practice for the National and Community statistical authorities' sets principles for the institutional environment, statistical processes, and the statistical output.
- It contains provision relating to 'professional independence', 'co-ordination and cooperation', 'impartiality and objectivity (including transparency)', 'statistical confidentiality and data protection', 'sound methodology'.
- But also on 'relevance', 'non-excessive burden to respondents' and 'cost effectiveness', and a commitment to strive for innovation.

# Getting ready for the experiment

- Eurostat is committed to support the monitoring of the Framework Programme implementation.
- It is one of the three 'high priority' areas identified in the Memorandum of Understanding (MoU) between DG RTD and Eurostat.
- Co-operation towards a definition of a project, including on the expected outcomes (e.g. list of indicators), technical aspects (incl. confidentiality), legal and political implications, communication strategy (convincing NSIs), work-sharing, burden limitation, etc.

# Getting ready for the experiment

MoU agreement: work should be done on

- Identification of monitoring indicators based on ESS data
- Harmonisation of concepts in ESS and CORDIS
- Technical identification of enterprises
- Legal and political aspects
- Tabulation needed for analysis
- Transmission of data
- Quality evaluation of results

# Getting ready for the experiment

## Opportunities

- Linking is the best way to provide counter-factual analysis (recipients versus non-recipients)
- Time-lagged linking is the best way to assess long-term impacts
- Using ESS infrastructure is the best way to achieve quality, e.g. statistical representativity
- Enlarged use of ESS data is an opportunity for the ESS as it promotes our work

# Getting ready for the experiment

## Technical challenges

- Guarantee of confidentiality !
- Linking requires skills and turf knowledge only available in the NSIs — work should be done in the NSIs.
- Statistically representative data: recipients of EU funding and enterprises taking part in surveys are small sub-populations of the all enterprises, with very small overlaps > testing, testing, testing...
- Sharing what, when ? Common practices, methodology, output formats — or microdata ?

# Getting ready for the experiment

## Motivation

- Though using official statistics does not increase the burden to respondents, it causes additional burden to the NSIs — motivation !
- The exercise needs political backing based on a common understanding of the advantages.
- What if we don't like the results ?



# Some background information

Most used sources for EU business statistics

- **Business surveys** (e.g. SBS, R&D enterprise survey, CIS)
- Admin data on company registration (from the chambers of commerce) for demographic events and for employment and turnover
- Admin data from tax registers or social security data as one input for annual business statistics, short-term business statistics, and international trade statistics

# Some background information

Eurostat co-ordinated the Admin Data project from 2009 to 2013, taking stock of the data sources used in the Member States to produce business statistics.

*Overview of existing practices in the uses of administrative data for producing business statistics in EU and EFTA*

# Some background information

The **exchange of microdata** within the framework of the EGR is regulated by [FRIBS Article 10](#); it defines the legal requirements for the exchange of confidential data between

- Member States (e.g. SIMSTAT)
- the Commission (Eurostat) and Member States on multinational enterprise groups (EuroGroups Register)
- the Commission (Eurostat) and Member States on the identification of legal units
- the Commission (Eurostat) and central banks

# Some background information

**Microdata linking** (MDL) can provide an opportunity to develop new statistics and indicators when using existing datasets and combining them with new data collections

Dilemma:

- users and policy-makers require additional information on the structure and development of European enterprises
- budget constraints and a reluctance to increase the burden on survey respondents and NSIs put tight restrictions on an increase in data requirements

# Some background information

## Microdata linking: Conditions

- A unique identifier or at least a very reliable matching approach. Up-to-date national statistical business registers play a key role in helping to connect the various datasets
- A large enough intersection of responding units
- Co-operation with the NSIs

# Some background information

## Microdata linking: Examples

- international sourcing
- FATS (employment by business function)
- dependent and independent SMEs and large enterprises
- enterprises that trade internationally and those that do not
- enterprise survival and growth prospects

[https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Microdata linking in business statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Microdata_linking_in_business_statistics)

# Some background information

## Microdata linking: technical challenges

- Newly created records usually undergo further cleansing/editing — after the individual data sources have been edited — to ensure that they have a sufficient level of consistency.
- Due to the variety of sources involved in the new record, the phenomenon of 'item non-response' will be more significant than in single source data, which requires specific weighting and imputation strategies for deriving aggregated statistical output.

**Turf knowledge of NSIs needed !**

# Getting ready for the experiment

Eurostat appreciates that NSIs are willing to engage in pilot studies for microdata linking !

- Support needed
- Feedback throughout the process
- Needs for harmonisation at EU level ?
- Forum for the exchange of best practices ?