

# **PEER REVIEWERS' RECOMMENDATIONS AND IMPROVEMENT ACTIONS OF THE NATIONAL STATISTICS OFFICE OF MALTA IN RESPONSE TO THE RECOMMENDATIONS**

## Peer reviewer's recommendations and improvement actions in response to the recommendations

### Governance

1. **The Malta Statistics Authority should put forward proposals to the relevant authorities for amendments to the Malta Statistics Authority Act to delineate more clearly and formally the responsibilities and practical authority of the Director General of the National Statistics Office on the one hand, and the Board of the Authority on the other.**

#### **Current situation:**

While the Malta Statistics Authority Act of 2000 defines the Malta Statistics Authority (MSA) as a single legal entity, it provides for different roles in respect of the MSA Board and the Director General. The Board's tasks include examination of the annual and financial business plans and their submission to the Ministry for Finance, general monitoring of statistical output, and an advisory role as regards methodologies and priority setting. The Director General executes the daily operations of the Office in line with overall policy setting by the MSA. The text of the law attempts to keep the responsibilities of the MSA Board and the Director General separate. In practice, however, the delineation needs to be defined more clearly.

#### **Improvement action 1: Setting up of Task Force**

**A task force will be set-up by the MSA which will include members from the Authority, the National Statistics Office and relevant legal expertise. The recommendations of this task force will be put-forward to the Minister responsible for statistics to enact any necessary legislative changes to bring the act up to date.**

#### **Timeline:**

Quarter 4 2015: Set-up of Task force

Quarter 4 2016: Present proposals to the Minister responsible for statistics.

2. **Subject to any necessary legislative changes, the Malta Statistics Authority should communicate publicly and clearly the nature of its supervisory and regulatory role, setting out the mechanisms by which it will fulfil that role and the public interest rationale for it; and indicating how this will assure the independence and quality of official statistics.**

**Current situation:**

Article 7 of the Malta Statistics Authority Act clearly outlines the Functions of the Authority; Article 8 indicates the relationship between the Minister and the Authority and Article 9 regulates the Establishment of the National Statistics Office and appointment of Director General.

**Improvement action 2: Provide detail on the roles of MSA and NSO through the website**

**The clear separation of powers and duties between the Malta Statistics Authority and the National Statistics Office will be communicated and disseminated through the new MSA website after discussions between the two parties concerned and in accordance with the law.**

**Timeline:**

Q1 2016

3. **Having regard to the evolving role of the Malta Statistics Authority Board, the relevant authorities should review and amend the statutory arrangements for the selection and appointment of the Chair and members of the Board to ensure appointments are made as transparently as possible, and solely on the basis of the relevant knowledge and suitability of the individuals.**

**Current situation:**

Article 5 of the Malta Statistics Authority refers to the composition of the Malta Statistics Authority Board.

The Authority shall be composed as follows:

- (a) a chairperson appointed by the Minister;
- (b) the Director General ex officio;
- (c) six other members, who shall have the necessary technical competence in the domain of statistics, to be appointed by the Minister, being -
  - (i) one member, after consultation with the Central Bank of Malta;
  - (ii) one member, after consultation with the trade union movement, as represented on the Malta Council for Economic Development;
  - (iii) one member, after consultation with the University of Malta;
  - (iv) one member, after consultation with the business community, as represented on the Malta Council for Economic Development; and
  - (v) two members, being professionals in the field of statistics, so appointed by the Minister.

**Improvement action**

**The NSO has a divergent view on this recommendation and therefore no improvement action is foreseen.**

**Timeline:**

Not applicable

- 4. The relevant authorities should take all necessary steps to ensure that there is full and continuing compliance with the provisions of Article 39 of the Malta Statistics Authority Act that allow the National Statistics Office access to administrative data for statistical purposes; and that all public bodies seek and follow the advice of the Director General in the development and management of administrative data systems that have statistical potential.**

**Current situation:**

Article 38 of the MSA Act empowers the NSO to gain access to administrative data held by public authorities. Article 39 empowers the Director General to advise public authorities on the development of recording systems with the necessary features to meet NSO statistical requirements, as far as this is feasible. In recent years the NSO has made significant advances in the use of administrative data, especially as regards economic statistics. Other areas, however, remain problematic, notably data on enterprises and Social Security.

**Improvement action 4 Development of the Malta Government Statistical System**

The NSO is fully aware that better administrative sources would generate better data, which would in turn lead to better statistics. To this end, the Office will intensify efforts to put in place a cohesive statistical system by promoting and developing the concept of a Malta Government Statistical System (MGSS). In the MGSS, the NSO Director General and data-producing public bodies will be the key stakeholders. The NSO Director General, however, will be well placed to assume a central position from which to bring NSO officials and representatives of public bodies together, so that all parties may understand and work towards meeting reciprocal needs. The NSO will additionally append a 'recognition of endeavour' feature to encourage its partners in the MGSS. This may take the shape of awarding badges of good co-operation to individual public bodies that make effective contributions to the MGSS. Actions 4 and 11 are very linked together, and it can be appreciated that this is a new concept that requires a long process. The strategic way forward on this concept is still being developed.

**Timeline:**

Quarter 4 2017: Present proposals to the Minister responsible for statistics

## Quality and methodology

- 5. The National Statistics Office of Malta should develop a formal Quality Management Framework that sets out clearly the part that each element of the organisation is expected to play in assuring quality. This framework documentation should clarify how these roles link together.**

### **Current situation:**

Although quality of statistical data is recognised as being of central importance at the NSO, in absence of a harmonised 'quality framework' in place that defines responsibilities and gives an overview of quality issues across the office, staff in various subject matter units carry out specific data-checking tasks and prepare quality reports for Eurostat and other organisations in isolation. In consequence, actions related to monitoring, maintaining and developing quality are mostly locally managed and, to some degree, isolated from one another. External quality audits are not a routine feature of the system either. As a result, actions of the different players may have gaps, or be overlapping or obstructing one another and the Office would benefit from more formal and central coordination.

### **Improvement action 5: Developing a formal Quality Management Framework**

**This action is directly related to action 7. The NSO acknowledges that quality of statistical processes should be managed in a holistic manner through the adoption of a Quality Management Framework (QMF) that sets the terms for ensuring compliance with the Code of Practice (CoP) for Principles 7 to 15. For this reason, the NSO will develop a QMF programme that considers the requirements of the Office from a national and European context, and ensures that production units abide by the guidelines set in the QMF. The QMF will be devised following a series of consultations with all production units and will be fine tuned after a proper evaluation of the work processes described under action 7. This will consist of a set of technical guidelines to be followed by all production units particularly in the design, collection, processing and dissemination stages to strengthen their compliance with the CoP principles outlined above. This work will be coordinated by the Methodology and Research Unit, further to what is indicated in action 8 and all outcomes will be documented accordingly and reviewed over time (approximately every 3 years).**

### **Timeline:**

Quarter 4 2015: First draft of the QMF (based on the present work processes).

Quarter 4 2016: First evaluation of a number of key processes (defined under action 7) across all production units at the NSO

Quarter 1 2018: Fine tuning of QMF following a thorough evaluation of key processes and consultation meetings

**6. The Quality Management Framework of the National Statistics Office of Malta should be published, regularly updated and used to promote a common understanding of the system of quality management among all those involved.**

**Current situation:**

Statistical authorities are required to systematically and continuously improve process and product quality and to have procedures in place to plan and monitor quality. In addition to Recommendation 5, the NSO needs to update its QMF programme on a regular basis and to make it available to external users to further enhance compliance with Principle 4 of the CoP.

**Improvement action 6: Updating and publishing of the Quality management Framework**

**Further to Improvement action 5, the NSO will publish its QMF on a regular basis (every 3-5 years circa) together with a comprehensive methodological documentation on its website (including methods and associated tools covering technical areas like sampling, statistical disclosure control, seasonal adjustment methods, etc.).**

**Timeline:**

Quarter 4 2015: Making the QMF available on the NSO website and update it every 3-5 years.

Quarter 1 2016: Making additional methodological documentation available on the NSO website

- 7. As part of the Quality Management Framework, the National Statistics Office of Malta should give high priority to completing the systematic documentation of statistical processes; and use the documentation to improve the design of those processes and to monitor more systematically the work of the office.**

**Current situation:**

This recommendation follows the objectives and strategic plans of the NSO and is also related to Recommendation 5. Production units within the NSO keep a document which is intended to serve as the core documentation of their statistical procedures. These documents are kept for internal use and their content and detail varies between units. Several principles of the CoP implicitly require full and consistent documentation of statistical processes that are used for the production of European statistics and that explains the necessity for standardised process documentation to establishing a greater degree of central monitoring and control.

**Improvement action 7.1: Setting-up process oriented metadata based on the Generic Statistical Business Process Model (GSBPM)**

The NSO acknowledges the importance of having a set of standard process metadata files covering the entire Generic Statistical Business Process Model (GSBPM) life cycle for all main procedures in place. The idea is that following a training course about the use and adoption of the GSBPM that was delivered to NSO staff in the last quarter of 2014, production units prepare a series of process metadata files based on the GSBPM. This exercise will involve a degree of standardisation of the statistical processes in place, the identification of the phases, tasks or subtasks likely to be standardised, based on the information contained in the model.

**Improvement action 7.2: Quality management and assessment of fitness-for-purpose of statistical processes**

The collection of information about the production methods of all the NSO's statistical operations represents a considerable effort. For this reason, to ensure the smooth running of the project, this exercise will be coordinated by the Methodology and Research Unit, based on a selected number of key domains from all production units (approximately 30). Once a harmonised set of process metadata is developed for these domains, they will be duly evaluated in light of the Quality Management Framework (QMF) defined in Improvement Action 5. In addition, this exercise will be extended to detect any phases of the production processes in place where it might be necessary to develop tools for standardisation or efficiency gains. Any improvement actions will also be reflected in the final version of the QMF if and when necessary. Once an inventory of such needs is prepared, an adequate work plan for its development and implementation will be set-up. This process may also be extended to include other domains as appropriate.

**Timeline:**

IA 7.1: Quarter 2 2016: Compilation of process-metadata in terms of the GSBPM (including preliminary consultations with the Methodology and Research Unit)

IA 7.2: Quarter 4 2016: Evaluation of metadata and work processes produced

Quarter 4 2017: Setting a number of improvement actions to ensure better standardisation and more efficient work processes

**8. The National Statistics Office of Malta should review both the responsibilities and resources of the Methodology and Research Unit to ensure that it has the capacity to lead work relating to methodology and quality management - if necessary by transferring some existing tasks to other units.**

**Current situation:**

The Methodology and Research Unit of the NSO was originally intended to provide technical assistance to functional units within the organisation together with metadata related issues and the anonymisation of survey data. However, the same unit has accumulated a range of tasks over recent years which make it very difficult for it to be fully able to carry out all the tasks it was originally intended to undertake, including centralised quality monitoring and assessment functions described in recommendations 5, 6 and 7.

**Improvement action 8: Reallocation of tasks and strengthening of the Methodology and Research Unit**

**The potential of methodological resources within the NSO will be strengthened through a reallocation of tasks whereby a number of assignments which used to fall under the responsibility of the Methodology and Research Unit will be transferred to other units within the NSO. In addition, any HR related issues will be addressed as necessary subject to the recruitment procedure adopted by the NSO.**

**Timeline:**

Q2 2015: Reallocation of tasks of the Methodology and Research Unit

9. The National Statistics Office of Malta should give priority to the development of a more integrated information technology environment, including the implementation of a unified database in order to decrease the diversity of applications and parallel solutions throughout its production process.

**Current situation:**

Statistical surveys and data collections are handled in a wide range of ways within the NSO. Some business statistics surveys and household surveys are carried out using paper questionnaires, with the data subsequently being captured for processing from the written pages. There is also some limited use of electronic data supply. There is similar variety in the data processing steps of the production chain.

**Improvement action 9: Implementing a statistical data warehouse and adopting a common approach to statistical production**

The NSO acknowledges the importance of standardising its statistical processes. A lot of work has been done in recent years to standardise metadata through the introduction of SDMX. The next step is the implementation of a common IT platform that can be used across statistical domains.

The NSO is considering various options:

1. Developing a statistical data warehouse that would sit at the end of the statistical production chain. Data collection and statistical production will in this case remain unchanged, however the metadata at the final stages of each statistical process will be harmonised, and the data integrated inside the data warehouse.
2. Implement service oriented architecture for statistical production that would then feed the data inside a statistical data warehouse. In this case statistical production will also be harmonised.
3. Use a readily available integrated system that would cater for the whole statistical production chain (collection, production and dissemination) as well as metadata management.

The first step to take is to conduct a study in order to decide which of the three options is the most feasible for the NSO in terms of human and financial resources. Hence the actual implementation of the chosen integrated environment can take place.

**Timeline:**

Q4 2015: Conduct a study to determine which approach is best to adopt

Q4 2017: Implement an integrated data and metadata model for Economic Statistics

Q4 2018: Implement an integrated data and metadata model for Business Statistics

Q3 2019: Implement an integrated data and metadata model for Social Statistics

## Coordination and communication

- 10. The National Statistics Office of Malta should prepare and make public a report indicating the role of all relevant public authorities in the production of Malta's official statistics and other statistics issued directly by those bodies.**

### **Current situation:**

In the course of preparations for the March 2015 Peer Review, it was agreed to include the Directorate of Health Information within the Ministry of Energy and Health as an 'Other National Authority'. In addition to long-standing co-operation with the NSO, this directorate has participated in its own right in various Eurostat grants. The Central Bank of Malta also has been working closely with the NSO for many years, and is recognised as a producer of European statistics. The NSO, however, could benefit from reinforcing these arrangements by systematically evaluating the existing roles of relevant public authorities and their potential future contributions to the national statistical system.

### **Improvement action 10: Compilation of list of other national authorities**

**The NSO has not, to date, compiled and made public a formal list of Other National Authorities (ONAs). The NSO will co-ordinate the compilation of such a list and will further consider publishing it on the NSO website. The NSO considers Other National Authorities to be partners in statistical production and therefore, will take steps to include them in the MGSS together with other public bodies that provide data directly to the NSO. Preliminary work on the compilation of the list of ONAs has started. This includes internal consultation and consultation with the relevant organisations with a view to validating the criteria that qualify them as ONAs.**

### **Timeline:**

Q1 2016

**11. Building on the published information on the statistical activities of the various public authorities, the National Statistics Office of Malta should seek to develop a more comprehensive planning process for public sector statistics.**

**Current situation:**

The NSO has in place well-developed networks for dialogue and discussion with external stakeholders on a range of technical issues concerning statistics. Salient examples are various inter-institutional committees: the Retail Price Index Advisory Committee which meets once a month; the Economic Statistics Development Programme and the Government Finance Statistics Committee with representatives from NSO, the Central Bank of Malta, the Ministry for Finance, the Economic Policy Directorate, and the Treasury; and the Energy Statistics Working Group. A holistic engagement of the wider public sector, as well as reach-out activities to the broader user community are, however, not integrated into the system.

**Improvement action 11: Implementation of the Malta Government Statistical System**

**The strategy of the NSO regarding public sector statistics revolves around the creation of the Malta Government Statistical System (MGSS), which is envisaged to encompass the body of statistical processes and practices across the government departments and public authorities involved in the production and dissemination of statistics. One principal objective of the MGSS will be to ensure that such a body is underpinned by reliable data sources and robust methods of storing and producing the data.**

**The role of the Director General in the MGSS will be twofold: as co-ordinator of statistical activity across the public sector and as enabler, by advising on good practices, the need to optimise re-use of data through detecting areas of duplication, and other matters.**

**Timeline:**

Q4 2017: The MGSS concept will be implemented

**12. The National Statistics Office of Malta should seek to develop a more open and approachable relationship with journalists and the news media.**

**Current situation:**

The NSO closely monitors press coverage of its statistical products and activities in the media, most especially in the print and electronic media. Furthermore, it ensures that requests for statistics made by journalists are dealt with as promptly and as effectively as possible. Having said this, the NSO perhaps does not maximise the opportunities for establishing a rapport with members of the news media.

**Improvement action 12.1: Creation of a Media Area**

The NSO plans to build a more focused relationship with members of the news media through the setting up of a Media Area on the NSO website. Content for such an area would include: (1) summaries of recently published statistical products in point form; (2) media-friendly presentations such as graphs and infographics.

**Improvement action 12.2: Update of Media Policy**

The NSO recognises that one crucial aspect of its relationship with the outside world is building public trust in the institution itself and in its statistical products. The media are very important stakeholders in this aspect of the NSO's activities. To this end, the NSO will update its policy covering relations with the media to reflect a process of explaining issues of interest to the media, as well as explaining changes in methodology and their implications. In this connection, the NSO will attempt to build personal contacts with those members of the news media that can help it get across its message more effectively.

**Timeline:**

IA 12.1: Q2 2016

IA 12.2: Q1 2016 (the contacts will be maintained)

**13. The National Statistics Office of Malta should establish and promote a central and more systematic process for inviting and assessing external users' views on, and proposals for changes to, its current products and services.**

**Current situation:**

Various channels by which users can communicate with the NSO are in place. These include a generic email address which is publicised in the website contact details and on the front pages of news releases, and an electronic form through which users can place requests. Both facilities are used extensively by users. Their main purpose, however, is for users to obtain statistics and answers/clarifications to their queries. To date, a dedicated facility for receiving external users' views and suggestions is not in place.

**Improvement action 13.1: Dedicated Channel for User Engagement**

**The NSO will set up an online facility dedicated to receiving external users' views and suggestions regarding its activities and products. Suggestions will be evaluated by an internal committee set up for the purpose.**

**Improvement action 13.2: User Consultation Groups**

**The NSO will endeavour to increase the engagement of external users by organising User Consultation Groups (UCGs) in selected statistical areas, notably those areas earmarked for development or change. These would include, for instance, a range of economic statistics and regional statistics. The NSO could potentially use UCGs to obtain the assistance of external experts in reviews and updates of the Quality Management Framework programme mentioned in Recommendation 6, in line with CoP Principle 4.4.**

**Timeline:**

IA 13.1: Q1 2016

IA 13.2: Q4 2016

**14. The National Statistics Office of Malta should aim to achieve a greater degree of staff mobility, and seek to enhance training and career development opportunities for its staff.**

**Current situation:**

Staff members were used to stay in only one section or in one particular section for a long period of time. Training is being provided and courses information is given to everyone.

**Improvement action 14: Encourage and develop a system of staff rotation and mobility**

**NSO already started to do a staff rotation programme, and there were already some staff movements. Referring to the training, an evaluation of the training needed will be done for each section and also for individual staff members. In the Performance Management Programme managers will be encouraged to give particular attention on the training that a staff member will be requesting. For career development, interests and abilities of staff members will also be evaluated, and staff members will be motivated to participate in particular tasks that will develop their knowledge and abilities.**

**Timeline:**

Continuous action: the Staff mobility programme started already in Q2/2015

**15. The National Statistics Office of Malta should find ways to enhance horizontal communication between units and directorates, sharing expertise and promoting cooperation across subject matter boundaries.**

**Current situation:**

An intranet for the promotion of cross-unit communication was devised in 2009/2010, called KM@NSO. At the time, this formed part of an EU grant project and was intended to include a news section and a knowledge repository that could be accessed by NSO employees. Five years on, the news section is hardly ever utilised, and the knowledge repository feature has not resulted in the cross-fertilisation of know-how needed by a relatively small NSI which aims to make the most of its resources.

**Improvement action 15.1: Revamped Intranet**

The NSO will undertake an overhaul of both the design and content of the existing intranet. The underpinning principles of the revamped intranet will be: facilitating a good understanding of the Office's role and activities across the organisation (including among new recruits); sharing knowledge and expertise across the NSO; promoting a culture of shared ownership and mutual support as regards statistical processes and projects undertaken by the NSO.

**Improvement action 15.2: Staff Member Panels**

The NSO will organise a series of panels made up of selected staff members, by which these would systematically vet specific news releases/other products primarily for technical aspects and quality of data.

**Timeline:**

IA 15.1: Q4 2015

IA 15.2: Q2 2016