

The Frameworks for the Activities of Statistics Denmark

The Basis of Strategy 2010

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Preface

The activities of Statistics Denmark are carried out in accordance with the Act on Statistics Denmark and other Danish legislation, as well as rules laid down by the Board of Statistics Denmark

Official statistics are to a great extent an international matter. Consequently, the activities of the institution are greatly influenced by EU legislation governing statistics and by other international rules.

The present document reviews the national and international laws and rules governing the activities of Statistics Denmark, as well as the financial basis of the institution.

The document forms the framework within which Statistics Denmark's *Strategi 2010* was prepared.

The document was approved by the Board of Statistics Denmark on 30 March 2006.

Jan Plovsing
Director General
National Statistician

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1. National Laws and Rules

1.1 Short History of Statistics Denmark

The institution was founded In January 1850 the first central Danish statistical institution was founded under the name *the Statistical Bureau*. The activities of the Bureau were initiated following the adoption of Denmark's Constitutional Act in 1849.

The first act on Danish statistics was adopted in 1895, and the institution changed its name to *the Government Statistical Bureau*. The institution began to play a more important part in Danish society, and in 1896 *the Statistical Yearbook* was published, which was a major step forward in disseminating statistics.

In 1913 an amendment to the Act was adopted. The institution was markedly strengthened and was named *the Statistical Department*.

Statistics Denmark In 1966 the Danish Parliament adopted the Act on Statistics Denmark (abbreviated SD). The Act was completely new and defined the independent status of the institution. The name was changed to *Statistics Denmark* and the head's title was changed from permanent secretary to National Statistician (Director General). Today, the activities of SD are carried out in accordance with this Act as subsequently amended.

For more information:
Poul Jensen: Dansk Statistik (*Danish Statistics*) 1950-2000. (Includes an English summary).
See also appendix 1.

1.2 Main Tasks

Main tasks The main tasks of the institution are set out in section 1 of the Act on Statistics Denmark.

The first task is to *collect, process and publish statistical information* on social and economic conditions. This may be carried out in collaboration with other producers of statistics. Furthermore, statistical analyses and forecasts may be prepared. The institution may also assist committees and commissions in statistical matters.

The second task is to contribute to *the international statistical cooperation*. The statistical usefulness is enhanced by making them internationally comparable. As a member of the EU, SD enters into a binding agreement to cooperate on the collection and processing of statistical information. Statistics Denmark is also actively involved in the statistical activities in the UN, OECD, IMF and in the Nordic countries, etc.

The third task is to carry out statistical tasks for private and public customers for a charge. These tasks are known as *service activities* and are conducted in accordance with the Government's rules for user charges.

Central authority SD is established as the central authority for Danish statistics, cf. section 1 of the Act. This means that:

- the greater part of the statistics on social and economic trends is produced by SD, thereby forming the basis for combining statistics into new enriched products.
- other public authorities must coordinate their efforts with SD if they intend to collect and process statistical information.
- SD must be in charge of, or assist in, the organisation of public registers which can be used for statistical purposes.

Tasks directed by the Minister Subsection 2 (1) of the Act stipulates that SD shall, as directed by the Minister for Economic and Business Affairs, also be responsible for the provision of statistical information for the use of the central government administration and the legislature. It appears from the draft proposal to the Act on Statistics Denmark that if this is the case, separate funding will be granted, as the right of the Board to prioritise tasks would otherwise be revoked.

For more information:

Lovsamling om statistik (Statistical Code). The code of statistical laws and rules published by Statistics Denmark contains national legislation, legislation governing EU statistics and UN's fundamental principles of official statistics. The Statistical Code contains both Danish and English text.

1.3 Management of Statistics Denmark

According to subsections 2-5 of the Act on Statistics Denmark and general administrative rules, the management of SD is divided among the Board, the Minister and the National Statistician.

Board SD is an independent institution, which is governed by a Board consisting of the National Statistician as Chairman and six other members with insight into social and economic conditions. The Board establishes its own order of business and has decided to appoint a Deputy Chairman among its members. The main tasks of the Board are:

- to approve SD's annual work programme and thus prioritise the tasks that are to be carried out.
- to decide to which extent and in which manner information is to be collected from the business community. Thereby, the Board is responsible for the response burden imposed on the business community by SD. However, some reductions can be determined by the Minister.
- to decide which information is to be reported by public authorities and institutions to SD.
- to determine the guidelines for coordinating the collection and processing of statistics between SD and other public and private producers of statistics.
- to make decisions on assigning tasks to the National Bank of Denmark concerning financial statistics.
- to approve SD's budget.
- to set up advisory committees.

Minister The minister (Minister of Economic and Business Affairs):

- has the general parliamentary responsibility.
- appoints members of the Board (The National Statistician is ex officio Chairman).
- is responsible for SD's Finance Act appropriations and accounts.
- is responsible for the personnel.

National Statistician The National Statistician is the professional and administrative manager of SD. This implies that the National Statistician:

- is responsible for producing statistics and carrying out service tasks on the basis of professional principles, including scientific methods.
- is responsible for how and when statistics are to be disseminated.
- is responsible for SD's international statistical cooperation.
- is responsible for finance and accounts, organisation, data security and other administrative and technological conditions.
- assumes responsibility for the personnel, which is delegated to the institution.

Advisory committees In accordance with the Act on Statistics Denmark, the Board has set up a number of advisory committees consisting of representatives for users and data suppliers. The principal task of the committees is to give advice on the annual work programme and other important issues.

ADAM The macro-economic model ADAM has its own board chaired by the National Statistician and with representatives from the Ministry of Finance, Ministry of Economic and Business Affairs, the National Bank of Denmark and the research environment.

1.4 Politically Impartial and Trustworthy

Political impartiality The basic element of SD's independent status is *political impartiality*, including the application of professional principles and scientific methods in producing statistics.

Trustworthy It is essential that statistics are trustworthy in order to be accepted by all stakeholders in society. Based on the international principles of official statistics (cf. section 2) the Board has laid down the following 8 criteria to ensure the trustworthiness of official statistics:

- Statistics must be *impartial*. Figures, analyses and explanatory text are prepared on an objective basis and independent of political and special economic interests.
- Statistics must be prepared on a *scientific basis*, i.e. professional considerations determine the choice of methods applied for data collection, processing, storing and dissemination.
- The picture given of society through statistics should be *reliable*.
- Statistics should be *published* as quickly as possible once they are compiled. Political considerations must not be taken into account.
- Statistical release dates and times must be *pre-announced*.
- The statistics must be available to all users *at the same time*.¹
- SD comments on *erroneous interpretation* of the statistical results.
- Information on individual persons and businesses is treated *confidentially* and is not passed on for administrative or similar purposes.

Cooperation with other authorities, etc. In a number of cases SD cooperates with other authorities and organisations on the production of statistical information and in other cases to assure the quality of the data.

When cooperating with other authorities, etc. SD has sole responsibility for the publishing, i.e. the selection of figures and explanatory comments. Joint publications are naturally exempted from this rule.

Drafts of reports are confidential and can only be discussed by the relevant staff within SD. However, discussions with external working partners about the primary statistical data and the interpretation of certain figures, are essential in promoting useful and user-oriented statistics² of high quality.

¹ Current statistics are always published in *News from Statistics Denmark* at 9.30 a.m. No one from outside SD can view *News from Statistics Denmark* before it has been made public. This also implies that ministers are not notified in advance. Publications on specific topics and other similar analytical publications may be published at other times of the day. In exceptional circumstances, the National Statistician retains the right to decide that a certain publication may be released under embargo before its official publication time, e.g. to the media and other stakeholders. Similarly, the National Statistician can decide that specific current statistics may be revealed under embargo.

² In certain cases some authorities or organisations are so involved in the production of certain statistics that they have access to results before they are published by SD. The management has to approve this and any other exceptions to the main rule.

Political objectives To ensure political impartiality, SD does not, as starting point, express its opinion on whether political objectives have been achieved. However, it may be relevant and useful to report the content of political goals by, e.g. relating tables and graphs to the objectives.

If SD does, in exceptional cases, express its opinion on whether political objectives have been achieved, it can be assumed that there is a particular reason for having done so. These decisions may be taken when the political objectives are clear and unambiguous, the data is of high quality, and the National Statistician is of the opinion that these conditions have been fulfilled.

1.5 Statistics Denmark's Access to Data

Necessary information SD is unable to process a single statistic without the necessary information from data suppliers, who therefore play a crucial role in the production of statistics.

The Act The Act on Statistics Denmark legally obliges public authorities and private businesses, etc. to submit information to SD. The Act on Statistics Denmark thus forms the legal basis for the precise implementation of EU legal acts governing the field of statistics.

According to section 6 of the Act on Statistics Denmark, public authorities and institutions are obliged to submit on request the information they possess to SD.

According to section 3a and sections 8-12 a, private businesses are obliged to submit on request specific information to SD. If the information is not provided on time, or grossly inaccurate information is intentionally provided, the business/owner can be fined under the Act, section 13. If businesses fail to meet their deadlines for submitting information on external trade between EU Member States (Intrastat), those businesses will first be charged an administration fee.

Private individuals are not legally obliged to submit information to SD.

Equal treatment Businesses participating in compulsory surveys are treated equally by SD. When there is an obligation to report information uniform reminder procedures will in principle apply to all businesses. Similarly, uniform procedures apply for cases referred to the police with a view to punishing the business by fine.

1.6 Confidentiality and Data Security

The Act on Personal Data Protection The information received from data suppliers is stored in the computerised statistical registers. If the registers contain information on individuals, they come under the Act on Personal Data Protection. The Act determines rules for the handling of information on individuals. The Data Surveillance Authority ensures that these rules are upheld.

Data security SD places decisive importance on data security. Our security measures protect the registers from misuse, and prevent unauthorised persons from gaining access to information on individuals and businesses. It is essential that the population is confident with the registers. It is also essential to ensure the necessary quality in the data reports for the production of statistics. Consequently, private individuals and businesses must be certain that information is treated confidentially.

SD has drawn up a data emergency plan with a view to securing data in emergency situations.

<i>Confidentiality</i>	<p>Statistical information is confidential if it either directly or indirectly enables the identification of individuals or businesses.</p> <p>It is an invariable rule that all data on individuals or businesses is treated in strict confidence, and the personnel are bound to exercise professional secrecy. This is supported by section 27 of the Administration Act and section 152 of the Penal Code.</p>
<i>Research, etc.</i>	<p>Access to confidential microdata may be granted for purposes of research and analysis. However, the data do not contain individual or business identifiers, and researchers/analysts are subject to the rules governing professional secrecy. Access via the Internet in order to make use of SD's microdata is only granted to research and analytical environments authorized by the National Statistician. The Board of SD has laid down the rules governing the research and analytical environments that can be authorized and the microdata to which they can obtain access. The rules are accessible from SD's website.</p> <p>Researchers and analysts, who are not part of a research and analytical environment, may subject to specific conditions, gain access to confidential microdata by working at the premises of SD. The conditions comprise, e.g. specific security measures.</p>
<i>Anonymity</i>	<p>All data and statistics published by SD are compiled so that individuals remain <i>anonymous</i>. Anonymity is normally also secured for both private and public enterprises.</p> <p>Public authorities cannot, in principle, call for anonymity in the published statistics. On the contrary, the right of the public to access information on how the authorities function is an essential part of a democratic society.</p>
<i>Passing on data</i>	<p>Section 30 of the Administration Act states that confidential data, collected for purely statistical reasons, must not be passed on for administrative or any other purposes. SD does not normally pass on confidential information even for statistical purposes or research use. However, there are four exceptions:</p> <p>One exception applies in those cases where information on businesses is collected by SD for both statistical purposes and for administrative use, by an authority which already has the right to collect this information.</p> <p>The second exception applies in cases where SD is working with another organisation on the production of a specific statistic. In these cases, authorisation can be given for the sharing of information on businesses, as well as anonymous information on individual persons, to an organisation which is bound by the same professional secrecy as SD. Passing on data requires permission from the Data Surveillance Authority.</p> <p>The third exception applies to the transmission of confidential data to Eurostat as required under EU legislation.</p> <p>The fourth exception applies to the exchange of confidential information with another national statistical institution which is collaborating on the production of the same statistics. This requires the permission from the Data Surveillance Authority.</p>
<i>Passing on CPR numbers</i>	<p>SD never passes on CPR numbers with accompanying information, except in two cases. The Data Surveillance Authority has given permission to pass on CPR numbers to a research institute combined with a few data extracted for sample surveys. In addition to this, the Board has, with the approval of the Data Surveillance Authority, given permission to pass on data in connection with collaboration on the production of statistics.</p> <p>For more information: <i>Act on Personal Data Protection. Administration Act.</i> www.dst.dk/datasikkerhedsreglement (<i>Data Security</i>)</p> <p style="text-align: right;"><i>www.dst.dk/diskretionspolitik</i> (<i>Confidentiality Policy</i>) <i>www.dst.dk/forskningsservice</i> (<i>Research Service</i>)</p>

1.7 Laws on Statistics and Dissemination

Act on Statistics Denmark The Act on Statistics Denmark authorises the institution to produce statistics on social and economic conditions. The Act mentions a number of statistical domains for which private businesses, etc. are obliged to report information when requested by SD. However, the Act does not commit SD to compile specific statistics.

Other legislation However, other Danish legislation provides that SD must produce specific statistics or undertake the dissemination of a specific statistic. This obligation involves the following statistics:

- *Consumer price index*, cf. act on family allowances and other legislation.
- *Index of net retail prices*, including *changes in rent* (housing), cf. the act on calculation of the index of net retail prices.
- Official prices of barley and wheat (for the regulation of farm rents), cf. the act on official prices of barley and wheat.
- *Population in parishes*, cf. the act on parochial church councils.
- *Average life expectancy*, cf. consolidated act on deferred pension.
- *Changes in interest rates*, cf. consolidated act on accounts for hospital pharmacies.
- Act on the Central Business Register provides that SD must maintain primary data on *production units* and *industry* of businesses.
- Act on library activities provides that SD's Library is a public *library* for descriptive statistics.
- In accordance with the Danish Finance Act, SD is responsible for maintaining and developing the macro-economic model *ADAM*, a *children's database* and producing statistics on *mining and quarrying*. In addition to this, free internet access is given to *StatBank Denmark* and *News from Statistics Denmark*.

Pursuant to the consolidated act on local government monetary compensatory amounts and general grants to municipalities and counties, it is also assumed that SD produces a wide number of statistics, of which most statistical data must be broken down by municipalities and counties. They are:

1) Taxable land values 2) Population size, age and marital status distributions 3) Housing census 4) Rent survey 5) Child benefits for one-parent families 6) Register-based labour force statistics 7) Foreign nationals and refugees and immigrants from other countries than the Nordic countries, EU countries and North America 8) Income statistics 9) Recipients of temporary public income transfers 10) Persons without vocational education 11) Population projections 12) Statistics on municipal accounts.

Overlaps with EU legislation There are an additional number of Danish laws and consolidated acts obliging SD to produce specific statistics. They are, e.g. statistics on earnings, construction costs and the national accounts. These statistics are also subject to EU legislation. However, they are considered to be the subject of EU legislation, as the requirements of the statistics are more precise and specific in EU legislation

Public authority directions In addition to the above legislation, DST is, as with other government institutions, subjected to the same laws, consolidated acts, government circulars and instructions. Here, a number of specific tasks concerning finances, staff and work environment, etc. are set out.

For more information:
Lovsamling om statistik 2006 (Statistical Code 2006).

2. International Laws and Rules

2.1 EU Cooperation

Politically and economically motivated Danish membership of the EU has a major impact on SD, as the greater part of the production of statistics is subject to EU legislation.

EU cooperation on statistics is primarily motivated by the need for statistical information concerning the development within the areas of cooperation where political and economic decisions are made by the EU and where the statistics are used directly for administrative purposes.

In order to produce comparable statistics between countries, and also over time, the greater part of the statistics submitted to the EU is produced according to the legally binding EU acts (regulations, etc.).

Decision procedure The political decisions determine EU's requirements for statistics. The Commission exercises an exclusive right to put forward proposals for EU legislation. However, it is the Council of the European Union (hereinafter called the Council) and the European Parliament, which through, what is known as "the co-decision procedure", adopt the legislation governing the statistics needed in order to plan and monitor the development in the EU and to make political and economic decisions.

The European Central Bank (ECB) makes decisions on statistics relating to the money and capital markets which are essential for the common monetary policy in the Euro area.

More than the EU The European Statistical System covers more than just EU countries. The European Economic Area Agreement obliges Norway, Iceland and Liechtenstein – and on the basis of a separate agreement Switzerland – to produce the same statistics as EU member states in most statistical areas. Furthermore, all countries seeking EU membership need to adapt their statistical systems accordingly.

Treaty of Nice The Treaty of Nice (articles 284 and 285) defines the general provisions for the production of statistics, which are necessary for the performance of the activities of the EU. The Treaty of Nice places the following demands on EU statistics:

The production of Community statistics shall conform to impartiality, reliability, objectivity, scientific independence, cost-effectiveness and statistical confidentiality; it shall not entail excessive burden on the business community.

Statistical Law The general principles and framework for EU statistical activities were laid down in the Council Regulation of 17 February 1997, (EU no. 322/97), also called "Statistical Law", which forms a counterpart to the Act on SD. Statistical Law provides, e.g. that working programmes must be prepared, describing the main themes of the content of EU statistics.

The work programmes The EU's work programmes provide guidelines on the processing of EU statistics. The basic programme is the 5-year programme, which has to be decided on by the Council and the European Parliament. Once approved, the Commission then agrees on complementary annual work programmes, describing the detailed programme of activities and laws.

- Eurostat* To coordinate and manage the European statistical cooperation, the Commission has set up a central statistical institution called *Eurostat*. In addition to planning and coordinating the statistical development and to direct the preparation of new statistical legislation, Eurostat is also responsible for the practical work involved in processing and publishing the statistical information collected from the member states.
- SPC* The Statistical Programme Committee (SPC) consists of the Directors General for the national statistical institutes and is chaired by Eurostat's Director General. The SPC advises on the planning of the 5-year work programme, the annual work programme and other strategic issues. Before a proposal for new statistical legislation is put before the Council and the European Parliament by the Commission, a draft is presented to the SPC for comments. The SPC is decision maker (implementation committee) with respect to a number of regulations where the Commission is authorised by the European Parliament and the Council to make decisions on the precise statistical content of a European Parliament and Council Regulation (known as Commission legislative acts).
- Closer cooperation* The ever closer political and economic cooperation within the EU gives rise to an increasing demand for comparable EU statistics. This has resulted in a considerable increase in the volume of statistical information produced under EU legislation.³
- The most important political and economic areas, for which statistics on the member states are essential, are outlined.
- EU revenue* A ceiling on EU revenue is estimated on the basis of the national accounts of each member state, and the greater part of EU revenue comes from the GNI based own resource on the member states. The size of the contributions is clearly of great interest to each member state and the Commission. Consequently, this imposes high demands on the comparability and accuracy of the national accounts of member states and thereby also the numerous primary statistics used for compiling the national accounts.
- Economic policy* The cooperation on economic and monetary policy in the Economic and Monetary Union (EMU) is outlined in the 1997 *Stability and Growth Pact* and in the treaty's provisions governing convergence. The *Stability and Growth Pact* and the convergence criteria require: low inflation, low interest rates, as well as maintaining a government deficit and debt below certain limits⁴. As part of the implementation of the *Stability and Growth Pact*, a number of statistical demands are laid down.
- The cooperation on economic policy makes considerable demands on comparable and detailed statistics with reference to, e.g. the national accounts, government finances, prices and other short-term indicators.
- The Economic and Financial Affairs Council, ECOFIN, which is composed of the economic and finance ministers of the member states, adopted in 1999 a comprehensive action plan for developing economic statistics, which also made demands on increasing the timeliness. From 2003 the action plans were expanded to also include a set of selected short-term indicators showing trends in the European economy, known as *Principal European Economic Indicators* (PEEI). Since then, each member state has been obliged to draw up action plans for developing their statistics. ECOFIN monitors regularly the progress of the action plans.
- Agriculture* Agricultural subsidies take up a large part of the EU budget. In the years to come, great emphasis is put on monitoring sustainable development, including developments in the rural districts. In order to monitor developments and make political decisions on agricultural issues, there is a great need for statistics on such areas as agricultural structure, prices, production and revenue.

³ In 1997 EU statistical legislation comprised about 100 legislative acts and about 190 legislative acts in 2006.

⁴ It is a general rule that government deficit must not exceed 3 pct. of GDP and government debt 60 pct. of GDP, cf. updating of the *Stability and Growth Pact* in 2005.

- Structural funds* Another great part of the EU budget is used by the structural funds, supporting partly the economically relatively weaker regions, partly various projects involving job creation and skills development for the unemployed and for people in employment. The allocation of the resources is made on the basis of statistical information, including national accounts by region, purchasing power parities, as well as statistics on unemployment and employment in the manufacturing industry.
- The Single Market* The freedom of movement of goods, services, people and capital is gradually developed. In 1993 the statistical system for EU trade between Member States (Intrastat) was introduced. Furthermore, the Single Market requires such statistics as those on transport, tourism, trade in services, business structure and production in the industries and competitiveness.
- Trade agreements with countries outside the EU also imply that there is a need for highly detailed external trade statistics on goods and services.
- Lisbon Summit* In March 2000 the heads of states and governments decided at the Lisbon Summit (to be followed up at subsequent summits) to develop a statistical system for monitoring developments in the EU, known as *structural indicators*. They will provide a vast volume of statistical information within six areas: general economic conditions, employment, innovation and research, economic reforms, social cohesion and sustainable development.
- The indicators are bound up with a number of political action plans adopting as starting point the objectives of the Summit. They are to ensure that the EU becomes the most competitive and dynamic knowledge-based economy in the world able to create sustainable economic growth resulting in more and better jobs and greater social cohesion.
- The work involved in following up on the decisions made at the Lisbon Summit has resulted in the need for developing social and labour market statistics on, e.g. incomes, living conditions, employment and education, as well as statistics on monitoring developments in the information society. Based on the structural indicators an annual report on developments is submitted to the heads of states and governments.
- Code of Practice* Great political and economic attention is focussed on whether the economic convergence criteria are met. Consequently, this imposes particularly high demands on the quality of the economic statistics of member states, as well as the content of the data reported to the EU on, e.g. government-budget deficit and government debt.
- In 2004 the Council asked the Commission to lay down a set of minimum standards for compiling EU statistics owing to problems linked to the reliability of some statistics. In 2005 this resulted in a recommendation from the Commission to ensure the independence, integrity and accountability of the national and Community statistical authorities.
- The recommendation contains a *Code of Practice* for the European statistical system, which was unanimously adopted at the SPC meeting in 2005. ECOFIN welcomes the recommendation and the Code of Practice and recommends that the implementation of the Code of Practice is given strong political and institutional support. The Code of Practice is a common European standard for all national authorities and Eurostat producing and disseminating European statistics. The standard is widely based on United Nations fundamental principles of official statistics. The Code of Practice is reproduced in appendix 3.

For more information:

Lovsamlng om statistik (Statistical Code 2006).

European Parliament and Council Decision of 16 December 2002 on the Community Statistical Programme 2003-2007. A programme for 2008-2012 is in the process of being prepared.

2.2 UN Cooperation

The UN family The UN cooperation comprises, partly organisations directly affiliated to the UN, partly independent organisations in the “UN family”, including the IMF and the ILO.

UN's Statistical Commission The UN's Statistical Commission is the overall authority, aided by the UN Statistics Division in New York. One of the purposes of the Commission is to ensure that the international statistical system is becoming increasingly more consistent and coordinated in order to promote international data comparability.

The Commission consists of 24 countries elected for 4 years at a time⁵. Other countries and many international organisations may participate at the meetings, but they are not entitled to vote.

In 1994 the United Nations fundamental principles of official statistics were adopted by the Commission, see *appendix 2*.

To promote data comparability among countries the Commission agrees on a number of classifications, for example, the definition and grouping of the basic industrial classification (ISIC)⁶ and the classification of products and services (CPC)⁷. The Commission also decides on the Manuals on the system of national accounts (SNA).

SD participates actively in many forums of cooperation within the UN system and reports data to the UN.

Conference of European Statisticians The Conference of European Statisticians (CES) consists of the chief statisticians from the statistical institutes of Europe, the former Soviet Union, USA, Canada, Japan, Australia and New Zealand, etc.

The CES is the regional UN authority for statistics and reports directly to the UN's Economic Commission for Europe (UNECE). The purposes of the CES are to promote coordination, cooperation and comparability with reference to statistics.

Historically, the CES has provided a forum for dialogues between Eastern Europe and Western Europe. Following the collapse of communism in Eastern and Central Europe, the CES adopted in 1992 the principles of official statistics, which became the United Nations fundamental principles of official statistics in 1994.

International Monetary Fund One of the purposes of the International Monetary Fund (IMF) is monitoring economic developments to promote international exchange stability and financial stability.

SD's relationship with the IMF is maintained in close cooperation with the National Bank of Denmark. SD submits statistics to the IMF and participates in the statistical activities conducted by the Fund.

The IMF determines the guidelines for compiling statistics on balance of payments, government finances and money and credit markets via preparation of international manuals.

The IMF has laid down international standards for publishing and data quality. The SDDS (Special Data Dissemination Standard), which was established in 1996, com-

⁵ Denmark was a member of the Commission (represented by the National Statistician) in the years 2002-2005.

⁶ The EU's industrial classification (NACE) is adopted on the basis of ISIC, and is implemented in the Danish nomenclature.

⁷ Based on the CPC (Central Product Classification), the EU has adopted its product classification, CPA, and a classification for manufactured goods, PRODCOM. Denmark uses primarily the EU's external trade nomenclature (KN) based on the international customs administrative nomenclature, which is an international convention adopted by the Customs Cooperation Council.

mits the participating countries, including Denmark, to comply with good international practice with respect to statistical integrity, independence and quality.

Descriptions of the methods of collection and publishing of macroeconomic statistics (metadata) must be accessible on the IMF's website. The system also implies that there is a link to a national summary table, which must be kept updated with the most recent figures from SD and the National Bank of Denmark. The SDDS also imposes demands on the frequency and timeliness of economic statistics. Finally, according to the SDDS access must be provided to a calendar showing future release dates of statistics.

Country visits are conducted by the IMF in order to evaluate the economics statistics of member states in accordance with the standardized grading system called "Data Quality Assessment Framework" (DQAF).

ILO The International Labour Organization (ILO) plays an important role in developing and coordinating statistics on especially employment, unemployment and prices. SD submits data to the ILO and participates in the statistical activities of the organization.

The ILO has laid down a set of standards and classifications, including the definition of unemployment and the international classification of occupations/professions (ISCO)⁸.

2.3 Other International Cooperation

Other cooperation SD also participates actively in other international cooperation, the most notable being the OECD as well as cooperation with the Nordic countries.

OECD Official statistics of high quality are, to a great extent, required by the OECD. SD submits statistics to the OECD and participates, at many levels, in the statistical activities of the organization.

The OECD's Committee on Statistics (CSTAT) consists of the Directors General from the national statistical institutes of member countries and some international organizations. The CSTAT is, e.g. a forum for discussion of the OECD's statistical programme and strategy, and for cooperation between EU member states and other member states of the OECD.

Nordic cooperation Cooperation between the Nordic statistical institutions involves both the exchange of experience and direct cooperation on statistical projects. This working relationship is very beneficial as the countries' statistical systems have many similarities. The Directors General of the central statistical offices of the Nordic countries therefore hold a number of meetings each year. The Directors General of the central statistical offices have also established a number of network groups for specific statistical areas. The principal goal of these groups, which consist of a member from each country, is to exchange experience and "best practices". The chairmanship of the Nordic cooperation alternates between the Nordic countries.

⁸ The official Danish version of ISCO is prepared by SD and is called DISCO.

3. The Financial Basis

3.1 The Statistical Programme

<i>Core activities</i>	The statistical programme includes all current statistics and projects for developing statistics. The programme also includes dissemination of statistics to SD's users. The statistical programme constitutes the core activities of SD.
<i>Financing</i>	The statistical programme is financed primarily by the basic statistical grants (Finance Act appropriations). In addition to this, income is generated through the sales of publications and from financial contributions.
<i>Finance Act appropriations</i>	The appropriations according to the Finance Act are – as in other countries – the main source of financing the statistical programme. The reason for this is that statistics on social and economic trends are considered by all democracies as a collective good and an indispensable part of the infrastructure of society. To this is added that the greater part of the statistical programme is subject to EU legislation or Danish legislation.
<i>Financial contributions</i>	<p>The basic statistical grants cannot finance the production of all statistics relevant to society. In some areas, users of statistics agree to make financial contributions when the statistics are of common interest. Financial contributions pay for the production of specific current statistics, the development of new statistics and the improvement of methods.</p> <p>The financial contributions are allocated by the Danish ministries and by the EU. Danish financial contributions are often part of a long-term working agreement, while EU contributions are more short-term, and are allocated for the harmonisation of statistics between Member States.</p>
<i>Income from publications</i>	Income from publications plays a minor role and only contributes to financing part of the costs involved in disseminating statistics, which are not free of charge to the users.

3.2 Service Tasks

<i>Main task</i>	According to the Act on Statistics Denmark, one of SD's main tasks is to carry out statistical tasks for private and public customers subject to a charge. The tasks are called service activities and are subject to the national legislation for user charges.
<i>User charges</i>	<p>Following legislation for user charges, the charges should cover the total costs of the development and provision of service activities. The total costs include both direct costs and indirect costs for IT functions, management, administration, etc.</p> <p>The income from user charges should as a minimum remain economically sustainable. In those areas where SD does not experience direct competition from others, income and costs should balance. In those areas where there is competition, the income may be greater than the costs.</p>
<i>Pricing policy</i>	<p>The pricing policy for service activities comply with the rules of the Danish Ministry of Finance. In addition to these rules, the following principles apply in pricing service activities.</p> <ul style="list-style-type: none">• Each customer should pay <i>the same price</i> for the same service. However, quantity discounts are given for, e.g. educational purposes. In addition, there are certain

grants available for specific statistical purposes and this may mean that customers interested in those areas may receive the services at a subsidised rate.

- Prices should be *transparent* to customers. To this end, SD has fixed prices and issues price lists for standard tasks. For tailor-made tasks the costs are calculated using an hourly rate.
- Prices should be *visible* to customers. Whether the prices are set or are calculated on the basis of tailor-made tasks, the customer should be informed of the total cost before the task is carried out.
- SD's *standard contracts* must be used for tailor-made tasks above a specific amount.
- Each group of service tasks should *remain economically sustainable* or should generate a small surplus.

Appendix 1

Historical Landmarks

<i>Early beginnings</i>	1769	The first population census in Denmark (including Norway, Iceland, the Faroe Islands, Slesvig-Holstein, Oldenburg and Delmenhorst).
	1833	The Commission on the Collection of Statistical Tables was founded, but was dissolved in 1848.
<i>The institution was founded</i>	1850	The Statistical Bureau was established on 1 January and was directly responsible to one minister (at that time the Danish Minister of the Interior).
	1869	The first publication of the forerunner to the Statistical Yearbook "Statistical Summary".
	1895	The first Act on Statistics was passed and the institution was expanded and changed its name to the Government Statistical Bureau.
	1896	The first edition of the <i>Statistical Yearbook</i> .
	1913	The institution's name was changed to The Statistical Department and the institution was expanded.
	1945	The first Danish national accounts were published.
	1959	The first edition of the <i>Statistical Ten-Year Review</i> .
	<i>Statistics Denmark</i>	1966
1967		The first edition of <i>News from Statistics Denmark</i> .
1973		Denmark became member of the European Community, which had considerable consequences on the production of statistics.
1975		Parliament passed the Act on the Central Business Register.
1976		The first register-based population census in Denmark. This was made possible with the establishment of the Central Population Register in 1968.
1980		The first register-based housing census. This was made possible with the establishment of the Central Register of Buildings and Dwellings in 1977.
1981		The first completely register-based population and housing census.
1984		Direct access to electronic databases by customers.
1996		The website <i>www.dst.dk</i> is launched.
2001		Free access to <i>StatBank Denmark</i> via the Internet.
2001	Researchers, etc. gain access to unidentifiable microdata via the Internet.	
2003	An international evaluation and benchmarking concludes that SD is a highly efficient producer of statistics.	

Appendix 2

United Nations Fundamental Principles of Official Statistics

UN Statistical Commission adopted on 14 April 1994 the fundamental principles of official statistics.

1. Official statistics provide an indispensable element in the information system of a democratic society, serving the government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.
2. To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations, including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.
3. To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.
4. The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.
5. Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.
6. Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.
7. The laws, regulations and measures under which the statistical systems operate are to be made public.
8. Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.
9. The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all levels.
10. Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.

Appendix 3

Code of Practice for European Statistics

Adopted by the SPC on 24 February 2005 and endorsed by ECOFIN on 7 June 2005. (Abridged version. The entire text is available in English and Danish at www.dst.dk).

Purpose In accordance with the United Nations fundamental principles of official statistics, the purpose of the Code of Practice is:

- Improving trust and confidence in the independence, integrity and accountability of both National Statistical Authorities and Eurostat, and in the credibility and quality of the statistics they produce and disseminate.
- Promoting the application of best international statistical principles, methods and practices by all producers of European Statistics to enhance their quality.

This Code is addressed for implementation to:

- *Governance authorities* (i.e. Governments, Ministries, Commission, Council) – to provide guidelines for them to ensure that their statistical services are professionally organised and resourced to produce credible European Statistics in a manner that guarantees independence, integrity and accountability.
- *Statistical authorities and their staff* – to provide a benchmark of statistical principles, values and best practices that should help them in producing and disseminating high quality, harmonised European Statistics.

It is addressed for information to:

- *Users* – to show that European and national statistical authorities are impartial and that the statistics they produce and disseminate are trustworthy, objective and reliable.
- *Data providers* – to show that the confidentiality of the information they provide is protected, and that excessive demands will not be placed on them.

Principles The Code of Practice is based on 15 *Principles*. Governance authorities and statistical authorities in the European Union commit themselves to adhering to the principles fixed in this code and to reviewing its implementation periodically by the use of *Indicators of Good Practice* for each of the 15 Principles, which are to be used as references. (The indicators are not shown below).

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.

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.

Principle 3: Adequacy of Resources

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

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.

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.

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.

Principle 7: Sound Methodology

Sound methodology must underpin quality statistics. This requires adequate tools, procedures and expertise.

Principle 8: Appropriate Statistical Procedures

Appropriate statistical procedures, implemented from data collection to data validation, must underpin quality statistics.

Principle 9: Non-Excessive Burden on Respondents

The reporting burden should be proportionate to the needs of the users and should not be excessive for respondents. The statistical authority monitors the response burden and sets targets for its reduction over time.

Principle 10: Cost Effectiveness

Resources must be effectively used.

Principle 11: Relevance

European Statistics must meet the needs of users.

Principle 12: Accuracy and Reliability

European Statistics must accurately and reliably portray reality.

Principle 13: Timeliness and Punctuality

European Statistics must be disseminated in a timely and punctual manner.

Principle 14: Coherence and Comparability

European Statistics should be consistent internally, over time and comparable between regions and countries; it should be possible to combine and make joint use of related data from different sources.

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.