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**Peer review on the implementation
of the
European Statistics Code of Practice**

Country visited: Bulgaria

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1. EXECUTIVE SUMMARY

Main findings:

The National Statistical Institute (NSI) of Bulgaria has reached a considerable degree of compliance with the Code of Practice (CoP). This is a significant achievement particularly in view of the fact that the statistical system of Bulgaria had to undergo two major changes within the last twenty years. The first change was the one from the system of a centrally-planned economy to a system for a market oriented economy. The second step was the adoption of the European Statistical System. The statistical infrastructure needed to provide the statistics now available in EU Member States had to be developed in a short period of time. In the same period the economy and the society have been changing radically. Such radical changes imply challenges for the NSI, the users of statistics and the respondents alike.

In 1999 a new Law on Statistics was passed (and amended in the following years) to make it consistent with EU legislation. In compliance with this Law and the CoP the NSI of Bulgaria produces and disseminates European Statistics. The principles of professional independence, mandate for data collection, impartiality, objectivity and statistical confidentiality are already either fully or largely met.

The NSI of Bulgaria has the status of a state agency. From all of the interviews carried out during the visit of the peer review team it can be concluded, that all users and the public in general consider the performance of the NSI as independent and objective.

As far as resources are concerned, the NSI of Bulgaria faces a number of problems. Deficits exist in the technical infrastructure and to some extent in the organization of the production process. Because NSI salaries are comparatively low it is becoming more and more difficult to recruit and to retain skilled staff in an increasingly competitive labour market.

The NSI has announced a strong commitment to quality. The top management is fully aware that a number of measures have to be taken to reach full adherence to the CoP. A systematic TQM based on the EFQM is part of the Bulgarian Statistical Programme 2007 – 2012. It is worthwhile noting that the assessment of compliance with the CoP – as in the case of all peer reviews - had to be limited to indicators mainly describing the availability of guidelines and standardised procedures in the field of quality. It was not within the mandate of the peer review team to address or to comment on the quality of specific statistical results.

The statistical system in Bulgaria is still strongly oriented towards the needs of institutional users. The Statistical programme is subject to a consultation procedure with all ministries. Governmental bodies receive detailed statistical information free of charge. Consequently the satisfaction about the services provided by the NSI is very high among institutional users. As the users satisfaction survey and many of the interviews proved, other users (who have to pay for detailed data) are less content with the present dissemination policy of the NSI. The new Integrated Statistical Information System (ISIS) currently under development in Bulgaria will have to play an important role to make access to detailed data easier and cheaper for the general public.

According to the Law on Statistics the NSI and the other Bodies of Statistics (the National Bank and the respective units within the ministries and other governmental bodies) form the National Statistical System. One of the main tasks of the NSI is to work out a plan for its overall activities, render methodological assistance and exercise control over the statistical activities carried out by all of the Bodies of Statistics. All the evidence collected during the mission confirmed that the co-ordination works very well. On the one hand formal agreements govern the data exchange between the NSI and the other Bodies. In addition there exists a large number of working groups in all statistical fields (as part of the network of working groups in the framework of the state administration). These working groups are very helpful in the development of common methodology, achieving data consistency and generally in improving data quality.

2. INTRODUCTION

With the adoption of the European Statistics Code of Practice, the Statistical Programme (SPC) committed itself to adhering to its principles. At its meeting on 25 May 2005, the SPC endorsed a stepwise monitoring procedure for the implementation of the Code over three years during which countries' self-assessments should be combined with elements of peer review, benchmarking and monitoring on the basis of the explanatory indicators added to each principle of the Code.

During December 2005 / January 2006 the National Statistical Institutes and Eurostat have completed their self-assessments, the results have been summarised by Eurostat in a report submitted to the Economic and Financial Committee in May 2006 which has been published on the Eurostat website.

As a next step towards implementation of the Code, the European Statistical System is organising peer reviews to complement the self-assessments starting with 2006. They are considered a vital element for the implementation of the Code of Practice given their capacity to encourage the sharing of best practice and to contribute to transparency in what is, essentially, a self-regulatory approach. This approach is designed to enhance accountability and to help building trust in the integrity of the European Statistical System, its processes and outputs.

The Code of Practice peer reviews follow a common methodology focusing on the institutional environment and dissemination part of the Code comprising the following principles: (1) Professional independence, (2) Mandate for data collection, (3) Adequacy of resources, (4) Quality commitment, (5) Statistical confidentiality, (6) Impartiality and Objectivity and (15) Accessibility and Clarity. In principle, the peer review is limited to the National Statistical Institute and its co-ordination role within a dispersed national statistical system. A short document provided by the National Statistical Institute which summarises key aspects of the functioning of the national statistical system is published together with this report.

During a three days visit on-site and on the basis of information material provided by the National Statistical Institute and Eurostat prior to the review, peer reviews yield a report assessing compliance with the Code of Practice at indicator level and by principle following a four point assessment scale. The report includes a refined set of improvement actions covering all principles of the Code which are being used to feed the monitoring process of the implementation of the Code in the European Statistical System.

While the peer reviewers will undertake to base their assessment to the extent possible on factual information, it is worth noting some of the limitations of the peer review process. For example, peer reviewers are dependent upon the resources made available to them (though experienced reviewers can be expected to identify where appropriate information is not forthcoming). In addition these reviews are conducted on a strategic, organisation-wide and system wide basis. Accordingly it is not straightforward to ascertain that certain practices or behaviours or systems operate in all statistical domains.

3. FINDINGS PER PRINCIPLE

Principle 1: Professional Independence

The professional independence of statistical authorities from other policy, regulatory or administrative departments and bodies, as well as from private sector operators, ensures the credibility of European Statistics.

Overall assessment:

The NSI of Bulgaria has the status of a state agency. Its professional independence is rooted in the Law on Statistics (http://www.nsi.bg/LegalBasis_e/LegalBasis.htm). From all of the interviews carried out during the visit of the peer review team it became obvious that public confidence in the NSI is very high. The professional independence of the NSI has never been called into question.

Indicator 1.1: The independence of the statistical authority from political and other external interference in producing and disseminating official statistics is specified in law.

Fully met

Comments: The Law on Statistics requires that all statistical activities (including the development of a methodology and the planning of statistical surveys, obtaining, collecting, processing, analyzing and storing of statistical data, as well as the provision and dissemination of statistical information) are governed by the principles of independence and impartiality (Art 2). In the Law impartiality is defined as an objective and independent way of carrying out statistical activities without interference of political or other interest groups (§ 1 of the Additional Provisions). The principles of legality, reliability, efficiency, adequacy, publicity and protection of statistical secrecy are also laid down in the Law on Statistics (Art 2).

Indicator 1.2: The head of the statistical authority has sufficiently high hierarchical standing to ensure senior level access to policy authorities and administrative public bodies. He/She should be of the highest professional calibre.

Fully met

Comments: The hierarchical level of the President of the NSI is comparable with the highest (non-political) public servant e.g. that of Directors General of other governmental agencies. The President is appointed by the Prime Minister on the basis of the decision of the Council of Ministers (Art 8 of the Law on Statistics). He/she reports directly to the prime minister. His/her

appointment is based on a fixed term contract (for a period of 7 years, limited to 2 mandates), with specific strict conditions for his/her dismissing.

The President of the NSI is called to the Council of Ministers when there is a statistical question. He is however not a member of the government but an observer.

The nomination process and the qualification of candidates for this position are not specifically addressed in the Law on Statistics – a clarification in the statistical legislation might be useful.

Indicator 1.3: The head of the statistical authority and, where appropriate, the heads of its statistical bodies have responsibility for ensuring that European Statistics are produced and disseminated in an independent manner.

Fully met

Comments: The NSI is responsible for the entire process of compiling statistics and for the dissemination of the results (Art 7). The President is responsible for the organization and management of the NSI. Participants from all areas (ministries, users, research institutes) expressed themselves that the NSI is independent.

Indicator 1.4: The head of the statistical authority and, where appropriate, the heads of its statistical bodies have the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases.

Fully met

Comments: The definition of the principle of reliability in the Law on Statistics (§ 1 of the Additional Provisions) declares that the statistical information should reflect reality in the best possible way, by using scientific criteria for selection of the sources, methods and procedures. Art 9 of the Law on Statistics stipulates that the “President shall approve the national statistical classifications, nomenclatures and rules relevant to their implementation, as well as the statistical standards and methods, either independently or with the Bodies, stipulated by a normative act”. Art 7 of the Law on Statistics says that the NSI has to render methodical assistance and even exercise control over all statistical surveys carried out by the Bodies of Statistics. In practice the statistical methodology is developed in close co-operation with other Bodies of Statistics in specific working groups.

NSI publications are approved internally before publication. The release calendar for statistics is announced for the whole year (http://www.nsi.bg/Calendar_e/Calendar.htm) and the dates are almost always kept (see also Indicator 6.5).

Indicator 1.5: The statistical work programmes are published and periodic reports describe progress made.

Fully met

Comments: According to the Law on Statistics (Art 7), the NSI draws up a five-year strategy for the Development of the National Statistical System (submitted for approval to the Council of Ministers), and an annual National Programme for Statistical Surveys (NPSS). The National Statistical Council as consultative body to the President of the NSI is also involved in the preparation of the NPSS.

Inevitably the statistical programme for each year includes a high percentage of continued products which are more or less constant every year. It evolves slowly and – as in most statistical programmes - it can be difficult with limited resources to introduce major new developments.

A report on NSI activities is submitted to the Council of Ministers and published. The annual plan (http://www.nsi.bg/AboutNSI_e/AboutNSI.htm) is available on the website of the NSI but not always up-to-date.

Indicator 1.6: Statistical releases are clearly distinguished and issued separately from political/policy statements.

Fully met

Comments: Statistical releases are identified as products of the NSI – as they are published on the official website of the NSI. However they do not always include the name of the NSI or its logo. The press releases are purely statistical in their nature; they include statistical data, in some cases with few statistical comments. No policy statements are part of the releases.

Users distinguish statistical outputs of the NSI incl. press releases from other data and other data producers. Users and journalists also seem quite clear that NSI presents fair data only and does not comment on policy questions. Their perception is that NSI is independent and fair.

Indicator 1.7: The statistical authority, when appropriate, comments publicly on statistical issues, including criticisms and misuses of official statistics.

Fully met

Comments: The NSI is entitled to comment on erroneous interpretation and usage of statistical data. In the last years there have been only few cases of misuse. When they occurred the NSI reacted immediately and commented by letter to the newspaper.

A formalised policy for reaction against misuse of data is planned for the near future.

Principle 2: Mandate for Data Collection

Statistical authorities must have a clear legal mandate to collect information for European statistical purposes. Administrations, enterprises and households, and the public at large may be compelled by law to allow access to or deliver data for European statistical purposes at the request of statistical authorities.

Overall assessment:

NSI has the legal mandate to collect data directly from legal persons and natural persons, (including farmers) carrying out economic activities on the basis of the National Programme of Statistical Surveys. Household surveys other than censuses are based on voluntary participation.

The NSI is allowed to use data from administrative sources but there are some serious limitations as in the case of tax data.

The Law on Statistics does not include any provisions for electronic reporting. It only refers to the traditional way of reporting in statistical forms. Provisions for the electronic access to administrative data are also missing in the Law on Statistics. In the future the costs of processing enquiries could be reduced by electronic collection, even if today too few enterprises (especially small ones) have adequate secure internet access and encryption. The promotion of electronic reporting could also contribute to improve the timeliness and the quality of the results of many statistical products.

Indicator 2.1: The mandate to collect information for the production and dissemination of official statistics is specified in law.

Fully met

Comments: The mandate to collect data directly from legal persons is incorporated in the Law on Statistics (Art 20 and 21), including specific provisions concerning mandatory participation based on the National Programme of Statistical Surveys. The same regulations apply to natural persons, including farmers carrying out economic activities.

Natural persons (households) are only obliged to provide the NSI and other Bodies of Statistics with personal data in case of censuses. Natural persons do not have to provide data concerning their race, nationality, ethnic belonging, religion, health status, private life, party affiliation, committed legal offences, philosophical and political views. All surveys to households other than censuses are carried out on a voluntary basis.

Indicator 2.2: The statistical authority is allowed by national legislation to use administrative records for statistical purposes.

Largely met

Comments: According to the Law on Statistics (Art 20) the NSI is allowed to use data from administrative sources (information systems) necessary for conducting statistical surveys included in the NPSS free of charge. Limitations are caused by specific (non-statistical) legislation which does not allow the use of available data for external purposes (including statistics). As a consequence there is no access to individual tax data, but NSI can request tables according to their specifications.

Indicator 2.3: On the basis of a legal act, the statistical authority may compel response to statistical surveys.

Fully met

Comments: On the basis of the Law on Statistics, NSI may compel response to obligatory surveys. Person who do not provide data in due time are liable to fines (Art 52). In practice NSI applies that kind of sanctions to households and enterprises to a limited extent (10 to 15 cases per Regional Statistical Office (28 RSO) and per year, the sanctions are rather moderate, in most cases 100 BGL). Unit non-response is reported to be low, but item non-response is considered as a more serious problem.

Principle 3: Adequacy of Resources

The resources available to statistical authorities must be sufficient to meet European Statistics requirements.

Overall assessment:

The NSI of Bulgaria faces a number of practical and logistical day-to-day challenges to meet European statistical standards. Deficits exist in the technical infrastructure and to some extent in the organization of the production process. Because NSI salaries are comparatively low it is becoming more and more difficult to recruit and to retain skilled staff in an increasingly competitive labour market.

Indicator 3.1: Staff, financial, and computing resources, adequate both in magnitude and in quality, are available to meet current European Statistics needs.

Partly met

Comments: From the Bulgarian self assessment and from the available documentation it seems that the key problem to meet current European Statistics needs is not the number of staff. Compared to countries of similar size the number of staff is quite big. Approximately 450 staff work in the head office in Sofia and 1000 in the 28 regional offices. A high percentage of the employees have academic background. On the other hand the age structure is not very favourable. Nearly half of the staff will retire in a few years. NSI salaries are comparatively low; considerably lower than other government salaries and much lower than equivalent jobs in the private sector. Therefore it is becoming more and more difficult to recruit skilled staff. In addition young people often leave after a few years of experience.

Problems are caused by deficits in the existing technical infrastructure and to some extent in the organization of the production process. The implementation of the new ISIS and IT strategy and the "Strategy for human resource development" mentioned in the "Strategy for sustainable development of the National Statistical System of the Republic of Bulgaria, 2007 – 2012" will therefore play a very important role for making better use of the available resources (see also the Doc. "Integrated statistical information system ISIS - IT strategy").

In the field of human resource development more emphasis should be put on NSI specific courses. Such courses could be part of the planned cooperation with universities.

Indicator 3.2: The scope, detail and cost of European Statistics are commensurate with needs.

For European level reply

Indicator 3.3: Procedures exist to assess and justify demands for new European Statistics against their cost.

For European level reply

Indicator 3.4: Procedures exist to assess the continuing need for all European Statistics, to see if any can be discontinued or curtailed to free up resources.

For European level reply

Principle 4: Quality commitment

All ESS members commit themselves to work and co-operate according to the principles fixed in the Quality Declaration of the European Statistical System.

Overall assessment:

The Law on Statistics, the mission statement and the vision of the NSI give a clear commitment to ensuring the quality of the statistics the NSI produces, in line with the Quality Declaration of the European Statistical System. Quality improvement is recognised as the first priority in the Annual Report of 2005 published by the NSI. The NSI has created a special division entitled "Strategic planning and quality management". There is an embryonic "Quality Management Policy" (March 2007). However, there is as yet no overall quality management framework, though it is planned to develop one based on the EFQM.

At a more detailed operational level, individual surveys are documented, as described under Indicator 4.2. Taking into account the information provided during the mission by staff members the collection and validation of statistics are generally carried out in a professional manner. Validation is carried out first in the RSOs that collect the data, then also in the headquarter of the NSI.

Key areas of statistics have been the subject of quality reports and improvements (mainly for surveys carried out under EU regulations).

The quality of the business register (coverage, etc.) is of crucial importance for the quality of many statistical products. In all the interviews there was consensus that much has to be done to improve the business register. The business register is in the competence of a special agency, a fact which requires additional co-ordination efforts.

A particular challenge is to cope with the hidden economy, which was reported to be of high relevance in some branches of the economy.

Indicator 4.1 Product quality is regularly monitored according to the ESS quality components.

Partly met

Comments: A framework for addressing quality on a systematic and consistent basis throughout the organisation is missing. Instead each area seeks improvements in their data relying on traditional quality checks (checks of data inputs, measurement of non-response).

Quality reports are available for statistics where quality reports are part of the EU statistical legislation or in the framework of Phare projects. NSI plans to develop quality reports also for other statistical fields.

Indicator 4.2 Processes are in place to monitor the quality of the collection, processing and dissemination of statistics.

Partly met

Comments: Statistical surveys are conducted in accordance with forms and instructions, which cover all documents necessary to describe the statistical survey, the methods concerning its carrying out, the units of the survey, the target (indicators) of the survey, methods for data collection, their validation and processing. Such instructions are very important in a system in which the data collection is done on a regional level by the RSOs. These guidelines are published on the intranet but were not accessible to the members of the peer review team.

It seems that the procedures are not very standardised. Current plans to develop an Integrated Statistical Information System (ISIS) could substantially improve internal documentation of processes in the future.

Indicator 4.3 Processes are in place to deal with quality considerations, including trade-offs within quality, and to guide planning for existing and emerging surveys.

Largely met

Comments: There is a process which is well described in a document from the NSI entitled "Technology for elaboration, consideration and submission of the national programme for statistical surveys and methods for calculating the budget of the statistical surveys and activities" (December 2005). The National Statistical Council approves all new surveys proposed; these are then included in the annual NPSS which includes activities of the NSI and all other Bodies of Statistics. The principles used in the process of preparing the NPSS include many aspects of quality, including: satisfying user needs, transparency, prioritisation, balance between needs and resources and compliance with the European Statistical System.

Indicator 4.4 Quality guidelines are documented and staff are well trained. These guidelines are spelled out in writing and made known to the public.

Partly met

Comments: As described above (Indicator 4.2), guidelines on activities are documented even if not in a standardised way. However guidelines specifically on quality do not seem to exist. A training programme is in operation. According to the internal document on training activities about 10000 person days (about 50% of these activities dealing with statistics) were devoted to training in 2006. From the interviews it became clear that despite this programme more specific high-quality training is needed in the NSI.

Indicator 4.5 There is a regular and thorough review of the key statistical outputs using external experts where appropriate.

Not met

Comments: There is no regular and systematic review of key statistical outputs. Prior to accession to the EU reviews of key outputs were conducted by external consultants under Phare projects. The other external review is the IMF ROSC. These external reviews took place between 2000 and 2003. Some user satisfaction surveys have been carried out.

The interview partners during the peer review process expressed quite different views with respect to the need of a formalised system of external auditing. Most of the representatives of the other Bodies of Statistics saw no need for such a system. They consider themselves as well-informed “insiders”. On the other hand all other users strongly argued in favour of a system of external auditing.

Principle 5: Statistical confidentiality

The privacy of data providers (households, enterprises, administrations and other respondents), the confidentiality of the information they provide and its use only for statistical purposes must be absolutely guaranteed.

Overall assessment:

Confidentiality and data protection are regulated in the Law on Statistics (Art 25) and specified in the “Rules for Dissemination”. A Council for Protection of Information seeks to provide common rules and guidelines to reconcile three types of confidentiality: classified state information, individual data protection, statistical confidentiality.

Because statistics is a matter of trust the legal provisions laid down in the Law on Statistics and the rules and measures taken to guarantee statistical confidentiality should be spelled out explicitly and should be made part of a marketing strategy of the NSI. A mission statement with respect to statistical confidentiality should be made accessible to the public on the website. The need for such actions is underlined by the results of the “Survey about the attitude of business towards statistical confidentiality” carried out in 2005. Although the results indicate that most firms trust that the data they provide is used for statistical purposes only and treated in a confidential way, about 28% of the respondents believe that confidential data can be received from staff members of the NSI in informal ways.

Indicator 5.1 Statistical confidentiality is guaranteed in law.

Fully met

Comments: Chapter VI of the Law on Statistics is devoted to the protection of secrecy. Art 25 in Chapter VI states that data received and collected for statistical purposes shall be used for statistical purposes only and shall be confidential.

Indicator 5.2 Statistical authority staff sign legal confidentiality commitments on appointment.

Fully met

Comments: According to Art 27 (3) all staff members of the NSI are required to sign a sworn declaration on confidentiality.

The peer review team recommends that the sworn declaration should include a statement that the staff member has received a printed version of all the relevant legal texts and that she/he is aware of the legal consequences of violating the rules for confidentiality. The text of the sworn declaration should also contain a commitment to keep all information confidential even after ceasing to be a staff member of the NSI. Such a phrasing would be in accordance to Art 27 (3) which requires keeping statistical confidentiality in a period of 5 years after the finalization of a job at the NSI.

Indicator 5.3 Substantial penalties are prescribed for any wilful breaches of statistical confidentiality.

Fully met

Comments: The rules as they are stated in the Law on Statistics are quite clear. According to Art 53. a person, who uses, provides or discloses statistical data to the public, if the case does not constitute a crime, shall be liable to a fine of 1 000 BGN up to 2 000 BGN. Any official, who has an access to individual and personal data and provides or uses them for non-statistical purposes, shall be liable to pay a fine of 2 000 BGN up to 6 000 BGN, if the case does not constitute a crime. (Art 55).

There have apparently been no cases of leak of statistical data by staff members in the recent past. The NSI considers the penalties high enough to protect confidentiality.

Indicator 5.4 Instructions and guidelines are provided on the protection of statistical confidentiality in the production and dissemination processes. These guidelines are spelled out in writing and made known to the public.

Largely met

Comments: The NSI internal document "Rules on dissemination of statistical information products and services" contains a special section in which the rules for applying the Law on Statistics (in its part dealing with protection of confidential data) are described in detail. The internal document "Policy relevant to statistical confidentiality" clearly states that access to confidential data has to be limited to the personnel that work directly with the data. In the production process confidential data are marked to avoid dissemination of confidential data. Most questionnaires have a statement on the cover page (sometimes in the accompanying letter) that data is only for statistical purposes.

At present the guidelines and documents dealing with the protection of statistical confidentiality are not made known to the public to the necessary extent. The mission statement of the NSI should include an explicit reference to the value of keeping individual information strictly confidential and quote the relevant legal provisions. This mission statement and the instructions and guidelines used for the protection of statistical confidentiality in the NSI should be made available to the public on the website.

Indicator 5.5 Physical and technological provisions are in place to protect the security and integrity of statistical databases

Largely met

Comments: The documentation made available to the peers indicates a high awareness of the need to take the necessary measures to protect the security of statistical databases. There is a system of password-controlled access to confidential data and line managers are responsible for confidentiality in their areas. However, in the peer review process it was not possible to get a fully clear picture. Some interview partners argued that the computing system is adequately protected while some felt it is not protected enough. In the discussions it was mentioned that more technical tools (software in particular) are needed.

Indicator 5.6 Strict protocols apply to external users accessing statistical microdata for research purposes.

Fully met

Comments: Non-identified individual data is provided for scientific and research purposes to qualified users (see also Indicator 15.4). The users have to meet certain criteria defined by the NSI in order to receive access to data. Data is transmitted after data acceptance–transmission protocols and after sworn declarations for protection of the principles of statistical secrecy are signed.

Principle 6: Impartiality and objectivity.

Statistical authorities must produce and disseminate European Statistics respecting scientific independence and in an objective, professional and transparent manner in which all users are treated equitably.

Overall assessment:

Generally, there is good compliance with the principle of objectivity and impartiality according to the indicators selected. Only as far as availability of metadata is concerned there is a certain deficit.

Although this aspect is not covered by one of the following Indicators it has to be mentioned that users are not treated equitably with respect to the amount of information which is available for them. This aspect will be taken up in more detail under Principle 15.

Indicator 6.1: Statistics are compiled on an objective basis determined by statistical considerations.

Fully met

Comments: This principle of objectivity is laid down in the Law on Statistics (Art 2, Additional Provisions § 1, 5. and 6): Statistical activity have to be carried out without interference of political or other interest groups as far as the selection of the most appropriate techniques, definitions and methodologies are concerned. Only scientific criteria have to be used for the selection of sources, methods and procedures.

Because public perception of the NSI's impartiality and objectivity is nothing that can be taken for granted, in a revised version of the mission statement of the NSI might wish to make explicit reference to its adherence to the principles of impartiality and objectivity.

Indicator 6.2: Choices of sources and statistical techniques are informed by statistical considerations.

Fully met

Comments: As already mentioned under Indicator 6.1 the Law on Statistics requests that in the case of selection of the most appropriate techniques, definitions and methodologies the NSI should be independent. No evidence was found for political influence in the choice of sources or the statistical techniques.

Indicator 6.3: Errors discovered in published statistics are corrected at the earliest possible date and publicised.

Partly met

Comments: All users, inside government and outside, commented that NSI staff is always helpful and pro-active in analysing possible errors and correcting them, though without publicity.

No formalised procedure is in place to deal with errors in statistics already published. Greater openness in presentation of the revisions and adoption of the revision policy would complement the existing practice.

Indicator 6.4: Information on the methods and procedures used by the statistical authority are publicly available.

Partly met

Comments: For some important statistical products - such as the HICP, the index of industrial production - good metadata (which goes into some details also on the procedures and methods used) is available on the website. In some cases changes in methodology were even pre-announced.

For the majority of statistical products however, standardised information on the methods and procedures used is not available for the general public.

Indicator 6.5: Statistical release dates and times are pre -announced.

Fully met

Comments: A release calendar is published on the website for the whole year and almost always respected. Users know the practice and are informed about the availability of the data on internet at specific times of the day indicated in the release calendar.

Indicator 6.6: All users have equal access to statistical releases at the same time and any privileged pre-release access to any outside user is limited, controlled and publicised. In the event that leaks occur, pre-release arrangements should be revised so as to ensure impartiality.

Fully met

Comments: Users have access to new statistics at the same time. Only in the case of press conferences ministers receive the data one hour before the press conferences for briefing

purposes, but under strict embargo. This principle is laid down in the newly approved “Rules for Dissemination of Statistical Information, Products and Services” and is made known to the public (http://www.nsi.bg/AboutNSI_e/AboutNSI-Announcement.htm).

Indicator 6.7: Statistical releases and statements made in Press Conferences are objective and non-partisan.

Fully met

Comments: Statistical results are never presented together with political statements - the NSI is said to be very cautious in this respect. Press releases posted on the website present figures only, no text. The full press release journalists receive one hour before the press conference contains text and more tables.

The objectivity is highly acknowledged by the media. On the other hand the media and other users would wish to receive longer times series, growth rates, graphical presentation of results and some background information concerning the data.

Principle 15: Accessibility and clarity

European Statistics should be presented in a clear and understandable form, disseminated in a suitable and convenient manner, available and accessible on an impartial basis with supporting metadata and guidance.

Overall assessment:

As might be seen from the catalogues of statistical publications available on the website (http://www.nsi.bg/Public_e/Catalog-i07.htm) the NSI offers a variety of different publications. According to the Annual Report 2005 the head office of the NSI was responsible for less than 20% of the statistical publications, all the other publications were done by RSOs. About 50% (the share is increasing) of the publications are also available in electronic form (CD-Rom). Although the head office of the NSI is only in charge of less than 20% of all publications it is responsible for providing the basic standard publications for the entire statistical system.

Different categories of users are not treated equally in all dimensions of access to information. Users have access to statistical data at the same time (see also Indicator 6.6) but not with respect to the detail of information available and with respect to data which is offered free of charge. Some users pointed out that they have to order and to pay for custom-designed analyses to get access to detailed data (see also Indicator 15.3).

Art 24 (1) of the Law on Statistics states that statistical information shall be provided free of charge to the National Assembly, the President of the Republic of Bulgaria, the Council of Ministers, and many other governmental institutions. All other users only have access to statistical information against payment of state fees, the rate of which shall be specified by tariff of the Council of Ministers (Art 24 (5)). In practice the costs involved constitute a real barrier to their acquisition. The data which is made available free of charge on the website is limited to overall results and key indicators.

More metadata and supporting information should be made available to facilitate the proper use of the data.

Indicator 15.1: Statistics are presented in a form that facilitates proper interpretation and meaningful comparisons.

Largely met

Comments: According to the 2007 user satisfaction survey, the opinion of respondents to the survey is quite positive as regards understandability, clarity and accessibility of statistics. The website of the Bulgarian NSI is unusually good among statistical offices. It is clear and easy to access, in Bulgarian and English. Some tables are accompanied by excellent, short, clear methodological notes. However this is not always the case in all areas of statistics.

The website offers a good selection of the most important statistical indicators from all areas (agriculture, industry, national accounts, social statistics, etc). However only the very highest aggregates are offered – industrial production for total industry, national accounts represented by little more than GDP growth rate etc.

In addition there is a broad range of traditional publications in printed form which offer more detailed information. Many of them such as the Statistical Yearbook are very well made.

Indicator 15.2: Dissemination services use modern information and communication technology and, if appropriate, traditional hard copy.

Largely met

Comments: As indicated above, the website provides free a good selection of the most important indicators in each area. Other publications, generally with more detailed data, are available on paper or CD Rom. However, these have to be ordered and paid for which constitutes a real barrier to their acquisition.

The big weakness is the lack of a structured database for external access. In the short-term the availability of data could be improved by simply increasing the number and the size of the tables posted on the website while developing the database ISIS in the medium term.

Indicator 15.3: Custom-designed analyses are provided when feasible and are made public.

Fully met

Comments: The internal document “NSI Dissemination Policy” (page 2) says: "The rate of information services which are done by an individual users' request is significant. These requests contain specific requirements for more detailed information than the published one: i.e. different breakdowns, levels of aggregation, additional processing, long dynamic series, combination of indicators, etc."

Many customers order custom-designed analyses regularly. Most of the users who requested such custom-designed analyses expressed satisfaction with the service provided by the NSI. Some users however complain that they have to order and pay for analyses the results of which are parts of the standard publication programme in many countries.

Indicator 15.4: Access to microdata can be allowed for research purposes. This access is subject to strict protocols.

Fully met

Comments: As already mentioned under Indicator 5.6 users can have access to microdata if they meet specific criteria. The Law on Statistics (Art 26) stipulates as follows: Data on

individual statistical units "can be submitted only if: 1. they shall be provided for the purposes of the scientific work at the higher schools or to legal persons the main activity of whom are the scientific studies; if they have created the conditions, as stipulated by normative provisions, for protection of these data; if all natural persons, who shall be acquainted with these data sign a sworn declaration for protection of statistical secrecy; the data shall be transmitted in a form which does not allow direct or indirect identification of the person they refer to." So far, micro data access remains rare, only about five projects per year.

Indicator 15.5: Metadata are documented according to standardised metadata systems.

Largely met

Comments: Bulgaria signed up to the SDDS. Metadata in the standard SDDS format is on the IMF bulletin board, with easy access from the website of the Bulgarian NSI. In addition the NSI website contains well-written, clear, methodological descriptions for some selected indicators.

As already mentioned under Indicator 6.4 for many statistical products only very limited information on the methods and procedures used is available for the general public. The Integrated Statistical Information System (ISIS) will include a metadata repository. It is planned that the repository will be in operation from the beginning of 2008 onwards.

Indicator 15.6: Users are kept informed on the methodology of statistical processes and the quality of statistical outputs with respect to the ESS quality criteria.

Partly met

Comments: At present no formalised system of quality control is operational. The general public is not informed about the quality of statistical products according to the ESS quality criteria in a systematic way. Quality reports produced for Eurostat usually are not published.

On the other hand users reported that in a number of cases of revisions they were well informed about changes in the methodology. Most of these users were members of one of the governmental working groups.

4. CO-ORDINATION ROLE OF THE NATIONAL STATISTICAL INSTITUTE

Co-ordination

The National Statistical System in Bulgaria comprises the National Statistical Institute (NSI) and other Bodies of Statistics. In 2006 the list of other Bodies of Statistics (http://www.nsi.bg/AboutNSI_e/AboutNSI-StatOrg.htm) included 12 institutions, among them the National Bank of Bulgaria and the respective units within the ministries and other governmental bodies. The NSI has 28 Regional Statistical Offices (RSO) in addition to its head office in Sofia. The RSOs are responsible for data collection and for the initial checking, editing and processing of the data. They are also involved in the dissemination of statistics.

Because the Law of Statistics regulates the activities of all Bodies of Statistics their work also has to be carried out under the principles of impartiality, reliability and publicity as the work of the NSI. This provision should guarantee a high compliance with the CoP also for the work of Bodies of Statistics other than the NSI as far as Community Statistics is concerned.

Bodies of Statistics shall work under the methodological guidance of the NSI and shall provide requested data to the NSI and between themselves (Art 3 (3)). This data exchange is based on formal agreements.

The task of co-ordination is very demanding and a time and resource intensive exercise. Although all Bodies of Statistics have to work under the methodological guidance of the NSI the relatively high degree of decentralization poses a major challenge. The importance of a close and effective co-operation between the NSI and the other Bodies of Statistics in order to exploit as efficiently as possible the available sources of information, and to provide the quality of service was already highlighted in the Global Assessment of the Statistical System of Bulgaria by Heli Jeskanen-Sundström and David Wroe in 2001.

All the evidence collected during the mission confirmed that the co-ordination works very well, both on the level of the formal agreements as on the level of more than 70 working groups. These working groups in the framework of governmental working groups (the statistical working groups are chaired or co-chaired by the NSI) are very helpful in the development of common methodology, achieving data consistency and generally in improving data quality.

Advisory boards

Two Councils mentioned in the Law on Statistics play an important role in the planning process of statistical activities. The National Statistical Council (Art 14) consists of representatives of the Council of Ministers, the ministries, the Bulgarian National Bank, the Commission for Protection of Competition, the National Social Security Institute and the President of the NSI. Its main tasks are to adopt a long-term strategy for development of the statistical activities and to draft the annual National Programme for Statistical Surveys and to present a statement related to its financial provision to the Minister of Finance. The National Programme for Statistical Surveys has then to be adopted by the Council of Ministers. It is published in the "State Gazette".

The High Statistical Council (Art 11) is a consultative body of academics and representatives of the main users. Its main duty is to give recommendations on the NSI plan for statistical surveys and on drafts of normative acts in the field of statistics.

5. GOOD PRACTICES TO BE HIGHLIGHTED

Recently the NSI started a co-operation with the Sofia University "St. Kliment Ohridski" based on a formal agreement. The intention is to offer better methodological training to NSI staff and to facilitate access to data for research purposes. This co-operation is intended to make more supporting analysis available and help to recruit skilled staff.

The contacts between the RSOs and respondents are very close. On the regional level differences in the ethnical and cultural background of the respondents can be duly taken into account when carrying out surveys. The good co-operation helps to keep the rates of unit non-response low.

The NSI provides feedback to households participating in surveys on a voluntary basis. For example persons who were respondents in the household expenditure survey received a little brochure with the main results of the survey.

6. RECOMMENDATIONS OF THE PEER REVIEW TEAM

The peer review team recognises that Bulgaria has made massive progress in adapting and improving its statistical system in the last few years to adapt to the transitions in the economy and society. Generally the peer review team approve all the improvement actions listed in the next section. We would, however, particularly like to stress the following points.

Accessibility and clarity

The NSI has a nice, neat website, but the data available are only a limited set of very top-level main aggregates. Currently more detailed data is available free to ministries but has to be purchased (as books or CD-Rom) by private-sector users. We recommend NSI should review its dissemination policy to begin putting more detailed data in a user-friendly form on the website, free of charge to all categories of users, for instance in the same detail which is available free of charge on the Eurostat website.

In the short term this could be achieved quite simply by increasing the number and the size of the tables posted on the website. In the medium term it would be useful to have a more structured dissemination database which external users could use (derived from ISIS described below).

In parallel, the metadata should be expanded to provide definitions, sources and methods and some indicators of quality.

Quality

The NSI has clearly announced a strong commitment to quality. In its mission statement, which is further supported by the creation of a specific division of "Strategic planning and management of quality". This division has drafted a Quality management programme (April 2007) which shows the steps towards applying a systematic TQM based on the EFQM during the period covered by the new statistical programme 2007 – 2012.

Up to now, as in many statistical offices, Bulgaria has improved its statistics step by step in each area, in conventional ways, such as improvements to procedures, to samples, to questionnaires or registers. We would recommend now this should become more systematic. The standardised analysis and description of procedures could be integrated as internal metadata into the new Integrated Statistical Information System (ISIS) currently under development. This would provide a common set of procedures for the conduct of surveys and ensure continuity if staff change frequently (which is likely to be the case in the coming years). Moreover this documentation could provide the basis for shorter, user-friendly, explanations, methodological guidelines and even quality reports that could be made publicly available on the website.

In addition we propose a systematic process of audits for all statistical projects. External experts such as academics and main users should be invited to participate in reviewing statistical methods and the quality of processes in detail. The audits should result in identifying potentials for quality improvement and in concrete recommendations. All findings should be published. The availability of such reports could also help to increase the trust of users in the reliability of results.

Accuracy and reliability

The quality of all business statistics is crucially dependent on the quality of the business register, which is particularly hard to ensure in an economy that is changing rapidly. We strongly recommend regular evaluation of the quality and completeness of the business register.

7. LIST OF IMPROVEMENT ACTIONS BY PRINCIPLE OF THE CODE

Principle 1: Professional Independence

Improvement actions

Timetable

- ★ Working out a specific written policy for reaction against misuse of data

2007

Principle 2: Mandate for Data Collection

Improvement actions

Timetable

- ★ Initiative for changes of the national legislation concerning the use of administrative data for statistical purposes (Tax Administration Law, Customs Law, e-Government)

2008

Principle 3: Adequacy of Resources

Improvement actions

Timetable

- ★ Strategy for development of human resources; training, remuneration depending on results, motivation

2007

- ★ Implementation of an Integrated Statistical Information System (ISIS) Strategy

2007 onwards

- ★ Implementation of IT Strategy

2007 onwards

Principle 4: Quality Commitment

Improvement actions

Timetable

- ★ Development of a quality management policy and programme

2007

- ★ Implementation of the quality management policy

2008 onwards

- ★ Summary quality reports including quality indicators and methodological guidelines to be loaded on NSI web-site (internet)

2008 onwards

- ★ Implementation of a system of quality audits (internal and external)

2008 onwards

Principle 5: Statistical Confidentiality

Improvement actions

Timetable

- ★ Improvement of the system of technical means for protection of information

2008 - 2010

- ★ Improvement of the internal legal basis for protection of information incl. a manual on confidentiality

2008

- ★ Preparation of simple clear statement on the protection of confidentiality of data to be put on NSI website

2008

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|--|---|
| <p>Principle 6: Impartiality and Objectivity</p> <p>Improvement actions</p> <ul style="list-style-type: none"> ★ Development of a formalised procedure for reaction against errors when publishing data | <p>Timetable</p> <p>2007</p> |
| <p>Principle 7: Sound Methodology</p> <p>Improvement actions</p> <ul style="list-style-type: none"> ★ Strengthening the cooperation with scientific community | <p>Timetable</p> <p>2007 onwards</p> |
| <p>Principle 8: Appropriate Statistical Procedures</p> <p>Improvement actions</p> <ul style="list-style-type: none"> ★ Putting in regular operation the information system "Planning and Design of the Statistical Surveys", which will contribute to the standardisation of procedures of statistical activities ★ Development of ISIS internal metadata components in order to describe the life cycle of the statistical surveys and information, thus promoting the unification and more effective organization of statistical activities (on the intranet) | <p>Timetable</p> <p>2008 - 2009</p> <p>2010</p> |
| <p>Principle 9: Non-Excessive Burden on Respondents</p> <p>Improvement actions</p> <ul style="list-style-type: none"> ★ Introduction of ISIS components for data collection, including electronic means for data collection ★ Elaboration of a programme for reducing respondents' burden incl. measurement of the respondents' burden | <p>Timetable</p> <p>2008 - 2009</p> <p>2009</p> |
| <p>Principle 10: Cost Effectiveness</p> <p>Improvement actions</p> <ul style="list-style-type: none"> ★ Implementation of a time recording system ★ Implementation of a system for documenting the management and administrative processes ★ Development of a programme for analyzing NSI expenditures by activities | <p>Timetable</p> <p>2008 - 2010</p> <p>2008 - 2010</p> <p>2009</p> |
| <p>Principle 11: Relevance</p> <p>Improvement actions</p> <ul style="list-style-type: none"> ★ Conducting a regular users' satisfaction survey | <p>Timetable</p> <p>2008 onwards</p> |

Principle 12: Accuracy and Reliability

Improvement actions

Timetable

- ★ Definition of a minimum set of quality indicators for external users 2008
- ★ Regular evaluation of quality and completeness of the business register 2008 onwards

Principle 13: Timeliness and Punctuality

Improvement actions

Timetable

- ★ Detailed review of time lag between the reference period and date of release, in particular according to international requirements 2008

Principle 14: Coherence and Comparability

Improvement actions

Timetable

- ★ Putting in regular operation the information system "Planning and Design of the Statistical Surveys", which will contribute to the standardisation of concepts, definitions and procedures of statistical activities 2008 - 2009

Principle 15: Accessibility and clarity

Improvement actions

Timetable

- ★ Dissemination of national and international 2007 classifications on the NSI website free of charge 2007
- ★ Definition of a clear dissemination policy 2008
- ★ Extending the dissemination of more detailed user-friendly data on the NSI website free of charge in the same detail which is available free of charge on Eurostat websites 2008 - 2009
- ★ Extending the dissemination of well elaborated metadata for all data available on the website (not only according SDDS standards) 2008 - 2009
- ★ On-line dissemination of information 2011
- ★ Training seminars for user to explain what is available and in particular when there are new developments in statistics 2007 onwards

8. ANNEX A: PROGRAMME OF THE VISIT

18-20 April 2007, Sofia

| | | |
|----------------|---|--|
| 1st Day | Discussion with Internal Stakeholders | |
| 09.30 – 10.00 | Welcome and introduction of the programme, Presentation given by NSI President, Organizational matters | |
| 10.00 – 11.30 | Meeting with management and senior staff, Principles 1,2,3 | |
| 11.30 – 12.00 | Meeting with management and senior staff, Principle 5 | |
| 12.00 – 12.30 | Meeting with management and senior staff, Principles 6,15 | |
| 12.30 – 13.30 | Lunch break | |
| 13.30 – 14.30 | Interview with NSI President and Quality manager, Principle 4 | |
| 14.30 – 15.30 | Meeting with junior staff, Principles 1- 6, 15 | |
| 15.30 – 17.00 | Meetings with Directors from production units to review specific aspects in practice Meeting with representatives from RSOs Presentation of results of users' satisfaction survey | |
| 2nd Day | Discussion with External Stakeholders | |
| 09.30 – 10.30 | Meeting other national data producers | |
| 10,30 – 11.30 | Meeting with main users | |
| 11,30 – 12.30 | Meeting with main users | |
| 12.30 – 13.30 | Lunch break | |
| 14.00 – 15.00 | Meeting with main users | |
| 15.00 – 16.00 | Meeting with media | |
| 16.00 – 17.00 | Meeting with representatives of respondents | |
| 3rd Day | Conclusions | |
| 09.30 – 11.30 | Meeting with the management to sum-up and detailed review of the list of improvement actions for Principles 1- 6, 15 | |
| 11.30 – 13.00 | Meeting with the top management: conclusions, recommendations and follow-up (improvement actions) | |

9. ANNEX B: LIST OF PARTICIPANTS

NSI

| | |
|------------------------|--|
| Alexander Hadjiiski | President |
| Ekaterina Arnaudova | Deputy President |
| Ilarion Ilarionov | Deputy President |
| Tzvetanka Petkova | Chief administrative secretary |
| Spas Kostov | Director of Dept. "Business statistics" |
| Todor Todorov | Director of Dept. "Macroeconomic statistics" |
| Ivan Balev | Director of Dept. "Demographic & social statistics" |
| Teofana Genova | Director of Dept. "Regional & multi-domain statistics" |
| Svetlana Ganeva | Director of Dept. "Statistical information system & infrastructure" |
| Georgi Stanev | Director of Dept. "Information technologies & administrative registers" |
| Dimitrina Velichkova | Director of Dept. "Financial-Economic activities & management of Property" |
| Violeta Georgieva | Director of Dept. "Administrative legal & information services" |
| Roumiana Petrova | Head of Division "European and international cooperation" |
| Deltcheslava Deltcheva | Head of Division "Strategic planning & management of quality" |
| Emilia Danailova | Head of Division "Foreign trade statistics" |
| Boika Todorova | Head of Division "Statistical information services" |
| Tzveta Mikova | Head of Division "Publications" |
| Ivan Scabrin | Head of Division "Crises management and OMP" |
| Lubomir Blatski | Head of Press center |
| Yordanka Anastassova | Division "European & International Cooperation" |
| Natalia Kioseva | Division "Statistical tools" |
| Boika Borissova | Director, RSO of Montana |
| Galina Handjieva | Director, RSO of Ruse |
| Atanasula Nasteva | Director, RSO of Shumen |
| Tania Alexandrova | Division "Employment and earnings" |
| Kostadin Georgiev | Division "ISIS" |
| Petar Petrov | Division "Environment statistics" |
| Krustina Tancheva | Division "Statistics of population" |
| Nadia Tzvetkova | Division "Transport & communication statistics" |

Other national data producers

| | |
|-------------------|--|
| Emil Dimitrov | Bulgarian National Bank |
| Iana Paliova | Ministry of Finance |
| Marina Stojcheva | Ministry of Finance |
| Sevginar Mustafa | Ministry of Agriculture and Forestry |
| Vassilka Galabova | Ministry of Agriculture and Forestry |
| Mariana Toteva | Ministry of Agriculture and Forestry |
| Hristian Griva | National Center for Health Information at the Ministry of Health |
| Krassimir Ivanov | National Revenue Agency |

Main users

| | |
|---------------------|---|
| Roumiana Penkova | Ministry of Economy & Energy |
| Margarita Bojkova | Ministry of Regional Development & Public Works |
| Dragomir Draganov | Ministry of Labour and Social Policy |
| Sabina Stoeva | Ministry of Labour and Social Policy |
| Hristina Mitreva | National Social Security Institute |
| Lubomir Dimitrov | Agency for Economic Analyses and Forecasting |
| Zornitza Fikoska | Agency for Economic Analyses and Forecasting |
| Alexander Dimitrov | Bulgarian Chamber of Commerce and Industry |
| Margarita Grigorova | BULBANK |
| Jechko Petrov | Bulgarian Industrial Association |
| Lili Dudeva | Center for Economic Development |
| Vesselka Pavlova | University of National and World Economy |
| Sonia Chipeva | University of National and World Economy |
| Georgi Chobanov | The Sofia University " St. Kliment Ohridski" |
| Luben Tomev | Confederation of the Independent Trade Unions in Bulgaria |
| Tasho Tashev | "Podkrepa " Confederation of Labour |

Media

| | |
|--------------------|-------------------|
| Ralitzia Vassileva | Darik Radio |
| Polina Georgieva | Capital Newspaper |
| Tzvetelia Ilieva | Reuters Agency |
| Ulian Ognianov | Television – TV7 |

Respondents - business

| | |
|-------------------|--------------------------|
| Dafina Pashova | NIKMI Jsc |
| Velichka Ivanova | Allians Ltd |
| Roumiana Markova | Allianz Bulgaria Holding |
| Stanka Raichinova | Iztok Markets |
| Daniela Borissova | ITALBUL Shoes Ltd |
| Peter Denkin | Sofarma Jsc |
| Tzvetanka Naneva | Sofarma Jsc |

Respondents – households

Elena Avramova
Kalcho Kalchev