

Commissioner Olli Rehn
Speech in the closing session of the Eurostat Conference on
"Statistics for policymaking: Europe 2020"
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Statistics and the reform of economic governance in Europe

Ladies and Gentlemen,

I am glad for the opportunity to make concluding remarks in the closing session of this very topical statistical conference. The annual Eurostat conference has become a valuable tradition, with a visible impact on the development of our statistical agenda and of evidence-based policy-making in Europe. This year's conference has been no exception.

This conference has focused on the Europe 2020 strategy. Yesterday, President Barroso presented you the Commission's approach to deal with economic imbalances and to support smart, sustainable and inclusive growth through. As he said, statistics are found almost all over Europe 2020. To communicate the key policy objectives, we need relevant and reliable statistics.

What is politically and economically at stake?

To reach the EU2020 policy targets, the necessary priority of Europe is to stabilise public finances in the Member States and to safeguard and solidify the ongoing economic recovery. It is essential that we do not allow the relative calm in the financial markets and the somewhat improved macroeconomic outlook to lower the level of ambition, or slow down the completion of the reforms.

Later today, the euro-area leaders will discuss the comprehensive policy package to overcome the latest stage of the financial crisis and to strengthen our economic and financial architecture.

To make the "Competitiveness and Convergence Pact" to work, an unequivocal political commitment by the Member State governments is needed. The new structure of EU economic governance will provide an effective mechanism of policy surveillance and delivery. Needless to say, relevant and reliable statistics provide the very foundation for reinforced economic governance and better competitiveness.

In the context of the EU's comprehensive response, the Portuguese government has just presented significant new commitments to ensure fiscal sustainability, strengthen the financial system and raise the growth potential and flexibility of the Portuguese economy.

I welcome and support this package of far-reaching, concrete measures. It is a major strengthening of the Portuguese macro-economic policies.

The additional immediate fiscal consolidation measures amount to 0.8% of GDP in 2011. The announced measures for 2012 and 2013 amount, respectively, to 2.5% and 1.2% of GDP. This should be sufficient to reach the ambitious deficit targets of 4.6% of GDP in 2011, 3% in 2012 and 2% in 2013.

We also welcome the commitment to far-reaching structural reforms, especially regarding further labour market reforms and the financial sector, which will foster economic growth and correcting imbalances.

The announced package will help Portugal regain control over debt dynamics and put an end to uncertainties. We will continue to closely monitor the situation in the context of enhanced surveillance.

The commitments of the Portuguese government clear an important building-block of the EU's comprehensive response to the sovereign debt crisis, and call for progress concerning the other blocks, especially linked to the reinforcement and increased flexibility of the financial backstops.

Ladies and Gentlemen,

I shall now try to summarise the very rich discussions held during the conference with a couple of conclusions and recommendations.

In selecting the indicators for the Europe 2020 strategy, we recognise the importance of discussions on 'GDP and Beyond' and the results of the so-called "Stiglitz-Sen-Fitoussi Report". These initiatives, both published in autumn 2009, have challenged official statisticians to develop new indicators that better describe our environmental challenges, the quality of life of households and the distributional aspects of income.

The European statisticians led by Eurostat and INSEE, the French Statistical Office, have set up a high-level group that will respond to the challenges set by these reports after the summer.

Not all the issues on producing the EU 2020 indicators are clear yet. This can be concluded from the discussions in the opening session yesterday morning. There is a need to discuss the recent EU policy initiatives and the important role statistical indicators will play in benchmarking and monitoring the progress of these policies.

There is also a need to exchange views on the role of official statistics as an essential element of the policymaking infrastructure of modern Europe. I do also believe that we need to promote the interaction between policymakers and statisticians in defining, producing and using statistics for policy purposes, of course without compromising the necessary professional independence of statistical institutes.

As mentioned by President Barroso yesterday, the Commission is currently preparing a communication on the quality management of European statistics, which we will present shortly. We aim at creating the necessary mechanisms to continue to ensure the high quality of statistical indicators.

To ensure quality and reliability, we have to move from correction to prevention, which is exactly the same approach as we reinforced economic governance. At the same time, we have to strengthen the independence of the European Statistical System.

I am looking forward to receive your contributions to this debate in the coming months.

Ladies and Gentlemen,

In this conference it has been widely recognised that sound and timely statistics are essential for making the Europe 2020 Strategy a success. This implies a better use of all the available statistics, as well as developing new statistics and relevant indicators.

Indicators must be accompanied with clear and agreed targets at European and at Member State level. The targets cover economic, social and environmental issues, and they have become part of the economic and policy governance of Europe. They reflect the complexities of the development of modern societies. These indicators act as a common language when we assess policy progress between the Member States.

The process of selection and development of indicators is a crucial phase. The users and producers need to interact from early on. The research community has an important role in this work. Statistics for policymaking have to comply with the highest quality standards. Clear quality commitments by the national and international statistical institutions and quality assurance frameworks are necessary. The credibility of the whole policy framework depends critically on the quality of statistics used.

However, quality has a price. It is important to clarify to users what kind of labelling we use for different statistics. The label "official statistics" should be reserved for those figures which fulfil the requirements of the European Code of Practice for Official Statistics. Model-driven calculations and normative objectives, such as political targets or valuations, do not fall under this category. This difference should be clearly distinguished in communication.

Further, statistics should be developed to react in a more flexible manner to new policy needs. At the same time, increased efficiency would help statisticians to cope with tough external constraints, such as limited resources and requests for the reduction of workload.

European statistics can build on its long tradition of quality work and coordination mechanisms. They have been and continue to be developed within the European Statistical System. We should at the same time reflect on the ways and means to further enhance the quality assurance. The recent granting of audit-type powers for Eurostat in the area of national accounts and public finance statistics is a very important recent example.

Moreover, it is important that indicators are disseminated so that citizens can understand them and their relevance to the decision-making processes. Official statistics should be user-friendly and easy to access, and they should be explained in a more pedagogical way. They can also benefit greatly from modern tools of presentation and visualisation.

Finally, we want to make our policy making ever more efficient and transparent. This is why it is essential that users and policymakers respect and understand the principles on which high quality official statistics are built. Only this way statistics can be used as an indicator in a way that makes policymaking more accountable to the public.

Ladies and Gentlemen,

With these words I would like to conclude and close the conference.

Many thanks to all of you for your contribution and participation.