

EFTA BULLETIN

EFTA/EU STATISTICAL COOPERATION HANDBOOK

1-2011 OCTOBER

20th
anniversary
EFTA Statistical Office



The EFTA Statistical Office

The EFTA Statistical Office (ESO) was created in 1991 as a liaison office between the Statistical Office of the European Union (Eurostat) and the EFTA national statistical institutes. ESO's main objective is to sustain the integration of the EFTA States in the evolving European Statistical System, and thus to provide harmonised and comparable statistics supporting the general cooperation process between EFTA and the EU.

ESO is located on the premises of Eurostat in Luxembourg. Its staff of five consists of the Head of ESO, the Deputy Head of ESO, two assistants and a trainee. ESO is backed by the Working Group of the Heads of National Statistical Institutes. The Group meets at least once a year and brings together the directors-general of the national statistical institutes of all the EFTA countries.

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FOREWORD



Dear Reader,

The EFTA Statistical Office (ESO) celebrates its 20th anniversary this year. To mark the event, this Bulletin is dedicated to the success story of statistical cooperation between EFTA and the EU. Over the last 20 years, the combined efforts of ESO and the EFTA national statistical institutes (NSIs) have resulted in close cooperation with Eurostat and continuous progress with regard to the European Economic Area (EEA). EFTA has contributed significantly to the advancement of the European Statistical System (ESS) and is a visible and appreciated actor in training and technical assistance in the field of statistics.

ESO was established in 1991 as a result of the EFTA States' informal cooperation with the ESS – then consisting of Eurostat and the national statistical institutes of the EU Member States. Its role as a central bridging body between the EFTA NSIs and Eurostat was formalised in 1994 through the EEA Agreement. Since then, over 300 EU statistical acts have been incorporated into the Agreement and the three EEA EFTA States have participated in the ESS on an equal footing with the EU Member States. Switzerland followed in 2007 with the entry into force of the Swiss/EU Agreement in the field of statistics. Twenty years on, the EFTA Statistical Office continues to support its partners in sustaining the EFTA States' integration into the ESS and providing harmonised and comparable statistics to support the general cooperation process between EFTA and the EU.

This Bulletin is not a classical Festschrift but an update of a hands-on publication describing the institutional and practical aspects of EFTA statistical cooperation within and outside the EEA and Swiss/EU Agreements. It is designed mainly for staff of EFTA NSIs who participate in activities organised within the framework of the ESS. It may also serve a larger audience as a source of information on an area – official statistics – that is commonly considered a major instrument for the functioning of democratic societies and a necessary condition for the smooth and sustainable running of market economies. Important updates to the first edition are found in the changes to the legislative procedures of the EU as a result of the Lisbon Treaty, and in the institutional set-up of European Statistics since the adoption of the so-called “Statistical Law”.

The authors of the update of the handbook are Andrea Scheller and Kurt Wass, Head and the Deputy Head of ESO respectively. The authors of the first edition are also gratefully acknowledged here: Ayfer Storrud, Richard Ragnarsøn and Gabriel Gamez. The EFTA NSIs were invited to comment on this second edition and Judith Scherrer from the Swiss Federal Statistical Office expertly revised the section on the Swiss/EU Agreement.

On behalf of the Heads of the EFTA NSIs, I would like to thank all contributors to this handbook, which provides exhaustive and accessible information on EFTA/EU statistical cooperation. I remain confident that it will continue to be recommended reading for all those involved in European statistical cooperation.

Hans Henrik Scheel

Director General, Statistics Norway
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National Statistical Institutes

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INTRODUCTION AND BACKGROUND

The Purpose of EFTA/EU Statistical Cooperation

The availability of impartial, reliable and comparable international statistics is widely regarded as a cornerstone of all democratic societies and a prerequisite for the smooth and sustainable functioning of a competitive market economy. Indeed, statistics are essential for planning, implementing and monitoring companies' and governments' policies, indispensable for a better understanding of the society around us and necessary for making comparisons between different countries and regions.

European integration has highlighted the necessity for all EFTA States to cooperate with their main partners in order to ensure the production and dissemination of coherent and comparable statistical information for describing and monitoring relevant economic, social and environmental policies.

Concretely, the Agreement on the European Economic Area (EEA Agreement) and the Agreement between Switzerland and the European Union in the field of statistics (Swiss/EU Agreement) foresee that the contracting parties shall improve their cooperation through common programmes and procedures. The purpose of this cooperation is to achieve gradual harmonisation, as well as to ensure the coherent evolution of their legal framework for the production, transmission and dissemination of official statistics. In this respect, the agreements enable EFTA experts to participate fully in the work of EU committees and other EU technical bodies responsible for developing statistical programmes and actions.

EFTA/EU statistical cooperation through the EEA Agreement and the Swiss/EU Agreement has progressively favoured strengthened collaboration between parties in the field of technical assistance for third countries and training for statisticians.

The European Free Trade Association in Brief

EFTA History

In 1960, in response to the formation of the European Economic Community (EEC) three years earlier, Austria, Denmark, Norway, Portugal, Sweden, Switzerland and

the United Kingdom established the European Free Trade Association (EFTA) to promote closer economic cooperation and free trade in Europe. These countries were later joined by Iceland, Finland and Liechtenstein.

Most of EFTA's members have now left to join the European Union. Today, EFTA comprises four Member States: Iceland, Liechtenstein, Norway and Switzerland. It has offices in Geneva (headquarters), Brussels and Luxembourg. A Secretary-General directs the Secretariat, assisted by two Deputy Secretaries-General, based in Geneva and Brussels.

The EFTA Convention and Relations with Third Countries

The EFTA Convention forms the legal basis of the organisation and governs relations between the EFTA States. The first EFTA Convention, signed in Stockholm in 1960, was intended mainly to provide a framework for the liberalisation of trade in goods between its Member States. The Convention was updated and became the Vaduz Convention, which entered into force on 1 June 2002. The Vaduz Convention contained several significant changes and innovations, such as:

- Trade in services
- Free movement of persons
- Social security
- Public procurement
- Intellectual property rights

The objective of the update was to integrate into the Convention the principles and rules established within the framework of the EEA Agreement (see next section) and the content of the Agreement signed between Switzerland and the EU in the field of statistics. The result is that all EFTA countries now benefit from virtually the same privileged relationship with each other as they do with the EU. The annexes of the EFTA Convention are amended continuously to ensure consistency with other legal commitments of the EFTA States, such as the EEA Agreement.

In line with the broad objectives of the Convention, EFTA has developed economic relations with a number of countries outside the European Union (referred to as "third countries") through free trade and



cooperation agreements. This network covers more than 30 countries and territories and has secured EFTA's economic operators free access to markets with a total of around 440 million consumers outside the EU. EFTA's trade activities are managed in Geneva.

The EFTA Council is the governing body of the Association. It is responsible for intra-EFTA relations, as well as relations between EFTA States and third countries. Financial and common administrative matters lie with the Council, which meets once a month at the level of heads of permanent missions to EFTA in Geneva and twice a year at ministerial level. All Member States are represented and have one vote each.

The Agreement on the European Economic Area

Three of the four EFTA Member States (Iceland, Liechtenstein and Norway) and the Member States of the European Union are signatories to the Agreement on the European Economic Area. Thus, the three EEA EFTA States participate in the EU's Internal Market. The Secretariat in Brussels services the EFTA pillar of this extensive agreement.

The Standing Committee of the EFTA States is the forum for decision making, administration and management of the EEA Agreement for the EEA EFTA States. Subcommittees and working groups assist the Standing Committee. Among these is Subcommittee IV, which is supported by the Working Group of the Heads of EFTA National Statistical Institutes and deals with EEA statistical cooperation.

The EFTA Statistical Office

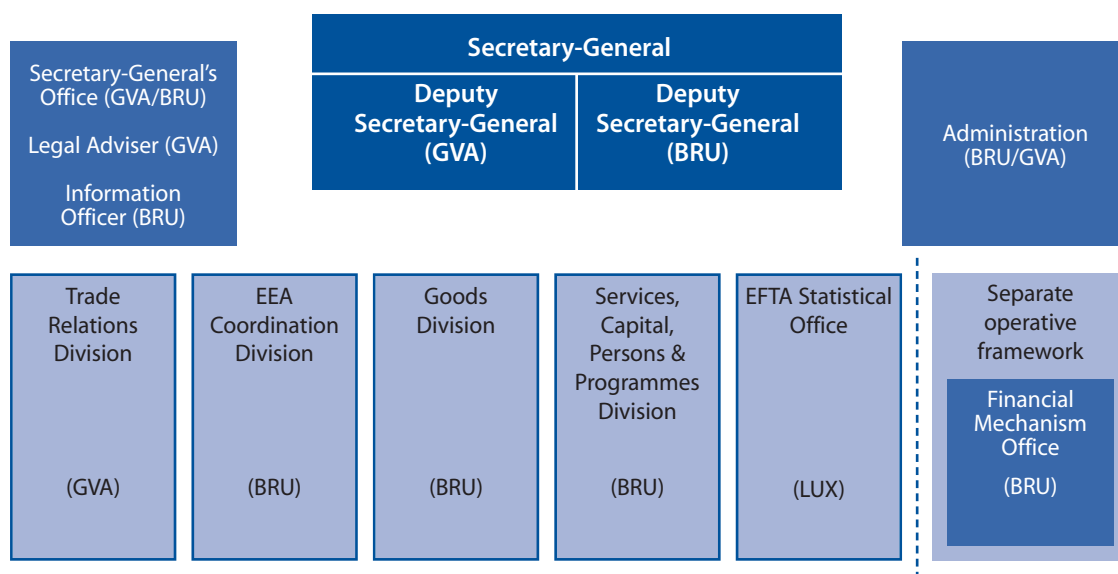
The EFTA Statistical Office (ESO) was created in 1991 as a liaison office between the Statistical Office of the European Union (Eurostat) and the EFTA national statistical institutes (NSIs). This also meant the creation of a third duty station of the EFTA Secretariat in addition to those in Geneva and Brussels. ESO's main objective is to sustain the integration of the EFTA States into the evolving European Statistical System (ESS), thereby providing harmonised and comparable statistics supporting the general cooperation process between EFTA and the EU. ESO is located on the premises of Eurostat in Luxembourg and has five staff members: the Head of the EFTA Statistical Office, the Deputy Head, two assistants and a trainee, in general a young professional from one of the EFTA national statistical institutes.



The EFTA Statistical Office team and the EFTA seconded national experts to Eurostat, October 2011.

Photo: ESO

Organisational Chart of the EFTA Secretariat



2011 Budget of the EFTA Secretariat

EFTA Budget 2011

EFTA Activities	CHF
Trade relations	4 682 000
Managing the EEA Agreement	8 824 000
EFTA/EU statistical cooperation	747 000
Secretary-General's services	1 964 000
EU/EFTA and EFTA cooperation programmes	3 245 000
Internal activities	4 192 000
Total EFTA Secretariat	23 654 000

Contributions to the EFTA Budget 2011

Member State	Share %	Contributions (in CHF)
Iceland	4.33	1 025 000
Liechtenstein	0.87	205 000
Norway	57.12	13 510 000
Switzerland	37.68	8 914 000
Total	100.00	23 654 000

THE INSTITUTIONAL AND LEGAL FRAMEWORK OF EEA STATISTICAL COOPERATION

The European Economic Area What is the EEA?

The European Economic Area (EEA) unites the 27 EU Member States and the three EEA EFTA States (Iceland, Liechtenstein and Norway) in an Internal Market governed by the same basic rules. These rules aim to enable goods, services, capital and persons to move freely about the EEA in an open and competitive environment, a concept referred to as the “four freedoms”. In practice, this means that citizens of all 30 countries, with almost 500 million consumers, have the right to live, study, work, invest and set up business in the EEA. In other words, the objective of the EEA Agreement is to promote a continuous and balanced strengthening of trade and economic relations between the EEA States with a view to creating a homogenous European Economic Area.

The EEA Agreement was signed in 1992 and came into force on 1 January 1994. A public referendum in 1992 in Switzerland rejected membership of the EEA. Subsequently, Switzerland has maintained and developed its relationship with the EU through a series of sectoral agreements.

Flanking and Horizontal Policies

The EEA Agreement includes horizontal provisions relevant to the four freedoms. These provisions form the legal basis for incorporating EU legislation on social policy, consumer protection, the environment, statistics and company law into the EEA Agreement.

In addition to the four freedoms and horizontal provisions, the EEA Agreement covers flanking areas for which cooperation is to be strengthened and broadened through participation in EU programmes.



Bjørn Tore Godal, Foreign Minister of Norway, signs the EEA Agreement in Oporto, Portugal, 1992. This is the most comprehensive agreement ever signed by both EFTA and the EU.

© Keystone



Among the flanking policy areas are:

- Research and technological development
- Education, training and youth
- Public health
- Statistics

The purpose of statistical cooperation in the EEA is to provide comparable and reliable statistical information in order to describe and monitor all relevant fields of cooperation covered by the EEA Agreement. Thus, both the EEA EFTA and EU Member States decided in as early as 1989 to consider statistics as a horizontal and flanking policy area of the EEA with specific provisions in the Agreement: Article 76, Protocol 30 and Annex XXI.

What is the EEA Not?

The EEA contains a whole range of major policy areas linked directly or indirectly to the four freedoms covering more than 80% of EU legislation. However, the EEA Agreement does not cover:

- Common Agricultural and Fisheries Policy (although the Agreement does contain provisions on various aspects of trade in agricultural and fish products)
- Common Foreign and Security Policy
- Justice and Home Affairs Policy (even though the EEA EFTA States are part of the Schengen area)
- Common Trade Policy
- Customs Union
- Monetary Union

In addition to specific policy areas, there are certain political procedures that do not apply to the EEA EFTA countries. The EEA EFTA States have not transferred any legislative competence to the EEA institutions and all decisions on the EEA EFTA side are therefore taken unanimously. The policy areas mentioned above and the different political procedures are important distinctions between membership of the European Union and participation in the European Economic Area.

EEA Institutions

EEA Joint Bodies

The institutional arrangements under the EEA Agreement are laid down in a two-pillar structure with the EEA EFTA institutions matching those on the EU

side. Substantive decisions relating to the EEA Agreement and its operation are a joint venture and are taken by joint bodies.

The EEA Joint Committee is responsible for the management of the EEA Agreement. In this forum, views are exchanged and decisions taken by mutual agreement to incorporate EU legislation into the EEA Agreement. It is made up of the ambassadors of Iceland, Liechtenstein and Norway to the EU and representatives of the European External Action Service. Decisions are taken by unanimity. This means that the EEA EFTA States must agree (the “speaking with one voice” principle) before the EEA Joint Committee can take a decision.

The EEA Council provides the political impetus for the development of the Agreement and guidelines for the Joint Committee. The EEA Council is composed of EEA EFTA foreign ministers and – before the Lisbon Treaty – the EU foreign ministers of the previous, current and forthcoming EU Council presidencies, the so-called “troika”. After the Lisbon Treaty, the EU Council decided that, until further notice, the EEA Council would continue to be chaired on the EU side by the rotating presidency.

Other joint EEA institutional organisations are the EEA Parliamentary Committee, comprising members of the national parliaments of the EEA EFTA States and of the European Parliament (EP), and the EEA Consultative Committee, comprising members of the EFTA Consultative Committee and of the European Economic and Social Committee. Both committees are advisory bodies.

EEA EFTA Bodies

The Standing Committee of the EFTA States coordinates the preparation for meetings of the EEA Joint Committee. It serves as a forum in which the EEA EFTA States can consult each other and arrive at a common position before meeting with the EU in the Joint Committee. The Standing Committee is made up of the ambassadors of Iceland, Liechtenstein and Norway to the EU as well as observers from Switzerland and the EFTA Surveillance Authority (ESA). The Standing Committee meets once a month and the chair rotates between the EEA EFTA States every six months.

The substructure of the Standing Committee mirrors that of the EEA Joint Committee:

- Subcommittee I on the Free Movement of Goods
- Subcommittee II on the Free Movement of Capital and Services
- Subcommittee III on the Free Movement of Persons
- Subcommittee IV on Flanking and Horizontal Policies, including EEA statistical cooperation

In 2003 the Standing Committee approved the practical merger of Subcommittees II, III and IV, and in 2009 the Standing Committee further approved the practical merger of Subcommittee I with Subcommittees II-IV. In addition to the four policy subcommittees, Subcommittee V on the EEA EFTA side deals with legal and institutional questions.

The EFTA Secretariat in Brussels and the EFTA Statistical Office in Luxembourg provide support to the Standing Committee and its subsidiary bodies in the administration of the EEA Agreement.

The EFTA Surveillance Authority monitors the fulfilment of obligations under the EEA Agreement, mirroring the role of the European Commission on

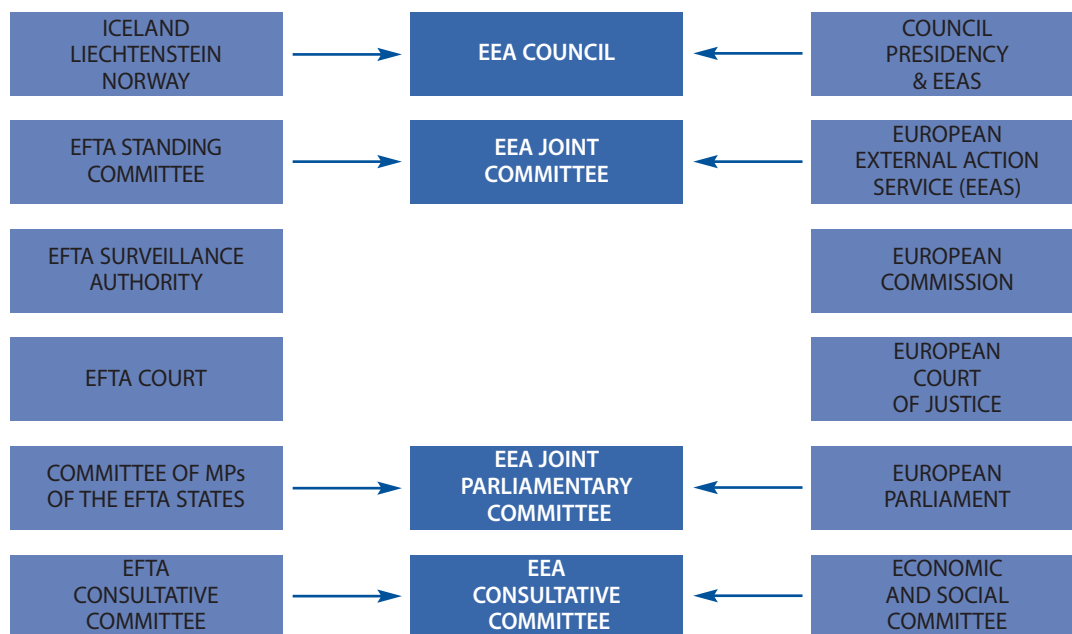
the EU side. In general terms, this means that ESA ensures that the provisions of the Agreement, including the protocols and acts referred to in the annexes to the Agreement, are properly implemented in the national legal orders of the EEA EFTA States, and that their authorities apply the EEA rules correctly. ESA, like the European Commission, has extended competence in the fields of public procurement, state aid and competition.

The EFTA Court has jurisdiction with regard to the EEA EFTA States. The Court deals mainly with infringement actions brought by ESA against an EEA EFTA State concerning the implementation, application or interpretation of EEA rules. The Court has competence to settle disputes between two or more EFTA States, to handle appeals concerning decisions taken by ESA and to give advisory opinions to the national courts of the EEA EFTA States on the interpretation of EEA rules. Thus, the jurisdiction of the EFTA Court largely reflects the jurisdiction of the Court of Justice of the European Union vis-à-vis the EU Member States.



EFTA Court in session.

The Two-Pillar EEA Structure



This diagram illustrates the management of the EEA Agreement. The left pillar shows the EFTA States and their institutions, while the right pillar shows the EU side. The joint EEA bodies are in the middle.

Legislative Procedure in the European Union

The Right of Initiative of the European Commission

According to the Lisbon Treaty (the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU)) only the Commission has the right of legislative initiative. The exception to this is where the Treaty provides otherwise, in particular concerning judicial and police cooperation in criminal matters. The European Parliament (EP) and the Council hold the role of legislators.

The treaty of Lisbon also introduces the right of initiative for EU citizens, thereby increasing their participation in the EU decision-making process. It enables them, through the provision of at least one million signatures from a significant number of Member States, to put forward proposals to the Commission.

Codecision as the “Ordinary Legislative Procedure”

The codecision procedure (Article 251 TEC) was introduced by the Treaty of Maastricht (the Treaty establishing the European Community (TEC)) and further strengthened by the Treaties of Amsterdam and Nice. It means that the European Parliament and the Council decide jointly on whether to adopt or reject legislation proposed by the Commission. With the entry into force of the Lisbon Treaty, codecision has become the “ordinary legislative procedure”. As defined in Article 294 TFEU, the ordinary legislative procedure is the central decision-making mechanism for most policy areas, including the field of statistics (Article 338 TFEU).

Another important new element introduced into the legislative procedure by the Lisbon Treaty is the strengthened role of the national parliaments. Proposals from the Commission are forwarded to Member States’ national parliaments at the same time that they are sent

to the EP and the Council (Protocol 1 TFEU, Article 2). The parliaments then have eight weeks to examine whether the proposals encroach on the sovereignty of the Member States and exceed the powers conferred on the EU (the subsidiarity test). If one-third of the national parliaments agree that the proposal has failed the test, the Commission must give a reasoned opinion, explaining its position. The Lisbon Treaty also introduced a control mechanism, whereby the national parliaments could trigger a special procedure by a simple majority; if 55% of the Member States in the Council or a simple majority in the European Parliament agree that the proposal fails the subsidiarity test, the Commission has to withdraw the proposal.

European legislation may take the form of a regulation, directive or decision:

- **Regulations** are binding and directly applicable in the Member States. No national measures are required to apply them and therefore nothing may delay their application. Regulations are the most common form of statistical legislation.
- **Directives** bind Member States to transpose common EU rules within a certain period. The choice of form and method is left to the Member States.
- **Decisions** are binding on their addressees. If all Member States are addressees, the effects of decisions are substantially the same as those of regulations. Decisions are used in statistics generally for specific topics or programme actions.

The treaties also provide for so-called “special legislative procedures” to be used in sensitive areas. According to these procedures, the EP or the Council can adopt alone with just the involvement of the other. This procedure will most likely be of no relevance to statistical legislation.

“Comitology” after the Lisbon Treaty

EU legislation may contain provisions conferring power on the Commission to implement the act in question. The Lisbon Treaty substantially modified this system of delegating implementing powers to the Commission. Two new provisions now regulate what was formerly known as comitology, rendering the comitology system (and the name) partially redundant: **delegated acts** (Article 290 TFEU) and **implementing acts** (Article 291 TFEU). The TFEU provides a clear distinction between these two types of acts. Under



The European Parliament.

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Article 290 TFEU the legislator can delegate to the Commission the power to adopt non-legislative acts of general application to *supplement or amend* certain non-essential elements of a legislative act, while under Article 291 TFEU powers are conferred on the Commission by the legislator to *implement* the provisions of a basic act if uniform conditions for implementing it are needed.

- **Delegated act:** Article 290 TFEU provides that a legislative act may delegate power to the Commission to draft and adopt acts that amend a basic act by deleting, replacing or adding non-essential elements, or that supplement it with a separate act enforcing non-essential rules or new norms.

The system of delegated acts does not foresee any comitology committees. These have been abolished and replaced by the legislators’ extended rights of *objection* and *revocation*. Both the EP and the Council have the power to object to a delegated act. Consequently, delegated acts adopted by the Commission only enter into force after expiry of the time period for objection, which is generally two months. Revocation is a power given to the EP and the Council to call back wholly or partly the powers delegated to the Commission. The decision to revoke may be taken at any time after the entry into force of the basic legislative act providing for it.

Even if national experts have no institutional role in the decision-making process, the Commission has committed itself to carrying out appropriate and transparent consultations with experts from all Member States whilst preparing a draft delegated act. Existing expert groups should typically be used for this procedure and new ones established if necessary.

Article 290 TFEU applied to new legislative acts with the entry into force of the Lisbon Treaty on 1 December 2009. The provisions therein did not require any legally binding framework but were made operational by a Common Understanding of the EP, the Council and the Commission^[1].

Pre-Lisbon regulatory procedure with scrutiny – The delegated act is the successor of the pre-Lisbon comitology mechanism, *Regulatory Procedure with Scrutiny* (RPS), but there is no automatic alignment from RPS to delegated acts. This means that RPS will continue to exist as a procedure in committees for some years more. The Commission has committed itself to finalising legislative revisions of basic acts foreseeing RPS by the end of 2014, basically replacing them with delegated acts on a case-by-case basis.

- **Implementing act:** Under Article 291 TFEU, Member States are primarily responsible for the implementation of EU law. Where uniform conditions for implementing legally binding acts are needed, these acts confer implementing powers on the Commission under the supervision of the Member States. The rules and principles for Member States' control of the Commission's exercise of implementing powers are laid down in Regulation (EU) No 182/211 and came into force on 1 March 2011^[2].

Member States control the Commission's executive powers in accordance with one of only two procedures: the *advisory procedure*, which existed in pre-Lisbon comitology, or the *examination procedure*, which is a merger of the pre-Lisbon management and regulatory procedures. The act that confers the implementing powers will also state which of the two procedures applies. In both cases, committees formed of representatives of Member States and chaired by the Commission are responsible for scrutinising the proposed implementing acts. The control mechanism can also include referral to an appeal committee.

Advisory procedure – Member States, through an advisory committee, give non-binding advice to the Commission by a simple majority. Even if not binding, the Commission takes the utmost account of the opinion delivered by the committee, but the latter cannot prevent the Commission from adopting the measures it considers most appropriate.

Examination procedure – Member States, through an examination committee, give binding advice to the Commission by a qualified majority. A positive opinion from the committee implies that the Commission shall adopt the implementing measures, and the absence of an opinion (except in some particular cases) gives the Commission the possibility to adopt the implementing measures. The Commission shall not adopt the proposed implementing measures when it receives a negative opinion. It may submit an amended version to the same committee or submit the original proposal to the appeal committee.

Pre-Lisbon comitology procedures – An automatic alignment guarantees the immediate switchover from pre-Lisbon procedures to the two new procedures for committees. The pre-Lisbon advisory procedure is aligned to the new procedure of the same name, and for the management and regulatory procedures the examination procedure applies.

Soft Law Instruments

In the European Union the term “soft law” is used to describe various types of instruments with no legal effects of their own, such as recommendations, guidelines, resolutions and gentlemen's agreements. Soft law instruments are in some cases preferred, as they have some advantages in terms of efficiency and flexibility compared to legal acts.

Decision Shaping in the EEA

According to the EEA Agreement, the EEA EFTA States have the opportunity to contribute to the shaping of EU legislation at the preparatory or pre-pipeline stage by participating in the Commission's experts groups, committees and other advisory bodies.

EEA EFTA Participation in Expert Groups

As the initiator of EU legislation, the Commission is responsible for the preparatory work leading to draft proposals. For this purpose, advice is often sought from experts of the Member States. EEA EFTA States' influence on the shaping of legislation is significant at this pre-pipeline stage, as the EEA Agreement provides for extensive participation by EEA EFTA experts in the preparatory work of the Commission. In accordance with the EEA Agreement, the Commission shall

^[1] Council note on Common Understanding - Delegated Acts, doc no 8753/11.

^[2] Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers.

informally seek advice from experts of the EEA EFTA States in the same way that it seeks advice from experts of the EU Member States.

More concretely, EEA EFTA experts shall be included in the preparatory work of the Commission through expert group meetings. In the field of statistics, these groups are generally called advisory committees, directors groups, working groups or task forces (TFs). They are formed with the purpose of advising the Commission (Eurostat) and assisting it with the drafting of new laws, which are later to be adopted through codecision or through delegated or implementing acts.

EEA EFTA Participation in EU Committees

In addition to the meetings of the experts mentioned above, the EEA EFTA States have the right of participation in committees (Article 100 EEA) that assist the European Commission to exercise its executive powers when adopting implementing acts. Article 81 and Protocol 30 of the EEA Agreement on specific provisions on the organisation of cooperation in the field of statistics assert that the EEA EFTA States shall participate fully without the right to vote in many of the committees in the area of statistics. The Commission transmits to the Council and the EP the views of the experts of the EEA EFTA States along with the result of the votes under the implementing acts procedure.

Information to EEA EFTA States' National Parliaments

Like the national parliaments of the EU Member States, the EEA EFTA national parliaments receive all proposals for ordinary legislative procedures from the Commission for information as soon as they are identified by the EFTA Secretariat.

Decision Making in the EEA Principle of Homogeneity

The underlying principle of the EEA is that of homogeneity. This is to be achieved through the timely incorporation of EU legislation (*acquis communautaire*) into the EEA Agreement. This means that as soon as a relevant EU legal act has been formally adopted through the codecision procedure (Council and European Parliament) or implemented

through delegated or implementing acts, the EEA Joint Committee shall take a decision on the appropriate amendment to the EEA Agreement.

Legal texts adopted by the European Union in the field of statistics that are also made part of the EEA Agreement through an EEA Joint Committee Decision are included in Annex XXI. This Annex also notes any EEA specific amendments or adaptations. When the EEA Agreement entered into force, 26 legal acts were part of Annex XXI. In 2011 there are just over 300.

EEA statistical cooperation is to a great extent based on law. However, parts of the commitments within the European Statistical System (ESS) are based on so-called "soft law instruments" such as gentlemen's agreements, to which the EEA States also adhere but which are not incorporated into Annex XXI. In 2011 there are some 40 gentlemen's agreements in effect, most of which include participation by at least one EEA EFTA State.

Concept of EEA Relevance

EEA relevant acts are those acts that are covered by the EEA Agreement. Broadly speaking, these are all legal acts that support the achievement of a homogeneous European Economic Area through the implementation of the free movement of goods, persons, services and capital, including cooperation in flanking and horizontal policies.

The relevance of an EU legal act is first assessed independently by the parties according to their own internal procedures and then submitted to the EEA Joint Committee for a final decision. The Commission mentions in the heading of an EU legal act when it believes that a piece of legislation is EEA relevant. Nevertheless, this does not constitute a binding indication for the EFTA pillar of the EEA Agreement and a certain number of legal acts without this indication have also been included in the Agreement.

Constitutional Requirements

The contracting parties of the EEA Agreement have not transferred any legislative powers to the EEA Joint Committee. It has therefore been necessary to regulate the situation in which, according to their constitutions, an EEA Joint Committee Decision can only be binding once it has been approved by national parliament or by referendum (Article 103 EEA).

The fulfilment of constitutional requirements has an impact on the date of entry into force of the Joint Committee Decision. When one of the contracting parties needs to fulfil constitutional requirements, the confirmed date of entry into force will be the first day of the second month following the final notification.

Exemption/Derogation

With regard to exemptions/derogations from certain provisions of an EU act, there are two formal procedures:

The legal act to be incorporated into the EEA Agreement foresees a provision that gives the competence to the Commission to grant exemptions/derogations to an EU Member State. In this case, a similar exemption/derogation to an EEA EFTA State may be granted in accordance with the two-pillar structure of the EEA, by the EFTA Surveillance Authority. Consequently, an EEA EFTA State wishing to obtain such exemption/derogation will have to address a request to ESA once the EU act mandating the Commission to grant exemptions/derogations has been incorporated into the EEA Agreement.

In all other cases, if an EEA EFTA State wishes to obtain an exemption/derogation from an EU legal act, it will have to request an adaptation text in the Joint Committee Decision incorporating the relevant act into the EEA Agreement. In other words, it is the Joint Committee that will decide on exemption or derogation in the last instance. In this case the Council will clear the Joint Committee Decision on the EU side.

The Legal Basis for EEA Statistical Cooperation

Article 76

The EEA EFTA States and the EU both recognise the importance of reliable and comparable statistics for describing and monitoring all relevant policies and programmes within the framework of the EEA Agreement. EEA cooperation in the field of statistics should therefore be seen in relation to the overall objective of the Agreement:

“to promote a continuous and balanced strengthening of trade and economic relations between the contracting parties with equal conditions of competition, and the respect of the

same rules, with a view to creating a homogeneous European Economic Area.” (Article 1 of the EEA Agreement)

In its provisions on statistics, Article 76 stipulates that:

- Statistical cooperation shall cover all relevant economic, social and environmental aspects of the EEA.
- Contracting parties shall harmonise methods, definitions and classifications.
- Annex XXI contains the list of relevant legal acts in the field of statistics.
- Protocol 30 settles the organisation of statistical cooperation.

Protocol 30

Protocol 30 of the EEA Agreement provides for the practical organisation of statistical cooperation between parties and in particular:

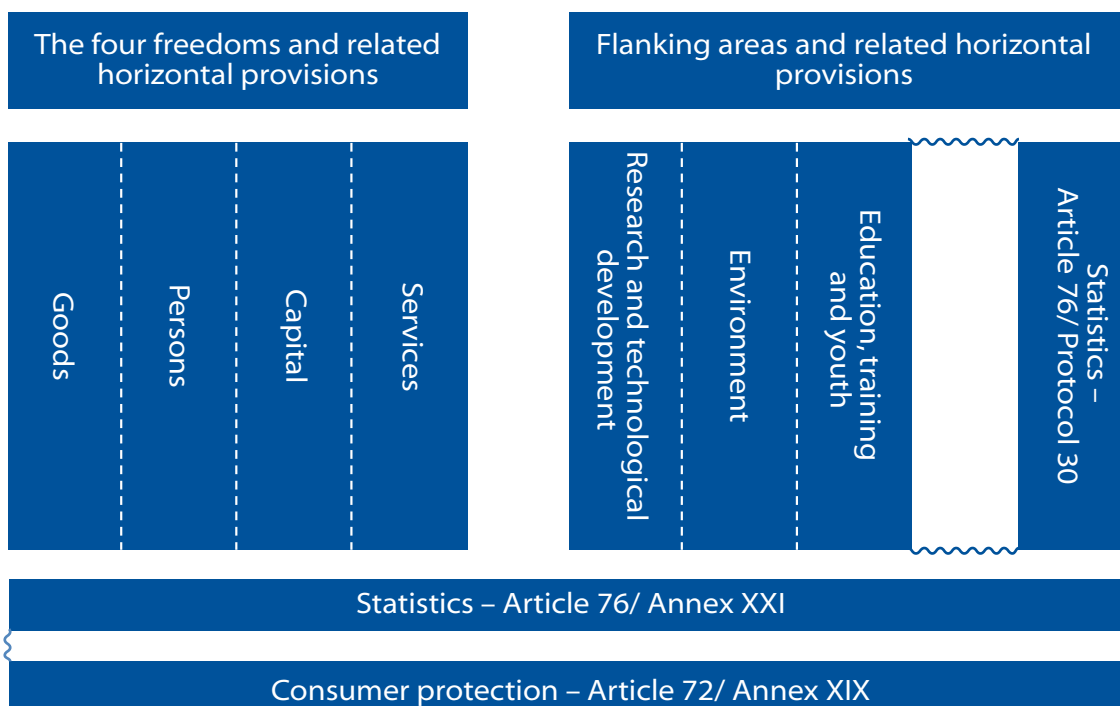
- The EEA Statistical Conference (EEA NSIs, Eurostat and ESO) guides statistical cooperation in combined meetings with the European Statistical System Committee (ESSC).
- EFTA States shall participate fully, without the right to vote, in EU committees, working groups and other bodies dealing with statistics.
- A specific EEA annual statistical programme shall be developed by ESO in consultation with the Heads of EEA EFTA NSIs.
- Cooperation shall include data dissemination, EEA EFTA contribution and seconded national experts.

Secondary Legislation on Statistics

Annex XXI to the EEA Agreement contains all secondary EU legal acts (*acquis communautaire*) in the field of statistics that are EEA relevant. Legal acts incorporated into Annex XXI are binding for all parties to the EEA Agreement.

In brief, Annex XXI contains a list of EU legal acts (regulations, directives and decisions) in the field of statistics adopted by the EEA Joint Committee, and notification of any EEA specific adaptations to EU legislation adopted by the EEA Joint Committee.

According to the two-pillar structure of the EEA Agreement, follow-up of the implementation of EEA relevant legislation is the exclusive competence of ESA on the EFTA side and of the European Commission on the EU side.



Statistics as a Flanking and Horizontal Policy

As mentioned in the introduction, the purpose of statistical cooperation within the framework of the EEA is to provide comparable and reliable statistical information for describing and monitoring all relevant fields of cooperation covered by the EEA Agreement. The Agreement considers statistics as a horizontal and flanking policy area.

EFTA Institutional Set-Up for EEA Statistical Cooperation

The Working Group of the Heads of the National Statistical Institutes

The Standing Committee of the EFTA States is assisted by five subcommittees. Subcommittee IV on Flanking and Horizontal Policies is in charge of EEA statistical cooperation.

In 1994, Subcommittee IV formally established the Working Group of the Heads of the National Statistical Institutes (WG of Heads of NSIs) to assist it in all

issues related to statistical cooperation under the EEA Agreement. This decision was replaced by a decision in 2011 and confirmed the WG of Heads of NSIs as a subsidiary body of Subcommittee IV^[3].

According to the decision, the WG of Heads of NSIs shall assist Subcommittee IV in all matters relevant to their respective field and in particular in the information and consultation process relating to the incorporation of EU legislation into the EEA Agreement.

In addition to the formal EEA mandate of the WG of Heads of NSIs, with Switzerland participating purely as an observer, the WG deals with EFTA statistical cooperation issues outside the framework of the EEA Agreement, such as technical assistance and training. For these activities concerning the four EFTA States, the WG reports to the EFTA Council in Geneva. The WG has no formal mandate for activities outside the EEA Agreement.

The WG consists of the directors-general of the four EFTA NSIs and meets at least once a year. A chairperson is elected for two years, a term of office that is renewable. Switzerland has observer status for EEA relevant matters. ESO is the secretariat of the WG of Heads of NSIs and hence serves the group in all relevant issues.

^[3] Decision of Subcommittees I, II, III and IV of the Standing Committee of the EFTA States No 01/11/I-II-III-IV of 1 February 2011 on Working Groups in the field of Free Movement of Goods, Capital and Services, Free Movement of Persons and Flanking and Horizontal Policies.



Working Group of the Heads of the National Statistical Institutes. From left to right: Wilfried Oehry, Head, Liechtenstein; Christian Brunhart, Liechtenstein; Ólafur Þórðarson, Iceland; Olav Ljones, Norway; Andrea Scheller, ESO; Ólafur Hjálmarsson, Head, Iceland; Jürg Marti, Head, Switzerland; Richard Ragnarsøn, Norway; Hans Henrik Scheel, Head, Norway; Judith Scherrer, Switzerland; Kurt Wass, ESO.

Photo: ESO

The chair of the WG is also the EEA EFTA speaker in combined European Statistical System Committee/EEA Conference meetings when the EEA EFTA countries deliver their opinion according to the “one voice” principle.

The EFTA Statistical Office^[4]

The EFTA Statistical Office's main objective is to sustain the integration of the EFTA States into the evolving European Statistical System (ESS), thereby providing harmonised and comparable statistics supporting the general cooperation process between EFTA and the EU. ESO's responsibilities include:

- Following up on and implementing the procedures for incorporating EU statistical acts into Annex XXI to the EEA Agreement after adoption by the EEA Joint Committee.
- Contributing to the development of the EEA Statistical Programme. This programme is a subset of the EU Statistical Programme and is revised annually.
- Supporting the production and dissemination of EEA statistics (via Eurostat). This includes regular assessment of the inclusion of EFTA data in Eurostat publications and databases.
- Informing the EFTA national statistical authorities of Eurostat meetings and coordinating EFTA experts' participation in those meetings. All invitations to EFTA experts are sent through ESO.
- Acting as the point of liaison between Eurostat and the EFTA national statistical institutes in the recruitment of EFTA national experts seconded to Eurostat.
- In close cooperation with Eurostat, designing and implementing EFTA technical assistance projects in the field of statistics for third countries and

^[4] The office was first named the Office of the Statistical Adviser (OSA), then the Statistical Adviser's Office (SAO) and finally in 2006 it was renamed as the EFTA Statistical Office (ESO).



The EFTA Statistical Office team. From left to right: Heidi Vegsund, Trainee; Nikki Hollis, Assistant; Andrea Scheller, Head; Ella Brown, Assistant; Kurt Wass, Deputy Head.

Photo: ESO

participating in the European Statistical Training Programme.

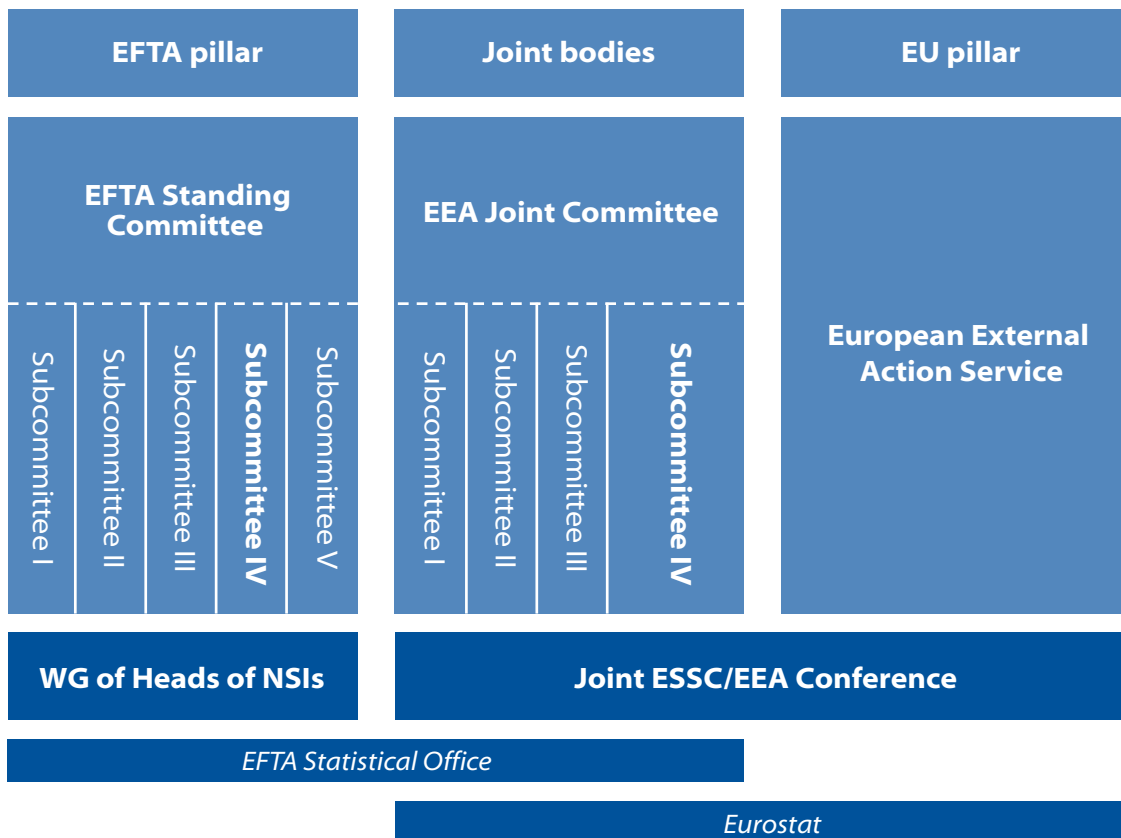
ESO is located in Luxembourg on the premises of Eurostat and is institutionally part of the EFTA Secretariat. Its main driving force is the WG of Heads of NSIs.

EEA Annual Statistical Programme

European Multiannual Statistical Programme

This comprehensive and strategic multiannual programme, not exceeding five years, focuses on the production and dissemination of statistical information, the improvement of the quality of statistics and further development of the European Statistical System (ESS).

The Two-Pillar EEA Structure in the Field of Statistics



The EFTA States are directly involved in the preparation of the statistical programme, since national statistical authorities are consulted in detail through working groups assisting Eurostat in its activities and through the European Statistical System Committee (ESSC). The programme is approved by the Council and European Parliament (by codecision procedure) and provides the general framework for EEA statistical actions to be carried out over the next multiannual period. Following Protocol 30, all main fields and statistical themes of the programme are considered to be relevant to EEA statistical cooperation and shall therefore be open to full participation by the EEA EFTA States.

Annual Work Programme of the Commission

The European multiannual statistical programme is implemented through annual work programmes drawn up by the Commission, which provide more detailed work objectives for each year. The programme contains the Commission's priorities on statistical work, which are enshrined in the Commission's annual policy strategy.

Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European Statistics states how the multiannual and annual programmes are implemented. The programme is divided into domains, themes, actions and modules.

EEA Annual Statistical Programme

According to Protocol 30 to the EEA Agreement, the EFTA Statistical Office is to develop a specific EEA annual statistical programme in consultation with the WG of Heads of NSIs. The programme is a subset of and runs in parallel with the annual work programme of the Commission.

The main objective of the EEA annual statistical programme is to identify modules of the annual work programme of the Commission where EEA EFTA participation could contribute to the attainment of the common objectives mentioned in Article 76 of the Agreement.

The inclusion or exclusion of a module in the EEA annual statistical programme could impact on:

- Statistical priorities in the EEA EFTA States
- Respondent burden in the countries

- Allocation of human and financial resources in national statistical authorities

It could also have implications for the degree to which the EEA EFTA States are integrated into the European Statistical System, and for more specific issues such as participation in meetings, grant programmes and financial contribution.

Establishment of the EEA Annual Statistical Programme

The procedure for adopting the EEA annual statistical programme involves the following steps:

- A draft programme is sent to the experts in the EEA EFTA NSIs for their comments and advice shortly after the adoption of the annual work programme of the Commission.
- A consolidated version of the programme is elaborated on the basis of their comments.
- The experts are consulted again if necessary.
- ESO consults the relevant unit in Eurostat on the draft EEA annual statistical programme.
- A final version of the programme is then prepared and presented to the heads of national statistical institutes for approval.
- The final EEA annual statistical programme is sent to the EFTA NSIs, Eurostat and the EFTA Secretariat in Brussels.

A specific Swiss/EU annual statistical programme exists on the basis of the Swiss/EU Agreement on Statistical Cooperation.

Financial Contribution to EEA Statistical Cooperation

In accordance with Article 82.1(a)(b) of the EEA Agreement and the provisions of Protocol 30, the EEA EFTA States shall contribute financially every year to the statistical programme of the European Union. This contribution can be divided into operational and administrative costs.

The EEA EFTA contribution to **operational costs** refers to the relevant budget lines of the general budget of the European Union, calculated on the basis of the so-called "proportionality factor". The proportionality factor for participation by the EEA EFTA States in all EU programmes is fixed annually according to the GDP share of the EEA EFTA countries. As not all

elements of the EU's statistical programme are relevant to EEA statistical cooperation, the EEA EFTA States' actual payment is 75% of their calculated share.

The EEA EFTA contribution to **administrative costs** is subject to an annual agreement between the EEA EFTA States and the Commission through the Working Group on Budgetary Matters. This contribution can be divided into three elements:

- A contribution to Eurostat for storing, processing and disseminating EEA EFTA data. This contribution is paid partly in kind through four seconded national experts (SNEs) to Eurostat and partly in cash for three administrative staff and information and technology costs.

- A financial contribution to meetings, conferences and missions.
- A financial contribution to overhead costs for the four SNEs and three support staff.

The total financial contribution is divided between the individual EEA EFTA States based on a cost-sharing formula calculated according to GDP.

The table below shows EEA EFTA financial contribution to operational and administrative costs for the statistical programme 2008-2012, the completion of the statistical programme 2003-2007 and a particular module outside the programmes on the Modernisation of European Enterprise and Trade Statistics (MEETS):

Payments in € in 2011	EU	EEA EFTA			
		2.38%			
	Total	EEA EFTA	IS	LI	NO
		Total	2.94%	1.26%	98.80%
Statistical Programme 2008 – 2012					
Operational costs (75%)	40 987 160	731 621	21 510	9 218	700 893
Administrative costs		507 140	14 910	6 390	485 840
Result 2009		-2 560	-123	-26	-2 411
Statistical Programme 2003 – 2007 (completion)					
Operational costs (75%)	2 856 537	50 989	1 499	642	48 848
Result 2009		0	0	0	0
MEETS					
Operational costs (75%)	3 336 537	59 557	1 751	750	57 056
Result 2009		36 288	1 749	363	34 176
Net contribution 2011		1 315 579	38 044	16 664	1 260 871

STATISTICAL COOPERATION OUTSIDE THE EEA AGREEMENT

EFTA Technical Cooperation in the Field of Statistics

General Background

The availability of impartial and reliable statistical information is widely considered as a prerequisite for a democratic society and a necessary condition for the smooth running of a competitive market economy. Thus, EFTA and the EU have a common interest in assisting countries neighbouring the enlarged European Economic Area to develop their statistical capacity and to harmonise statistical methods and standards with international norms.

In 1992, EFTA started participating in the PHARE programme. The EU established this programme in 1989 to support economic and political reform in central and eastern European countries by providing financial and technical support in a large number of areas, including statistics. Initially, EFTA technical

assistance targeted mainly the Baltic States. It was extended first to other east European countries, then to the Western Balkans, and is now extending beyond the eastern boundaries of Europe.

In parallel, EFTA has become active in the MEDSTAT programme. This statistical cooperation programme is dedicated to countries of the southern and eastern rims of the Mediterranean Sea. This part of the world is of economic importance to EFTA since most of the countries in the region have signed a declaration on cooperation or free trade agreement with EFTA.

Aim and Coverage of EFTA Technical Cooperation

Since 2005, cooperation between the EFTA Secretariat and Eurostat in assisting third countries has been governed by a Memorandum of Understanding (MoU) on technical cooperation in the field of statistics. Each MoU covers a three-year period and is approved by the



Joint Seminar of EFTA, Eurostat and UNECE on Streamlining Statistical Production, Serbia, 2011. With participants from Albania, Armenia, Bosnia & Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Russia, Serbia, Turkey, Ukraine, Statistics Netherlands, Statistics Norway and the Statistical Office of the Republic of Slovenia.

Photo: ESO

Council and generally signed by the Director-General of Eurostat and the Secretary-General of EFTA. So far there have been three MoUs covering 2005-2007, 2008-2010 and 2011-2013. The 2011-2013 MoU concerns funds totalling EUR 2.1 million.

The overall objective of EFTA technical cooperation in the field of statistics is to promote and develop close links between the EFTA States and Eurostat in a number of programmes. Through such cooperation, EFTA seeks active and visible participation in the planning, execution and follow-up of EFTA/EU projects.

EFTA gives priority to countries that have concluded declarations on cooperation or free trade agreements with EFTA. Support is mainly granted to developing countries and economies in transition in the Balkan and Mediterranean regions, as well as to recent and prospective partners in other geographical areas, including countries east of the enlarged EU. The scope of cooperation can also include EFTA free trade and prospective partners in other regions of the world.

Two EFTA national experts are seconded to Eurostat as part of EFTA's contribution, ensuring continuity of support and EFTA visibility in the overall programming and management of EFTA/EU actions.

The EFTA Secretariat, represented by the EFTA Statistical Office in Luxembourg, acts as a link between Eurostat and the EFTA Member States for cooperation programmes and actions. The main duties for ESO are to design, implement and follow up on technical assistance projects and programmes in close cooperation with Eurostat and the EFTA States. ESO is therefore invited to participate in the various meetings organised by the Commission in the field of statistical cooperation.

EFTA is particularly active in:

- Capacity building, and strengthening and increasing the efficiency of national statistical systems and their institutional frameworks.
- Strengthening the comparability, conformity and harmonisation of statistics with international standards and norms.
- Exchanging information, disseminating statistics and using new technologies.
- Producing statistical information necessary for the establishment of free trade areas.
- Developing human resources, in particular training in support of the areas listed above.

A key programme with regard to these objectives consists of the so-called "adapted global assessments" and "light peer reviews" of national statistical systems in third countries, conducted jointly by Eurostat, UNECE and EFTA. The programme has run since 2008 and is in great demand among our partners. It currently covers the Western Balkan, Eastern European, Caucasian and Central Asian countries. After a first high-level conference in 2009 which marked the launch of the programme, a second such event is planned for 2013 to take stock of the progress of this common endeavour and to adapt its orientation and instruments.

Modalities of Cooperation

EFTA's technical cooperation activities with third countries are governed by the EFTA Council Guidelines on Technical Cooperation and cover a series of programmes and projects, including statistics, funded by the Association's budget.

EFTA's technical cooperation activities do not need to be systematically initiated by ESO in collaboration with Eurostat. ESO welcomes specific requests submitted by EFTA NSIs, EFTA partner countries and international organisations. Nevertheless, even if a project falls within the scope of the MoU with Eurostat, the EFTA Council may reject it. It is therefore important to keep in mind the following criteria when submitting a project to ESO:

- The beneficiary country should have a free trade agreement or declaration on cooperation with EFTA (the list of countries can be found on the EFTA website), or be in the process of negotiating one.
- The project should be in line with the general objectives of the Association, which are to promote growth and prosperity through closer economic cooperation and in particular to contribute to the expansion of trade in the world.
- The project should create good visibility for the EFTA Secretariat and the EFTA States, e.g. by involving EFTA experts.
- The EFTA contribution should respect the criteria of proportionality (costs v results).

When required and only after approval of the project by the EFTA Council, a contract is signed between ESO and the implementing organisation (e.g. the EFTA NSIs or statistical authorities of partner countries). The contract lays down the modalities for implementing the project: expected outcome, timeframe, costs and payment procedures.

EFTA in the European Statistical Training Programme

Background Information

In order to maintain a high level of competence and to ensure data consistency throughout the ESS, statisticians require continuous training in new methods, new techniques and best practices. EFTA has always placed great importance on the quality and comparability of European statistics and therefore supports Eurostat in the design and implementation of the ambitious European Statistical Training Programme (ESTP).

Agreement Between the EFTA Secretariat and Eurostat

With a view to securing full participation by EFTA statisticians in the ESTP, the EFTA Secretariat has committed itself, through an exchange of letters with Eurostat, to finance the organisation of at least two courses per year. The exchange of letters is renewed every four years, the latest one covering the period 2011-2014. These EFTA courses are given by EFTA national statistical institutes and are open to statisticians from the EFTA and EU Member States. In return, Eurostat ensures that EFTA statisticians have the right to participate in all ESTP courses financed by Eurostat.

Since 2006, Statistics Norway (SSB) and the Federal Statistical Office of Switzerland (FSO) have each organised one to two courses per year on topics such as user-friendly dissemination of official statistics, the use of administrative registers, the use of business registers, methods of survey and sampling, and data analysis and modelling. These courses have proven to be among those of the programme most in demand.

Involvement of EFTA NSIs in ESTP Courses Financed by Eurostat

For the periods 2006-2011 and 2012-2015 Eurostat has contracted a consortium to organise several courses within the framework of the ESTP. The consortium comprises – other than two implementing private agencies – a number of national statistical institutes of the European Statistical System, including SSB and FSO, who lead and/or co-organise the training courses.

In parallel with these courses, certain courses are organised in-house when the relevant know-how is available within Eurostat.

In order for ESO to follow up on participation by EFTA statisticians in ESTP courses, Eurostat annually sends ESO a final list of participants.

Swiss/EU Agreement in the Field of Statistics

After Swiss voters narrowly rejected joining the European Economic Area, seven sectoral agreements, such as the Agreement on the Free Movement of Persons, were concluded between the European Union and Switzerland in 1999.

As this cooperation proved successful, a second package of nine sectoral agreements between the EU and Switzerland followed in 2004. In addition to the Schengen/Dublin and other agreements, this second package included the Agreement on Cooperation in the Field of Statistics, which came into force on 1 January 2007. This agreement ensures the production and dissemination of coherent and comparable statistical information for describing and monitoring all economic, social and environmental policies relevant to bilateral cooperation.

The Swiss/EU Agreement comprises a main section, governing the rights and obligations of both parties, and two annexes. Annex A contains all EU legislation relevant to Switzerland for the policy areas mentioned above, and Annex B governs the financial contribution paid by Switzerland on an annual basis for its participation in the EU's statistical programme.

A Joint Swiss/EU Committee is responsible for implementing the Agreement, as well as for updating Annexes A and B. It is composed of representatives of both contractual parties in equal numbers and is chaired by both the General Director of Eurostat and the Federal Statistical Office. The Joint Committee has held three meetings to date and has revised Annex A twice. Every year it adopts a Swiss/EU statistical work programme, which is a subset and runs in parallel with the annual work programme of the Commission.

Through this agreement, Switzerland is entitled to participate on an equal footing with the EU Member States in the European Commission's experts groups, committees and other advisory bodies that assist the



The tower of the Swiss Federal Statistical Office.

© Swiss Federal Statistical Office

Commission in the management and development of programmes and actions (“decision shaping”), but without the right to vote or receive grants. It also secures the publication of Swiss data in all of Eurostat’s dissemination tools. In return, Switzerland contributes financially to the EU statistical programme and seconds two to three national experts to Eurostat. The average annual financial contribution by Switzerland over the past five years has been EUR 4 million.

The main differences between EEA and Swiss/EU cooperation are:

- Statistical cooperation under the EEA Agreement is part of an extensive “multi-sectional” arrangement, while the Swiss/EU Agreement is specifically devoted to statistics. This explains why the EEA Joint Committee is responsible for the management of all fields covered by the EEA Agreement, while the Swiss/EU Joint Committee is only in charge of the implementation of statistical cooperation.
- Institutional provisions for statistical cooperation under the EEA Agreement are laid out in Protocol 30 to the Agreement, whereas the Swiss/EU Agreement itself contains all practical and institutional provisions for statistical cooperation.

With this agreement, Switzerland increased the comparability of its statistical information not only with the EU Member States, but also with its EFTA partners.

Since the Swiss/EU Agreement is a strictly bilateral arrangement, the EFTA Secretariat is, from a legal and institutional point of view, not involved in its implementation. Nevertheless, all parties have agreed that the EFTA Statistical Office shall also provide technical support to Switzerland in the implementation of its agreement on statistical cooperation with the EU.

THE EUROPEAN STATISTICAL SYSTEM

The European Statistical System in Brief

The Statistical Office of the European Union (Eurostat) was set up in 1953 to supply the statistical information that the European Coal and Steel Community (ECSC) needed in order to function smoothly. Over the years, Eurostat's sphere of activity grew and in 1958, with the establishment of the European Economic Community, it became a directorate-general of the European Commission.

As a directorate-general, Eurostat stands apart in several respects. Typically, Commission offices are involved in the preparation of proposed legislation, which they tend not to discuss with the Member States in order to avoid any interference from lobby groups or national objections to changes in the status quo. Discussions with Member States take place after the Commission has submitted its proposals to the Council and, as required, to the European Parliament. Eurostat operates differently by seeking consensus among EU and EFTA national statistical institutes, drawing on their experience and on national best practices, before discussing with the Council and Parliament.

This partnership between the national statistical institutes and Eurostat led to the establishment of an informal structure in the European Commission – the first of its kind – namely the European Statistical System (ESS). The aim of the ESS is to provide reliable and comparable statistics for all EU and EFTA Member States.

The ESS was created mainly because the work was technical rather than political and because of the need to assemble a body of expertise to cope with the mounting complexity of the statistical information required. The production of national statistics, however, remains the responsibility of the national statistical institutes, which check and analyse their national data before transmitting it to Eurostat. Eurostat's work thus consists essentially of processing statistical information and publishing it at European level, as well as ensuring that the data is comparable by developing a harmonised methodology for all EU and EFTA Member States.

The Legal Basis of the European Statistical System

In 1997, three very important pieces of legislation were adopted, giving European statistics a firm legal foundation for the first time.

- The Treaty of Amsterdam introduced a specific article on statistics, giving the European Community's statistics system its first constitutional basis. Article 285 EC provided for the Council, where necessary, to adopt measures for the production of statistics. The reality was that the needs of the EU and its Member States had grown to the point where it was no longer possible to collect harmonised statistics and make them available simply on the basis of gentlemen's agreements.
- Council Regulation 322/97 of 17 February 1997 on Community Statistics provided for responsibility sharing between national statistical authorities and the Community according to the principle of subsidiarity. It also set forth the basic criteria, procedures and general provisions for the production of official statistics at EU level.
- Eurostat's function as the Community statistical authority, as stipulated in the Regulation, was subsequently spelled out in Commission Decision 97/281 of 21 April 1997 on the role of Eurostat as regards the production of Community statistics.

In 2009, Regulation (EC) No 223/2009 on European Statistics^[5] replaced Council Regulation 322/97. This so-called "Statistical Law" established a legal framework not only for the production, but also for the development and dissemination of European statistics. The European Statistical System is legally recognised and defined as "the partnership between the Community statistical authority, which is the Commission (Eurostat), and the national statistical institutes (NSIs) and other national authorities responsible in each Member State for the development, production and dissemination of European statistics". This partnership also includes the EFTA States^[6].

The Regulation establishes the European Statistical System Committee (ESSC) and defines its role. It also



^[5] Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics.

^[6] The EEA EFTA States have been partners since the signature of the EEA Agreement in 1992, while Switzerland became a member after its agreement with the EU in the field of statistics came into force on 1 January 2007. More recently, the partnership was reiterated through the incorporation of Regulation (EC) No 223/2009 into the annexes of both agreements.

reasserts compliance with the principle of subsidiarity, entrenches the basic statistical principles – professional independence, impartiality, objectivity, reliability, statistical confidentiality and cost-effectiveness – and recognises the European Statistics Code of Practice.

These legal instruments are vital for the smooth functioning of the European Statistical System, because they secure a sustainable basis from which to tackle new statistical challenges, including those associated with European integration. They also assure the statistical authorities' professional independence, integrity and accountability, and assert at a constitutional level the fundamental principles that underpin statistical systems in a democratic society. They confirm the distinction between politics and administration and official statistics. The instruments also provide the organisational settings helping to cement the partnership between Eurostat and the Member States' statistical authorities

The European Statistics Code of Practice

Harmonising methods and concepts at European level through informal agreements or binding legislation is an important element of the production of comparable European statistics. Nevertheless, institutional, organisational and professional factors can also have a significant influence on the reliability and comparability of official European statistics.

Therefore, in May 2005, the European Commission adopted a recommendation on the independence, integrity and accountability of the national and European statistical authorities promulgating the European Statistics Code of Practice (CoP). The CoP is an ambitious set of 15 principles that aim to foster a high quality environment for the production and dissemination of European statistics.

The CoP is an instrument with a dual purpose:

- To improve trust and confidence in the statistical authorities by proposing certain institutional and organisational arrangements.
- To reinforce the quality of produced and disseminated statistics by promoting coherent application of the best international statistical principles, methods and practices by all producers of official statistics in Europe.

EFTA's national statistical institutes have adhered to the CoP from the beginning and the corresponding recommendation of the European Commission^[7] has been incorporated in the statistical annexes of the EEA and the Swiss/EU Agreements. The CoP is now an integral part of the "Statistical Law" (Regulation 223/2009) adopted by all EFTA States. Consequently, the EFTA States commit themselves to adhering to the principles of the CoP, and more concretely, statistics produced by the EFTA States and their statistical systems are subject to the same scrutiny through assessments and peer reviews as those produced by the EU Member States. A high-level task force of the ESS under the co-chairmanship of Eurostat and Norway has recently elaborated recommendations for an update of the CoP. This so-called "Sponsorship on Quality" proposed a revised version of the CoP, which was adopted by the ESSC on 28 September 2011.

The European Statistical System Committee

At the heart of the ESS is the ESS Committee (ESSC). It was established in 1989 as the Statistical Programme Committee (SPC) and in 2009 became the ESSC. It is composed of representatives of Member States' national statistical institutes and is chaired by Eurostat. The ESSC has two main assignments:

- Article 7 of the Statistical Law stipulates that the ESSC "shall provide professional guidance to the ESS for developing, producing and disseminating European statistics in line with the statistical principles". In this advisory function the ESSC is the cornerstone of the ESS architecture, providing



EFTA participation in ESSC meeting, Germany, 2011. On the left the delegation from Statistics Norway.
Photo: ESO

^[7] Commission Recommendation COM(2005) 217 of 25 May 2005 on the independence, integrity and accountability of the national and Community statistical authorities.



EFTA participation in ESSC meeting, Germany, 2011. Christian Brunhart and Wilfried Oehry, Office of Statistics Liechtenstein. Photo: ESO

opinions on issues such as planning and programming, quality and methodology, costs and burdens, priority setting and international cooperation.

- Article 27 of the Statistical Law specifies that “the Commission shall be assisted by the ESS Committee”. In this function, the ESSC gives opinions on, among others, statistical programmes and new legal acts in the field of statistics proposed by the Commission.

The members of the ESSC are the directors-general or presidents of the national statistical institutes of the EU and EFTA Member States. The Director-General of Eurostat chairs the ESSC, which meets three to four times a year, normally in February, May, September and November.

The EFTA States attend the ESSC meetings on all relevant matters. For matters only relevant to the EU, representatives of EFTA States have the status of observers. On legal issues, immediately after the formal voting procedure for the EU Member States, the chair requests the opinion of the EEA EFTA States and then for the opinion of Switzerland. Under this procedure, the Head of the WG of Heads of NSIs is the EEA EFTA spokesperson.

ESO, represented by the Head or Deputy Head of the EFTA Statistical Office, is a partner in the ESSC for all EEA relevant matters. Other international bodies that may participate as observers include the Committee on Monetary, Financial and Balance of Payments Statistics (CMFB), the European Central Bank (ECB), the European Statistical Advisory Committee (ESAC), the Organisation for Economic Co-operation and Development (OECD), the United Nations Economic

Commission for Europe (UNECE) and the International Monetary Fund (IMF).

The strategic advisory body of the European Statistical System Committee is the **Partnership Group**, whose mission is to foster the development of the ESS at the highest level, notably by ensuring the effective functioning of the ESSC. The Partnership Group focuses particularly on strategic issues to be discussed in the ESSC. It consists of seven directors-general of the national statistical institutes of the ESS, and the Director-General of Eurostat. The directors-general of the EFTA national statistical institutes are also eligible to participate in this group^[8]. The group works in an inclusive way, keeping all heads of NSIs informed of discussions and actions and ensuring that non-members' views can be taken into account.

At an operational level, ESSC activities are supported by the **Network Group**, which consists of representatives of all NSIs, mainly their heads of international service, and Eurostat as an observer. The main task of this group is to prepare for upcoming ESSC meetings by coordinating voting intentions and opinions on the agenda items. This group ensures the efficient distribution of ESSC documents in each country as well as other information relevant to the successful functioning of the ESS.

Registered members can access documents concerning the ESSC, the Network Group and the Partnership Group on Eurostat's site: Communication and Information Resource Centre Administrator (CIRCA).

Eurostat

Eurostat's Mission



The mission of Eurostat, the Statistical Office of the European Union, is to provide the EU with a high quality statistical information service. Eurostat is one of the 33 directorates-general of the

European Commission and is located in Luxembourg. The Commissioner for Economic and Monetary Affairs is also in charge of Eurostat.

Eurostat is responsible for producing harmonised and comparable statistics across the countries and regions of the EU and EFTA. As head of the ESS, Eurostat is responsible for creating common standards and classifications and proposing harmonised methodology that extends to the EFTA States.

^[8] The EFTA States were represented in the Partnership Group by Hallgrímur Snorrason, Director-General of Statistics Iceland, from 2000 to 2004, and by Øystein Olsen, Director-General of Statistics Norway, from 2007 to 2010.



Eurostat management chairing the ESSC meeting, Luxembourg.

© Eurostat

Eurostat is also the statistical office for the EFTA countries concerning EEA or Swiss/EU relevant statistics. For these statistics, the EFTA States are obliged to comply with EU legislation, while Eurostat has the duty to store and disseminate their data.

Data is not collected directly from statistical units in the EU and EFTA Member States by Eurostat. This is done by the national statistical authorities. Eurostat's role is to consolidate the data and to ensure that it is comparable using harmonised methodology. Eurostat is the most important provider of statistics at European level. Eurostat's role was formalised in a Commission Decision of 1997, confirming Eurostat as the sole EU authority entrusted with the production of statistics.

Eurostat's Organisation and Budget

Being a directorate-general of the Commission, Eurostat is headed by a director-general, and its activities are divided into seven directorates:

- Cooperation in the European Statistical System, international cooperation, resources
- IT and methodology
- National accounts, prices and key indicators
- Government Finance Statistics (GFS)
- Statistics on agriculture, environment, sector statistics and geographical information
- People's Europe and social statistics
- Business statistics

Eurostat has around 900 posts, of which more than 650 are permanent, over 60 are filled by seconded national experts and approximately 140 are contractual. Of the 60 national experts, nine come from EFTA countries, i.e. four through the EEA Agreement, two through the MoU on Technical Assistance and three through the Swiss/EU Agreement.

Eurostat's own budget was around EUR 89 million in 2010 (excluding costs of statutory staff), of which EUR 69.6 million was budgeted for the production of statistical information. An additional budget (EUR

Significant Dates in Eurostat's History

- 1953** Statistics Division of the European Coal and Steel Community established.
- 1958** Eurostat becomes a directorate-general of the European Community.
- 1974** First statistical domain accessible through an electronic database.
- 1989** Statistical Programme Committee (SPC) established and the first multiannual programme (1989-1992) adopted by the Council.
- 1992** Iceland, Liechtenstein and Norway join the European Statistical System (ESS).
- 1993** Implementation of the Maastricht Treaty extends Eurostat's mandate, e.g. launching of new Community statistics on intra-EU trade (Intrastat). Eurostat starts issuing regular news releases.
- 1997** Statistics added for the first time to the Treaty of Amsterdam and the Statistical Law, a new legal framework for European statistics, is approved by the Council.
- 1998** Eurostat produces the first indicators specific to the European Monetary Union (EMU) area.
- 2002** Launch of the euro, 1 January.
- 2004** Largest enlargement in the history of the European Union: Ten countries join the EU and consequently the EEA.
- 2005** Adoption of the European Statistics Code of Practice by the SPC.
- 2007** Switzerland becomes a full member of the ESS, along with the two new EU Member States, Romania and Bulgaria.
- 2009** The Statistical Law enters into force, and the ESS and ESSC are legally established. The Lisbon Treaty enters into force, substantially modifying "comitology" procedures.
- 2010** The powers of Eurostat in the verification process of Excessive Deficit Procedure (EDP) statistics are considerably extended with the adoption of Council Regulations 479/2009/EC and 679/2010/EU.

21.1 million in 2010) is sub-delegated to Eurostat by other directorates-general, mainly to finance statistical surveys needed to monitor the structures of agricultural holdings in the European Union.

National Statistical Systems

Principle of Subsidiarity

The European Statistical System is a partnership between Eurostat, the national statistical institutes and other agencies and ministries collecting official statistics in the EU and EFTA Member States. According to the principle of subsidiarity, the production of national statistics is the responsibility of the national authorities, which check and analyse their data before transmitting it to Eurostat. As mentioned previously, Eurostat's work consists chiefly of processing statistical information and publishing it at European level, ensuring that the data is comparable by developing a harmonised methodology for all EU and EFTA Member States.

The Coordination Role of the National Statistical Institutes

Depending on various political and administrative factors, national statistical systems can be more or less decentralised from a geographical and/or functional point of view. This might lead in extreme cases to a wide scattering of institutions in charge of the production at national level of official statistics. Nevertheless, at international level, it is important that each national statistical system speaks with one voice. This means that a national coordination body gathers views from the relevant statistical bodies in order to establish and then support the stand that appears to be most representative of the national statistical system. This coordination role is the prerogative of the national statistical institutes.

At European level, the Conference of Directors-General of the National Statistical Institutes (DGINS) was created on 15 July 1953 in Luxembourg. The conference is held once a year with the aim of discussing topics related to the organisation and management of statistical work within the ESS, the identification of future needs for statistics and the pursuit of existing needs not being met. Each year a different Member State hosts the conference and the director-general of the host country chairs the conference. Later a Council Decision established the Statistical Programme Committee, which is also

explicitly composed of the directors-general or presidents of all ESS NSIs. This became the European Statistical System Committee in 2009 when Regulation 223/2009/EC entered into force.

The Role of National Statistical Authorities in the Legislative Procedure

Apart from the production of official statistics, national statistical authorities, and in particular statistical institutes, play an important role in the legislative procedure of the European Union:

- **Decision shaping:** Experts from national statistical authorities are invited to participate actively in working groups, task forces and other meetings organised by Eurostat. No formal voting procedures are expected at these meetings and therefore all EFTA State representatives are treated on a strictly equal footing with experts from the EU Member States.
- **Decision making:** Representatives of the EU Member States are consulted within the framework of certain legislative procedures. For the European Statistical System Committee, heads of NSIs represent their respective national statistical systems and provide opinions on their behalf. The EFTA States participate fully in these committees but do not participate in the formal voting procedure. Nevertheless, the Commission seeks the opinion of the EFTA States each time a formal voting procedure is organised.

A GUIDE TO PRACTICAL IMPLEMENTATION OF EFTA COOPERATION

EFTA Participation in Eurostat Meetings

The EFTA States do not have the formal right to participate in the decision-making process in the EU institutions. According to the EEA Agreement and the Swiss/EU Agreement, however, they have the opportunity to contribute to the shaping of EU legislation at the preparatory or pre-pipeline stage by participating in the Commission's experts groups, committees and other advisory bodies. The EFTA Statistical Office is the contact point between Eurostat and the EFTA national statistical institutes when it comes to participation by EFTA experts in most meetings organised by Eurostat. It is therefore important for all parties involved to follow good practices, which can differ according to the type of meeting.

Based on the statistical programme, Eurostat drafts a list of planned Eurostat meetings including committees, workshops, working groups, task forces, seminars and subgroups for the coming year. This draft list is put on the Eurostat CIRCA site under the ESSC Network Group and is updated throughout the year.

ESS Bodies

Committees, directors groups, working groups and task forces set up by Eurostat meet in total up to 200 times a year. It is therefore important to get a broad picture of the role of these different bodies and respectively the participation rights of EFTA experts.

Committees

There are two different kinds of committees: **committees** and **advisory committees**.

Committees are established by the European Parliament and the Council to assist the Commission in policy areas where the Commission is empowered to implement legislation. In the field of statistics, these committees are:

- European Statistical System Committee (ESSC), Regulation 223/2009/EC of the European Parliament and of the Council (11 March 2009). The ESSC also took over the specific responsibilities of the Committee on Statistical Confidentiality (Confidentiality Committee), Council Regulation 90/1588/EEC (11 June 1990), which ceased to exist.
- Standing Committee on Agricultural Statistics (SCAS), Council Decision 72/279/EEC (31 July 1972).
- Committee on the harmonisation of gross national income at market prices (GNI Committee), Council Regulation 1287/2003 (15 July 2003).
- Committee for the statistics on the trading of goods between Member States (Intrastat Committee), Regulation 638/2004 of the European Parliament and of the Council (31 March 2004).
- Balance of Payments Committee (BoP Committee), Regulation 184/2005 of the European Parliament and of the Council (12 January 2005).
- Committee on infrastructure for spatial information in the European Community (INSPIRE), Directive 2007/2/EC of the European Parliament and of the Council (14 March 2007).
- Committee on statistics relating to the trading of goods with non-member countries (Extrastat Committee), Regulation 471/2009 of the European Parliament and of the Council (6 May 2009).

According to the EEA Agreement and the Swiss/EU Agreement, EFTA States may participate fully in these committees without the right to vote. Nevertheless, after the formal procedure (voting by EU Member States) the Commission (Eurostat) seeks the opinion of the EEA EFTA States and then the opinion of Switzerland. Usually the country in the chair of the WG of Heads of NSIs is the EEA EFTA spokesperson.

Advisory committees are established by the European Parliament and Council to assist the Commission (Eurostat) but are not empowered to implement legislation. In the field of statistics these are:

- European Statistical Advisory Committee (ESAC), Decision 234/2008/EC of the European Parliament

and of the Council (11 March 2008). The ESAC, which in 2008 replaced the European Advisory Committee on Statistical Information in the Economic and Social Spheres (CEIES), has 24 members representing users, respondents and other stakeholders of European Statistics (including the scientific community, social partners and civil society) as well as institutional users like the Council and the European Parliament. The Committee's role is to ensure that users' requirements, as well as the burden of response on information providers and producers, are taken into account in developing the statistical programmes of the Commission. The EFTA countries share one permanent place on the ESAC with observer status, and appointed the Head of the EFTA Statistical Office to act as their representative.

- European Statistical Governance Advisory Board (ESGAB), Decision 235/2008/EC of the European Parliament and of the Council (11 March 2008). ESGAB comprises seven independent members with outstanding competence in the field of statistics. Its purpose is to provide an independent view on the implementation of the European Statistics Code of Practice in order to enhance the professional independence, integrity and accountability of the European Statistical System, as such the quality of European statistics.
- Committee on Monetary, Financial and Balance of Payments Statistics (CMFB), Council Decision 2006/856/EC (13 November 2006). CMFB was established by a Council Decision in 1991 to assist the European Commission in drawing up and implementing work programmes concerning monetary, financial and balance of payments statistics. In recent years, the CMFB has played an important advisory role in the statistical issues related to Excessive Deficit Procedure (EDP) decisions. The CMFB is the forum for the

coordination of statisticians from the national statistical institutes and Eurostat on the one hand, and the national central banks and the European Central Bank on the other.

No formal voting is organised in these committees and therefore the EFTA States participate on a strictly equal footing with the EU Member States.

Expert groups

An expert group is a consultative entity set up by the Commission comprising national experts. Its main task is to advise the Commission and its services during the preparation of legislative proposals and policy initiatives, and in its tasks of monitoring and coordinating/cooperating with Member States.

In the field of statistics, expert groups are generally designated as working groups. Aside from advising Eurostat on statistical policy development, implementation and monitoring, working groups offer a privileged forum for the exchange of views between national experts.

EFTA States participate in expert groups on a strictly equal footing with EU Member States.

Directors' groups

Directors' groups have been introduced progressively and play an important role as intermediary bodies between working groups and committees in their respective sectors. In the ESS, there are directors' groups for the following sectors:

- Agricultural statistics
- Business statistics
- Information technology
- Macroeconomic statistics
- Methodology
- Regional, spatial and environmental statistics and accounts
- Social statistics

Task forces

A task force (TF) consists of a small group of experts with a clear mandate to achieve a very specific goal. Although the existence of a TF is limited in time, some are permanent. TFs can be established by committees or experts groups. Participation in a TF requires active contribution by all experts, which implies an additional workload when preparing for the meetings. TFs are in general not officially recorded and are therefore quite difficult for ESO to monitor.



EFTA Seminar on the visibility of EFTA in the European Statistical System, Switzerland, January 2010. Photo: ESO

How to get to Eurostat



- Take any “Eurobus” (numbers 16, 120, 125, 192, 194) from the railway station or the town centre.
- Get off at the bus stop opposite the Auchan Building (see picture on left) rue J. F. Kennedy.

- Cross the road and take the road to the left of the Auchan Building (rue Alphonse Weicker).
- Continue until you reach the entrance of the Bech Building (see picture on right).
- Go in the main entrance. A badge will be available for you at the security desk to the right of the lobby.



Since fewer experts than ESS Members States are invited to participate in TFs, EFTA States are not represented systematically but, like all others, depending on their expertise in the field of the TF.

Protocol for Eurostat Meetings

Eurostat meetings are generally organised in Luxembourg on the Eurostat premises (Bech Building) or in the Jean Monnet Building (JMO). ESO and Eurostat have agreed on a certain number of rules and procedures to be respected. In general, EFTA States are treated on an equal footing with EU Member States, apart from the formal voting procedure and reimbursement of travel expenses.

EFTA participants should be aware of the following:

- On the first day of a meeting, the security service at the entry to the Bech Building or JMO delivers a nominal badge to each participant. These badges are prepared in advance and it is not rare for names and surnames to be inverted.
- A name plate of the country is prepared in advance for each EFTA State participating in a Eurostat meeting. EFTA participants are seated amongst experts from the EU Member States in alphabetical order of their country's name; in the original language of the EU Member States and in English for the EFTA States.

This protocol order is to be used for all committee and working group meetings held in meeting rooms

in the Bech Building or JMO. The seating order is mandatory for committee meetings and strongly recommended for working groups.

- In committees under the procedure of implementing acts, voting might take place. The EFTA States are not part of the formal voting procedure but the EEA EFTA States are consulted immediately after voting, followed by Switzerland.

In all other meetings and other matters in committees, the chair seeks the opinion of the delegates and does a “tour de table” on a particular issue. All delegations, including those from the EFTA States, then have the opportunity to give their opinions following the seating order. In this case, each EEA EFTA State can give its opinion separately.

- In general, the Commission does not reimburse the travel or accommodation costs of experts from EFTA States participating in Eurostat meetings. Exceptionally, such costs relating to certain kinds of meetings, e.g. task forces, may be covered. This should be clarified in advance with the meeting organisers.

This protocol can be strictly followed by the meeting organisers if the EFTA procedure for participation in meetings has been respected. It is therefore important that ESO is informed in advance of any participation by experts from the EFTA States in Eurostat meetings. The EFTA Secretariat in Luxembourg is available to respond to any questions on the issues mentioned above.

EFTA procedure for participating in meetings

1. Informing EFTA NSIs of upcoming Eurostat meetings

About six weeks prior to the month of reference, an updated monthly list of planned Eurostat meetings is sent out to the EFTA national statistical institutes.

The list is sent to the service in charge of ESS meeting coordination in each EFTA NSI, which also informs other relevant national statistical authorities.

2. Informing ESO of upcoming Eurostat meetings

Eurostat informs the EFTA Statistical Office of a meeting roughly four to six weeks in advance.

Subsequently, ESO sends out invitations, agendas and registration forms to the service in charge of ESS meeting coordination in each EFTA NSI, which in turn informs other relevant national statistical authorities.

Invitations to participate in task forces and committees may be sent directly to the EFTA NSIs with a copy to ESO.

3. Informing Eurostat of EFTA participation

EFTA NSIs inform ESO of any participation in Eurostat meetings by sending back the completed registration form.

A few days before the meeting, ESO ensures that EFTA delegates have been included in the official list of participants and that the security services have been informed. Participants also receive access to the CIRCA site in order to access working documents for the meeting.



Inclusion of EU Legal Acts in Annex XXI

The basic procedure for including EU legal acts in Annex XXI is to answer a series of questions:

Is the EU Legal Act Relevant?

The question of whether an EU legal act is relevant to the EEA Agreement, and therefore to be incorporated into the Agreement, is put to the EEA EFTA NSIs by way of a standard sheet. There are two main scenarios:

- **An EU legal act amends or implements an act already referred to in one of the annexes to the EEA Agreement.**

In this case, there is normally no doubt as to the EEA relevance of the legislative act in question. As the annexes constitute an integrative part of the EEA Agreement, any amendment or implementation of a legislative act referred to therein is a matter that is governed by the EEA Agreement.

Nevertheless, in accordance with the two-pillar structure, legal acts from the Commission granting derogations to EU Member States are in general not

relevant for inclusion in Annex XXI. EEA EFTA States may request similar derogations from the EFTA Surveillance Authority.

- **An EU legal act does not amend or implement an act already included in Annex XXI.**

In this case, the EEA relevance of the legal act should be assessed in light of Article 76 of the EEA Agreement, which states that the contracting parties shall ensure the production and dissemination of coherent and comparable statistical information for describing and monitoring all relevant economic, social and environmental aspects of the EEA.

The evaluation of the EEA relevance of a new basic legal act should be carried out at an earlier stage in the process, ideally during the decision-shaping phase, and should involve the experts participating in the relevant working groups, the management of the national statistical institutes and ESO. A rather simple criterion for this assessment is whether the legal act under scrutiny provides information supporting policy areas governed by the EEA Agreement, including statistical cooperation, and therefore contributes to the balanced and homogeneous development of the EEA.

Inclusion of EU legal acts in Annex XXI to the EEA Agreement: step-by-step

1. Identification of newly adopted legal acts published in the Official Journal

ESO consults the Official Journal of the European Union (OJ) on a daily basis to find out whether any legal acts concerning statistics have been published.

2. ESO informs NSIs of newly adopted EU legislation

With regard to newly adopted legislation, the Secretariat sends a standard sheet to the experts, containing the following information:

- OJ reference (where available)
- Title of act
- Adoption date
- Compliance date in the EU
- Indication of declarations in the Council where these exist

The standard sheet requests the following information from the experts:

- Relevant (yes/no)
- Technical or other adaptations required, if any
- Need for constitutional procedures as referred to in Article 103

The standard sheet and all other relevant information are sent to the EEA EFTA NSIs by email with a copy to Switzerland.

The EEA EFTA NSIs are given four weeks (or less for more urgent matters) to complete the standard sheet and add their comments on the relevance of the act and/or whether any adaptations are required. When opinions on relevance diverge, ESO coordinates with the NSIs so that a common EEA EFTA position can be reached and then sends the completed standard sheets to the relevant EFTA legal officer in Brussels for drafting of the Joint Committee Decision.

3. Drafting of the Joint Committee Decision

Once the EFTA States agree that an act is EEA relevant and requires no adaptations, or agree on the adaptations, the EFTA Secretariat can draft a Joint Committee Decision.

Acts are grouped in “package decisions” where appropriate and of practical benefit.

4. Approval of the draft Joint Committee Decision by NSIs

ESO forwards the draft Joint Committee Decision to the NSIs for approval. Experts have seven working days to confirm or withhold approval.

When the draft is cleared, it is sent to Subcommittee IV.

5. Approval of the draft Joint Committee Decision by Subcommittee IV

Subcommittee IV approves a draft Joint Committee Decision within one week of experts clearing the draft.

When the draft has been approved, it is sent to the European External Action Service.

6. Adoption of a Decision by the Joint Committee

The legal act is published in the Official Journal under Decision of the EEA Joint Committee, and is incorporated into Annex XXI.



Kurt Wass and Heidi Vegsund, EFTA Statistical Office, discussing the EEA relevance of new regulations. Photo: ESO

Are any Adaptations or Exemptions Necessary?

The fact that the answer to the question on EEA relevance is positive does not prevent an EEA EFTA State from asking for a specific adaptation or even a total derogation. For example, an EU legal act could be relevant for inclusion in Annex XXI but for geographical or structural reasons, a specific country might not be affected. Adaptations and derogations approved by the EEA Joint Committee are then also incorporated in Annex XXI.

Mere technical adaptations, such as the extension of an EU legal act to the EEA (e.g. extension of the list of airports in the EU to the EEA EFTA States) shall be approved by the European External Action Service. For all other adaptations or exemptions the European Council shall clear the Joint Committee Decision on the EU side^[9].

In order to anticipate which procedure for clearance may be applied on the EU side, the EFTA standard sheet makes the distinction between technical adaptations and other adaptations.

Is Formal Approval Needed by Parliament or by Referendum?

In some cases, according to specific provisions in national constitutions, an EEA Joint Committee Decision can only be binding once approved by parliament or even by referendum.

Data Transmission and Dissemination

Data Transmission

Eurostat annually receives more than 50 000 data files from around 1 000 national authorities in the EU and

EFTA States. In 2010, 81% of the data was transmitted through the electronic Data files Administration and Management Information System (eDAMIS), the single entry point for data transmission introduced in 2005. It is of greatest importance that eDAMIS is used for data transmission.

Monitoring the Inclusion of EFTA Data in Eurostat Publications

All Eurostat publications and main databases can be accessed free of charge on the Eurostat website. Since 2007, all Eurostat publications have appeared under the following categories:

- **Statistical Books:** Larger publications containing comprehensive statistics, such as the Eurostat Yearbook.
- **Statistics in Focus:** Updated summaries of the main results of surveys and statistical analyses.
- **Data in Focus:** A new type of publication similar to Statistics in Focus but only containing graphs, tables and methodological notes.
- **Pocketbooks:** Pocket-sized publications providing the main indicators for the European Union and its main partners, including the EFTA States.
- **Methodologies and Working Papers:** Technical publications for experts in their respective fields.

In 2009, “**Statistics Explained**” was created, an official Eurostat website presenting information on any statistical subject treated by Eurostat in an easily understandable way. It serves as an encyclopaedia on EU statistics, a portal to further information for occasional and regular users and a statistical glossary. Because it works in a way similar to Wikipedia, it is easy to use and easy to navigate.

In order to monitor the inclusion of EFTA data in Eurostat publications, ESO conducts inventory studies of the most important means of dissemination. The Eurostat Yearbook, the Eurostat Regional Yearbook and the collections Statistics in Focus and Data in Focus are regularly scrutinised and the inclusion of EFTA data evaluated and analysed. In general, the inclusion of EFTA data in Eurostat databases and publications has increased in recent years. More EFTA data is being incorporated into the electronic reference database than ever before. This has had a positive effect on the inclusion of EFTA statistical information in derived publications, such as the Eurostat Yearbook. For the purpose of monitoring the inclusion of candidate countries’ data, Eurostat has adopted EFTA’s methodology.

^[9] Council Regulation (EC) No 2894/94 of 28 November 1994 concerning arrangements for implementing the Agreement on the European Economic Area.

Why is EFTA Data Not Systematically Included in Eurostat Publications?

Possible reasons for EFTA data not being included in Eurostat publications are:

- It has not been collected or produced.
- It has been produced, but not reported.
- It has been produced and reported, but not according to the specifications on format, methodology, timeliness, etc.
- There is a lack of awareness or space on the part of Eurostat.
- In some cases basic data has been produced, but some of the derived indicators have not.
- Some Eurostat publications report on the progress of a specific EU policy (e.g. sustainable development strategy, Lisbon strategy, Europe 2020).
- There are confidentiality issues.

What can be done to Improve the Inclusion of EFTA Data?

Some actions and initiatives on the part of ESO and the EFTA NSIs could impact positively the inclusion of EFTA data in Eurostat publications:

- Better informing Eurostat's production unit of statistical cooperation agreements with the EFTA States (ESO).
- Collecting data and sending it to Eurostat according to the specifications and common means of transmission (EFTA NSIs).
- Following, on a regular basis, Eurostat data dissemination and informing ESO when data has not been published (EFTA NSIs).
- Regularly assessing the inclusion rate of EFTA data in cooperation with Eurostat (ESO).

EFTA Participation in Cofinanced Eurostat Projects Grants and Tenders

In a **tender**, the proposed action entails the acquisition of a service which the Commission needs for its own operation. Thus, the initiative and control lie with the Commission and since the outcome is purchased and paid for by the Commission, it belongs to the Commission in its entirety.

A **grant** entails the promotion and encouragement of an

action recognised as useful by the Commission, but which falls primarily within the scope of the beneficiary's activities. With grants, the initiative generally comes from the beneficiary, which either organises or launches an action, or proposes an action which the Commission wishes to support. The beneficiary generally manages the operations. With grants, in principle the outcome belongs to the beneficiary.

Total participation, i.e. bearing 100% of the costs, is generally characteristic of tenders whereas cofinancing normally occurs in the case of grants. There may be cases, however, where a tender is cofinanced by two or more bodies.

Service contracts and grants are published on the Eurostat website.

Grants

A grant given by Eurostat aims to partially cover the eligible costs incurred by a body in order to implement a project related to the production of statistical information. The main objective of a grant is to contribute to the main development of the European Statistical System by improving the collection and harmonisation of joint data for the EEA. Grants do not finance the entire project. The level of cofinancing from the EU budget ranges from 50% to 90%, depending on Eurostat's interest in the project.

There are three types of grants:

- Open calls for proposals (O)
- Grants limited to bodies identified by a basic act (L)
- Calls for pre-identified grant recipients (P)

The most common type of grant in the ESS is the grant limited to bodies identified by a basic act, basically national statistical institutes.

Procedures for grants (calls for interest)

Projects relating to the last two categories, (L) and (P) are announced on Eurostat's website for information purposes only. ESS members and pre-identified grant recipients are contacted directly through a call for proposals when a project is launched. A set of documents is sent to ESS members with a detailed letter explaining the objectives, expected results, timetable, selection and award criteria, contact people, and guidelines on how to fill in the standard forms and which documents to provide.

According to Article 6 of the Swiss/EU Agreement in the field of statistics, Switzerland is entitled to participate in specific programmes managed by Eurostat with the same rights and obligations as other countries. However, it is not entitled to receive any financial contribution from Eurostat and thus cannot apply for grants.

ESSnet (collaborative ESS networks)

During their meeting in Palermo in September 2002, the Directors-General of the National Statistical Institutes (DGINS) expressed the need to find synergies, harmonisation and dissemination of best practices in the European Statistical System. They proposed creating an appropriate instrument: the Centres and Networks of Excellence (Cenex, now called ESSnet) projects, for combining expertise distributed throughout the ESS organisations in order to develop specific actions that would benefit the whole system. ESSnet actions should be in line with the multiannual statistical programme as they are being financed partly by Eurostat. The transfer of results and of knowledge to non-participating partners for the benefit of the entire ESS is an essential characteristic of ESSnet projects.

After some Cenex pilots, the programme was properly launched under the new label of ESSnet in 2008. In 2011, the balance shows eight finished projects, approximately 20 ongoing projects and a dozen more under preparation. The EFTA States participate under the same conditions as in other grant programmes. Norway currently participates in five such projects and Switzerland in three. ESSnet action plans are presented annually to the ESSC.

Service Contracts (Calls for Tenders)

Public and private entities established in the EEA EFTA countries may apply for service contracts. Entities established in Switzerland are not directly eligible but can be part of a consortium.

EFTA NSIs can also participate in calls for tenders outside the scope of the five-year EU statistical programme, such as the research framework programme. Nevertheless, as the seventh framework programme does not fall within Eurostat's competence, calls for tenders are advertised by the Directorate-General for Research & Innovation of the European Commission.

EFTA Experts Seconded to Eurostat

Statistical experts from EFTA countries have been working in Eurostat as seconded national experts (SNEs) since 1991. These secondments are important since they secure the exchange of knowledge and promote integration of the European Statistical System. Eurostat continuously expresses its interest in maintaining this high level of EFTA expert involvement.

In 2011, three categories of experts were seconded to Eurostat:

- **EEA EFTA SNEs:** Four experts are seconded to Eurostat as a contribution in kind to the publication and dissemination of EEA EFTA statistical data by Eurostat. This concerns experts from Iceland, Liechtenstein and Norway only. Salary and expatriation allowances for these SNEs are covered directly by the relevant NSI.
- **EFTA SNEs:** Two experts are seconded to Eurostat as a contribution in kind by the EFTA Secretariat to the statistical cooperation programmes of Eurostat in the field of statistics. The secondment of EFTA experts is governed by a memorandum of understanding on technical cooperation and applies to all EFTA States. The costs of these experts are fully covered by the budget of the EFTA Secretariat for technical cooperation.
- **Swiss SNEs:** Two to three experts are seconded to Eurostat as a contribution in kind by Switzerland towards participation in the European statistical programme. These experts can only be from Switzerland and ESO's involvement in the selection procedure is limited. Salary and expatriation allowances for these SNEs are covered directly by Switzerland.

For all experts, the secondment is governed by the Decision of the European Commission on rules applicable to national experts seconded to the Commission, with the exception of Chapter III on allowances and expenses. This is due to the fact that EEA EFTA, EFTA and Swiss SNEs are cost-free experts for the Commission. A secondment may not last less than six months or more than two years. Contracts may be renewed once or more, in general up

to a total period not exceeding four years or, in exceptional cases, six years. The general practice is to

establish a first secondment period of two years and to extend it once (exceptionally twice) by two years.

Procedure for selecting an SNE

1. Informal matching procedure

During the matching procedure ESO acts as the contact point between Eurostat and the relevant NSIs.

The procedure starts with a list of candidates sent by the relevant EFTA NSI(s) and concludes with the informal agreement on the expert to be seconded to Eurostat.

This procedure is coordinated by ESO for all SNEs (EEA EFTA, EFTA and CH).

2. Formal agreement with the European Commission

An exchange of letters takes place between the competent EFTA authority and the Directorate-General for Human Resources on the name of the candidate and the period of secondment.

ESO is the competent EFTA authority for EEA EFTA and EFTA SNEs. The Swiss Federal Statistical Office (via the Swiss Mission to the European Union) is the competent Swiss authority for Swiss experts.

3. Contractual and financial agreement

The competent EFTA authority signs a contract/agreement with the SNE.

For EFTA SNEs, an agreement is concluded between the EFTA Secretariat and the NSI and a second one between the EFTA Secretariat and the seconded expert. No further official arrangement with the EFTA Secretariat concerning EEA EFTA and Swiss SNEs is required.

WEBLINKS

EFTA

EFTA Secretariat: <http://www.efta.int>

EFTA Statistical Office: <http://www.efta.int/statistics>

EFTA Surveillance Authority: <http://www.eftasurv.int>

EFTA Court: <http://www.eftacourt.int>

EFTA Publications: <http://www.efta.int/publications.aspx>

The EEA and Related Statistical Cooperation

European Economic Agreement: <http://www.efta.int/eea>

Agreement, Protocol 30, Annex XXI, legal texts and adopted Joint Committee Decisions:
<http://www.efta.int/legal-texts/eea>

EU statistical legislation in force, sorted by theme:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/pgp_ess/about_ess/legislation

Access to EU law: <http://www.eur-lex.europa.eu/en/index.htm>



The Swiss/EU Agreement in the Field of Statistics

Agreement between the European Union and the Swiss Confederation on cooperation in the field of statistics:
http://www.bfs.admin.ch/bfs/portal/en/index/institutionen/oeffentliche_statistik/rechtliche_grund/bilaterale_vertraege_eu_schweiz.html

The European Statistical System

European Statistical System:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/pgp_ess/ess/ess_news

Eurostat: <http://www.epp.eurostat.ec.europa.eu>

Statistical committees (ESSC, PG, DGINS, ESGAB, ESAC):

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/pgp_ess/about_ess/statistical_committees

Committee register: <http://www.ec.europa.eu/transparency/regcomitology/index.cfm>

Committee on Monetary, Financial and Balance of Payments statistics (CMFB):

<http://www.cmfb.org/index.htm>

Register of Commission expert groups:

<http://www.ec.europa.eu/transparency/regexpert/index.cfm>

CIRCA documents and meetings:

<http://www.circa.europa.eu/Public/irc/dsis/Home/main?index>

Data transmission eDAMIS: <https://www.webgate.ec.europa.eu/edamis>

Grants, ESSnet, tenders:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/about_eurostat/corporate/introduction

National Statistical Institutes

Statistics Iceland: <http://www.statice.is>

Office of Statistics Liechtenstein: <http://www.as.llv.li>

Statistics Norway: <http://www.ssb.no>

Swiss Federal Statistical Office: <http://www.bfs.admin.ch>

Technical Assistance in the Field of Statistics

EFTA technical assistance

EFTA technical assistance:

<http://www.efta.int/free-trade/technical-assistance.aspx>

EFTA technical cooperation in statistics:

<http://www.efta.int/statistics/technical-cooperation.aspx>

Eurostat technical cooperation

Candidate and potential candidate countries:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/candidate_and_potential_candidate_countries/introduction/process_enlargement

European Neighbourhood Policy countries:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/european_neighbourhood_policy/introduction

International statistical cooperation:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/international_statistical_cooperation/introduction

European Statistical Training Programme:

http://www.epp.eurostat.ec.europa.eu/portal/page/portal/pgp_ess/about_ess/estp

ABBREVIATIONS AND ACRONYMS

BOP	Balance of Payments
Cenex	Centres and Networks of Excellence (now ESSnet)
CH	Switzerland (Confœderatio Helvetica)
CIRCA	Communication and Information Resource Centre Administrator
CMFB	Committee on Monetary, Financial and Balance of Payments Statistics
CoP	Code of Practice
DG	Directorate-General
DGINS	Directors-General of the National Statistical Institutes
EC	European Community
ECB	European Central Bank
ECSC	European Coal and Steel Community
eDAMIS	electronic Data files Administration and Management Information System
EDP	Excessive Deficit Procedure
EEA	European Economic Area (EU and EFTA countries without CH)
EEC	European Economic Community
EFTA	European Free Trade Association (CH, IS, LI, NO)
EMU	European Monetary Union
EP	European Parliament
ESA	EFTA Surveillance Authority
ESAC	European Statistical Advisory Committee
ESGAB	European Statistical Governance Advisory Board
ESO	EFTA Statistical Office
ESS	European Statistical System
ESSC	European Statistical System Committee
ESSnet	Collaborative ESS networks
ESTP	European Statistical Training Programme
EU	European Union
Eurostat	Statistical Office of the European Union
FSO	Swiss Federal Statistical Office
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GNI	Gross National Income
GNP	Gross National Product
IMF	International Monetary Fund
IT	Information Technology
JMO	Jean Monnet Building
MEDSTAT	Mediterranean Statistics
MEETS	Modernisation of European Enterprise and Trade Statistics
MoU	Memorandum of Understanding
NSI	National Statistical Institute
OECD	Organisation for Economic Co-operation and Development
OJ	Official Journal of the European Union
PHARE	Programme of Community aid to the countries of Central and Eastern Europe
SCAS	Standing Committee on Agricultural Statistics
SNE	Seconded National Expert
SPC	Statistical Programme Committee
SSB	Statistics Norway
TEC	Treaty establishing the European Community
TEU	Treaty on European Union
TF	Task Force
TFEU	Treaty on the Functioning of the European Union
UN	United Nations
UNECE	United Nations Economic Commission for Europe
WG	Working Group



The European Free Trade Association (EFTA) is an intergovernmental organisation for the promotion of free trade and economic integration, to the benefit of its four Member States: Iceland, Liechtenstein, Norway and Switzerland. The Association is responsible for the management of:

- The EFTA Convention, which forms the legal basis of the organisation and governs free trade relations between the EFTA States;
- EFTA's worldwide network of free trade and partnership agreements; and
- The Agreement on the European Economic Area (EEA), which enables three of the four EFTA Member States (Iceland, Liechtenstein and Norway) to participate fully in the Internal Market of the European Union.

The EFTA Bulletin is intended to serve as a platform for discussion and debate on topics of relevance to European integration, as well as the multilateral trading system. In this endeavour, the EFTA Bulletin draws on the experience and expertise of academics, professionals and policy makers alike.

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