

**Light Peer Review of the Implementation  
of the European Statistics Code of Practice  
in the Republic of Albania**

**Final Report  
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# TABLE OF CONTENTS

- PREFACE .....I
- 1 EXECUTIVE SUMMARY ..... 1
- 2 FINDINGS PER PRINCIPLE..... 3
  - 2.1 Principle 1: Professional independence ..... 3
  - 2.2 Principle 2: Mandate for data collection..... 6
  - 2.3 Principle 3: Adequacy of resources ..... 7
  - 2.4 Principle 4: Commitment to quality ..... 9
  - 2.5 Principle 5: Statistical confidentiality..... 11
  - 2.6 Principle 6: Impartiality and objectivity ..... 14
  - 2.7 Principle 15: Accessibility and clarity ..... 16
- 3 COORDINATION ROLE OF THE NATIONAL STATISTICAL INSTITUTE ..... 19
- 4 GOOD PRACTICES TO BE HIGHLIGHTED ..... 20
- 5 LIST OF IMPROVEMENT ACTIONS BY PRINCIPLE OF THE CODE..... 21
  - 5.1 Improvement Actions Principle 1: Professional independence ..... 21
  - 5.2 Improvement Actions Principle 2: Mandate for data collection..... 22
  - 5.3 Improvement Actions Principle 3: Adequacy of resources ..... 22
  - 5.4 Improvement Actions Principle 4: Quality commitment..... 22
  - 5.5 Improvement Actions Principle 5: Statistical confidentiality..... 23
  - 5.6 Improvement Actions Principle 6: Impartiality and objectivity ..... 23
  - 5.7 Improvement Actions Principle 7: Sound methodology ..... 24
  - 5.8 Improvement Actions Principle 8: Appropriate statistical procedures..... 24
  - 5.9 Improvement Actions Principle 9: Non-excessive burden on respondents ..... 24
  - 5.10 Improvement Actions Principle 10: Cost effectiveness..... 24
  - 5.11 Improvement Actions Principle 11: Relevance ..... 24
  - 5.12 Improvement Actions Principle 12: Accuracy and reliability ..... 25
  - 5.13 Improvement Actions Principle 13: Timeliness and punctuality ..... 25
  - 5.14 Improvement Actions Principle 14: Coherence and comparability..... 25
  - 5.15 Improvement Actions Principle 15: Accessibility and clarity ..... 25
- 6 ANNEXES ..... 26
  - 6.1 Agenda of the LPR
  - 6.2 The Albanian Statistics Law

## **PREFACE**

The light peer review (LPR) of the Statistical System of the Republic Albania was undertaken in the framework of the EUROSTAT funded project “Assessment of statistical systems and selected statistical areas of the ENP countries”. The company GOPA Consultants, under contract with EUROSTAT, was responsible for organising all activities and tasks relating to the LPR.

LPRs are based on the structure and procedures of the European Statistical System (ESS) peer reviews and are designed for Candidate Countries and those with a developed statistical system. The objectives of these reviews are, in particular, to assess compliance of the reviewed National Statistical Institute (NSI) with principles 1-6 and 15 of the European Statistics Code of Practice (CoP), to evaluate the coordination role of the NSI within the National Statistical System (NSS), to highlight transferable practices suitable to foster adherence to the CoP and to recommend improvement actions needed to realise these aspirations.

The overarching ESS peer review methodology has recently undergone a revision which places greater emphasis on the coordination role of NSIs. New questionnaires have been introduced which examine NSI coordination and validate the adherence of the other national (statistical) authorities (ONAs) to the CoP. At the time of the LPR, this revision was being pilot tested. Section 2 of this report focuses on the coordination role of the Albanian Institute of Statistics (INSTAT) according to the revised methodology.

The review process was initiated by EUROSTAT in May 2013 at the request of INSTAT made in February 2013. The review was conducted by three experts, Peter Hackl (former Director General of Statistics Austria) who was the leading expert, Torbioern Carlquist (EUROSTAT), and Tim Clode (GOPA Consultants). The review mission took place on 10-13 September 2013 (see Annex 1). Written material and links to documents published at the INSTAT website were made available in advance and during the assessment mission. Key documents included the completed self-assessment questionnaires (adherence to the CoP, coordination role), provided by end of July 2013 by INSTAT, and the completed self-assessment questionnaires of the Bank of Albania (BoA) and of the Ministry of Finance (MoF).

While the reviewers based their assessment as much as possible on factual information, it is worth mentioning some of the limitations of the review process: (i) the reviewers were dependent upon the resources made available to them; (ii) the review was conducted on a strategic, organisation-wide and system-wide basis. Accordingly, it is not straightforward to ascertain that certain practices, behaviours or systems operate in all statistical domains.

The LPR team very much appreciated the well-prepared meetings and the openness of the communication both with INSTAT staff and with representatives from partner and stakeholder organisations. It is hoped that the review will be of benefit for the further development of INSTAT.

# 1 EXECUTIVE SUMMARY

- The main goal of this LPR was to evaluate (i) the adherence of INSTAT to selected principles of the CoP and (ii) the coordination role of INSTAT within the Albanian NSS in order to point out strengths and weaknesses and to support the further improvement of INSTAT and its NSS.
- In general terms, INSTAT appears to be well managed and governed. Following the country visit, the LPR team determined that its management and staff (both junior and senior) are committed to the effective operation and continual development of the organisation. All stakeholders questioned on the subject, including the International Monetary Fund (IMF), the United Nations Development Programme (UNDP), the International Labour Organization (ILO), the European Union (EU), and the delegate from the Swedish International Development Cooperation Agency (SIDA) office noted that during recent years, institutional progress has been achieved at INSTAT and that its standing had improved. The products and services of INSTAT appear to be held in high regard by users. Whilst some major challenges remain across the Albanian NSS, no significant criticisms were received.
- The Statistics Law specifies the legal basis for the production and dissemination of official statistics. From the discussions, the LPR team drew the conclusion that INSTAT on the whole produces and disseminates official statistics in ways that respect the principles of professional independence, impartiality and objectivity, and statistical confidentiality. However, a number of amendments to the Statistics Law are recommended to enhance, in particular, the public perception of institutional independence, both nationally and internationally. These recommendations for change centre on the appointment process of the INSTAT Director General. In current circumstances, this could be perceived as being politically motivated.
- There are also concerns that the Statistics Law has not been fully implemented, partly due to the fact that it has only recently entered into force. This is particularly the case when considering the functioning of the Statistical Council and the coordinating activities of INSTAT within the Albanian NSS. It is recommended that this implementation process is completed as soon as possible, including detailed rules of procedure and the general functioning of the Statistical Council, and the setting up of the Statistical Advisory Board.
- The Albanian media, especially its print media, is organised in such a way that each entity is known to have an established editorial position somewhere on the political spectrum. There is therefore a danger the independent and impartial nature of the statistics produced by INSTAT could be unintentionally misrepresented by journalists seeking to represent the particular views of their organisation. Persistent examples of these practices may reflect badly on INSTAT through the erosion of public trust. The LPR team recommends that INSTAT implements a robust media strategy in order to improve general working relationships with the media and to improve its public image in order to build trust and to raise the public's perception of its professional independence.
- INSTAT is currently undertaking two major technology infrastructure projects that have the potential to radically improve the quality and efficiency of its statistical processes and products. It is recommended that INSTAT supports and encourages the timely completion of these data warehousing and web form questionnaire projects.
- Despite having received substantial increases in resources in recent times, considerable further investment is necessary in order to make progress towards meeting European standards. It is recommended that the Albanian government provides INSTAT with the resources required to achieve full adherence to European standards.
- INSTAT currently devolves responsibility for statistical quality to each individual line sector within the organisation, and there is no obvious mechanism for sharing this information across sectors. It is recommended that INSTAT establishes a centralised statistical quality unit, led by a dedicated quality manager reporting directly to the Director General, to deal with the

coordination and the management of horizontal quality issues. This organisational restructure would give rise to coherent improvements to statistical processes and products through, for example, the development of quality guidelines, the standardisation of metadata reports and the conducting of user satisfaction surveys. The statistical quality unit should be supported by a cross-organisational quality committee, composed of a number of senior experts from INSTAT, which should meet on a regular basis.

- Occasionally INSTAT has consulted users; one example is the population census 2011. The LPR team recommends that user groups are systematically established for all relevant topics as an effective instrument for collecting user feedback on statistical products, for informing users about metadata and quality reports, and for promoting other topics for discussion.
- INSTAT presents its statistics clearly in both Albanian and English, with adequate levels of data accessibility. Statistical results are accompanied by a basic set of metadata. It is recommended that users are provided with standardised metadata reports including quantitative indicators for quality associated with each statistical product. The INSTAT website should also contain the 5-year programme, the one year operational plans, and the Annual Reports. The LPR team noted complaints expressed by some stakeholders that, exceptionally, statistical releases are not available on time.
- INSTAT does not currently have a centralised unit to handle the coordination of the Albanian NSS. Such a unit should be established in collaboration with all other statistical agencies. It would deal with: developing procedures for designing and implementing statistical programmes, ensuring the consistent and appropriate use of methodology when conducting statistical surveys, standardising the statistical production processes, controlling adherence to statistical quality principles, and building and encouraging the use of a common statistical portal. The LPR team recommends that INSTAT creates a centralised coordination unit reporting directly to the Director General. For cross-cutting strategic issues, this unit should be supported by the Statistical Advisory Board (as foreseen in the Statistics Law). For more specialised issues, specific committees, working groups or task forces could be set up (for example, methodological working groups with members from INSTAT and statistical agencies for creating guidelines and manuals).
- The INSTAT website should act as a national portal for official statistics with links to other producers of official statistics, such as the Bank of Albania. Special pages and offers on the INSTAT website should serve important user groups such as the media and the scientific community. Such a website would also give more visibility to INSTAT as the coordinator of the Albanian NSS and to the NSS as a whole. The advance release calendar should cover the dissemination times of all producers of official statistics.

## 2 FINDINGS PER PRINCIPLE

### 2.1 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:** According to the Statistics Law, INSTAT is a legal public institution under the Prime Minister. The 5-year programme of INSTAT and the NSS is to be approved by the Parliament and the Annual Report on the NSS is to be presented to the Council of Ministers and Parliament. All programmes and reports should be publically available.

The Statistics Law states that INSTAT should be guided by the principles of the CoP including the principle of professional independence. The practices of INSTAT seem to be largely in line with the stipulations of Principle 1. From the discussions of the LPR team with the management and other staff of INSTAT, as well as with members of the Statistical Council and with representatives of various user groups, the peers gained the impression that INSTAT acts independently and that there is no direct interference from politicians or other political actors in practice.

However, questions on how the Statistics Law will be implemented in practice remain. In particular, the operational remits of the Statistical Council need to be established. There are also concerns about the delivery of the various reporting obligations such as the four-monthly progress reports of INSTAT to the Statistical Council. The fact that the Director General is appointed by the Prime Minister and the Chair of the Statistical Council is appointed by the Council of Ministers means that there is the chance of political intervention. This direct connection between statistics and politics could be a contributory factor in damaging the public's perception of INSTAT as an independent body.

There is a clear need for INSTAT to improve its relationship with the press and to focus on its public image in general. Public information on evaluation reports about the 5-year programme and the one year operational plans and the Annual Report could further back the professional independence of INSTAT. These plans and the evaluation reports should be shown on the INSTAT website.

#### **2.1.1 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 and assured for other statistical authorities.**

INSTAT is a legal public institution under the Prime Minister. From the institutional perspective, the Director General reports directly to the Prime Minister. From the statistical perspective, the Director General reports to the Statistical Council. The law says that INSTAT should be guided by the principles of the CoP when carrying out its duties. This stresses the importance of the professional independence of INSTAT for enhancing the credibility of statistical results and the confidence of individuals and institutions in official statistics.

The LPR team got the impression that no violations of professional independence exist in practice in spite of the ties between INSTAT and the Prime Minister and other bodies of the public administration.

#### **2.1.2 Indicator 1.2: The head of the statistical authority and, where appropriate, the heads of other statistical authorities have sufficiently high hierarchical standing to ensure senior level access to policy authorities and administrative public bodies. They are of the highest professional calibre.**

According to the information provided to the LPR team, the hierarchical standing of the Director General of INSTAT is sufficiently high to enable access to political authorities and

public administrative bodies<sup>1</sup>. The high hierarchical standing of the Director General corresponds to the fact that the Prime Minister is involved in the appointment process; see Article 9 of the Statistics Law.

The fact that the Prime Minister has the final word on the appointment of the Director General means that there is the chance of political intervention. This direct connection between statistics and politics could be a contributing factor in damaging the public's perception of INSTAT as an independent body.

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

The Statistics Law does not assign special responsibilities, functions, or tasks for the production and dissemination of official statistics. Furthermore, no other legal documents appear to exist to support the independent development, production and dissemination of statistics by the INSTAT head. The perceptions of users are however that the head of INSTAT does have the necessary authority to carry out their professional responsibilities, albeit without legal backing. Those interviewed during the peer review imparted a positive picture of INSTAT's independence in the production and dissemination activities.

**2.1.4** 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.

The Statistics Law does not state that the Director General or any other representative of INSTAT has the sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases. The LPR team got the impression that INSTAT meets the standards of the CoP in practice with respect to the responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases in practice.

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

The Statistics Law states that the 5-year programme is drafted by INSTAT (Article 8), that the draft programme is approved by the Statistical Council (Article 11), and that the programme is approved by the Parliament (Article 6). The programme has to cover all producers of Official Statistics. The one year operational plan is drafted by INSTAT (Article 8) and approved by the Statistical Council (Article 11). The publication of the 5-year programme or the one year operational plans is not mandated. The LPR team got the impression that users of official statistics may occasionally be involved in the planning process, but that this involvement as well as the programming process is not formalised, documented and visible for the public.

INSTAT should produce four-monthly progress reports addressed to the Statistical Council and annual progress reports relating to the 5-year programme to be approved by the Statistical Council. The Statistical Council produces an Annual Report on the NSS including a report on the achievements of the Programme. This report is to be presented to the Council of Ministers and Parliament and is to be made publicly available.

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<sup>1</sup> However, the position of the Director General of INSTAT as a head of a central administration body is lower than that of a Minister, Deputy Minister and Secretary General at a Ministry, which may hamper the negotiating power of INSTAT with other administrative bodies. The place of INSTAT in the administrative hierarchy also translates into a lower salary level than in Ministries making it difficult retaining motivated and qualified staff.

Due to the late adoption of the current 5-year programme (2012-2016) and the relatively recent establishment of the Statistical Council, the operational plan for 2013 has not been established. INSTAT reports that all aspects of the 5-year programme and the annual release calendar are being respected. However, there is some evidence of occasional delays.

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

It seems to be the policy of INSTAT not to include any political comments in their statistical releases. The policy seems to be well embedded in the organisation. The releases that the LPR team looked at did not contain any political comments, and this was confirmed in discussions with users, in particular with the media.

**2.1.7** Indicator 1.7: The statistical authority and, where appropriate, other statistical authorities, comment publicly on statistical issues, including criticisms and misuses of official statistics as far as considered suitable.

The LPR team was informed that, in certain cases, INSTAT intervenes publicly in cases of the misuse or misinterpretation of INSTAT's statistics in the media. It appears that whilst an internal policy and a well-established procedure on how to react exists, a written description of the policy and the procedure is not yet available.

INSTAT aims at promoting the transparency of the statistical system through public declarations, conferences, interviews and meetings with representatives of the media. At the moment this happens in a random way.

**2.1.8** Indicator 1.8: The appointment of the heads of the National Statistical Institutes and, where appropriate, of other statistical authorities, is based on professional competence only. The reasons on the basis of which the incumbency can be terminated are specified in the legal framework. These cannot include reasons compromising professional or scientific independence.

In preparation of the appointment of a Director General of INSTAT, the Statistical Council makes a public announcement which includes a detailed job description. It is the responsibility of the Statistical Council to ensure that the professional competence is the predominant criterion in the recruitment process. The Statistical Council proposes three candidates to the Prime Minister who will then appoint the Director General.

From a national perspective, this process mimics that for other senior civil servants and is deemed transparent, rigorous and appropriate. From the perspective of the principle of professional independence, the final stage involvement of the Prime Minister, albeit in an institutional capacity, suggests the potential for politically motivated appointments.

The Director General of INSTAT has a mandate of up to five years, renewable once. The Statistics Law prescribes the conditions for dismissal by the Prime Minister upon recommendation by the Statistical Council. These include infringement of professional ethics, serious violation of power and severe professional misconduct. These modes of dismissal do not compromise the professional and scientific independence of the organisation although they can flexibly be interpreted.

## 2.2 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:** The senior staff and the top management of INSTAT, as well as users and members of the Statistical Council judge the legal mandate for the collection and dissemination of data by the statistical office to be sufficient. The management of INSTAT stressed that the participation of individuals and enterprises in surveys and censuses is very satisfactory. INSTAT is aware that Official Statistics should be based on administrative records and registers to the greatest possible extent. INSTAT signs Memoranda of Understanding with the respective external administrative data producers as a formal basis for the use of data from administrative sources. Efforts need to be strengthened for achieving agreements on the use of administrative data and on the general exchange of unit-level data across the NSS. The plans to introduce a data warehouse and web form questionnaires are encouraging but must be given sufficient support if they are to be realised by their due dates. There is a need to review the current low penalty amounts for businesses and households that do not respond to mandatory data requests.

### 2.2.1 *Indicator 2.1: The mandate of the statistical authorities to collect information for the development, production and dissemination of official statistics is specified in law.*

INSTAT is mandated by Article 14 of the Statistics Law to collect data from enterprises, institutions, physical and legal persons. According to the INSTAT leadership and senior management, the implementation of this Article works sufficiently well. This assertion was backed up by positive comments from users from the scientific community and media representatives. Members of the Statistical Council described the legal basis for data collection as “sound”. During the course of the LPR, no individual or group questioned the legitimacy of the law in this respect.

### 2.2.2 *Indicator 2.2: The statistical authorities are allowed by law to use administrative records for statistical purposes.*

Article 8 states that INSTAT may request access to administrative and statistics records from ministries, central and local institutions over and above any rights of access specified in the programme. INSTAT has established a series of memoranda of understanding and service level agreements, pursuant to the statistics law, with providers of administrative data including the BoA, the MoF, the customs and tax authorities, and the Ministry of Agriculture, Food and Consumer Protection (MoAFCP).

Whilst these memoranda of understanding, which include provision for access to administrative data, represent a significant step towards greater cooperation between entities and integration of the NSS, the LPR team got the impression that the level of each interaction differed considerably. Judging by their willingness to participate in the review, the relationship between INSTAT and the BoA appeared positive, whereas the relationship between INSTAT and the MoF appeared distant. In the case of the MoAFCP, perhaps due to the recent transfer of statistics responsibility to INSTAT, the interaction seemed healthy. The successful bilateral relationships benefitted from strong personal connections between INSTAT staff and their counterparts. Therefore, whilst there were clear indications that INSTAT’s access to administrative data was working well in many cases, there was room for improved access through the general strengthening of working relationships, especially with the Ministry of Finance.

The topic of access to and use of administrative records and data from administrative registers points to the position of INSTAT as a coordinator of the NSS and also as the focal

point in the NSS. The coordinating competence of INSTAT refers in particular to issues such as methods, classifications, and other standards that administrative data should meet.

### **2.2.3** *Indicator 2.3: On the basis of a legal act, the statistical authorities may compel response to statistical surveys.*

Article 18 of the Statistics Law compels responses to statistical surveys. It makes it mandatory for statistical units (enterprises, institutions, physical and legal persons) to provide requested information, completely and truthfully, to INSTAT and other statistical agencies in a timely and cost free manner. Entities are subject to an initial fine of around EUR 35 and subsequent fines of up to EUR 170 per offence in the event of refusal or other failure to comply with the law. These levels may be considered too low.

However, there were no examples of any recent fines being enforced.

## **2.3 Principle 3: Adequacy of resources**

**The resources available to statistical authorities are sufficient to meet European Statistics requirements.**

**Overall assessment:** It appears that the financial, human and information technology (IT) resources are adequate for the tasks currently being fulfilled. However, INSTAT needs considerable extra investment to reach full adherence to European standards of the statistical portfolio. The rapid growth in numbers of junior staff in the organisation requires the establishment of a comprehensive training plan. INSTAT should play a stronger role in the coordinating activities related to the funding by international organisations. This could ensure that the projects in question are in line with the goals of the 5-year programme and enhance the efficient disbursement and sustainability of support, thereby, winning the confidence of the international donors. There is also evidence that other statistical agencies are in need of additional resources to adhere to European standards. INSTAT, in its coordination role, should assist other statistical agencies to obtain the additional resources necessary to meet these requirements.

### **2.3.1** *Indicator 3.1: Staff, financial, and computing resources, adequate both in magnitude and in quality, are available to meet current statistical needs.*

At the time of self-reporting, INSTAT had a total full-time equivalent workforce of around 190 permanent staff with an additional 390 full-time equivalent temporary work force. The number of permanent staff has subsequently increased to 235. INSTAT's total annual budget is around EUR 3,100,000, which is the equivalent of around EUR 110,000 per 100,000 population (or EUR 1.10 per person). INSTAT's budget accounts for around 0.03 per cent of Albania's GDP. Its budget in 2012 has increased by more than 120 per cent since 2007.

To meet current national statistical needs, INSTAT rates the size of staff and financial resources as reasonably adequate. Likewise it rates the size and quality of computing resources as reasonably adequate. INSTAT rates its quality of staff resources as less than reasonably adequate. To meet European Statistical Programme needs, INSTAT rates the size of computing resources as reasonably adequate, but all other resources as less than reasonably adequate.

The representatives of international organisations would welcome a stronger role of INSTAT in the coordinating activities related to the funding by international organisations. INSTAT should ensure that the supported projects are in line with the goals of the 5-year programme

and that efficient disbursement increases the confidence of the international donors in the efficient use of funding and the sustainability of this support.

In order to achieve this, INSTAT should establish a list of potential projects and assign priorities taking into account urgency and potential efficiency gains. This list should be communicated to the international donors.

Furthermore, the LPR team recommends that INSTAT reports to the Statistical Council on the mapping of its 5-year programme with requirements to achieve full adherence to European statistics regulations. This report should give an estimate of the additional budgetary means necessary to close the gaps.

There is evidence that other producers of official statistics are in need of additional resources to adhere to European standards. INSTAT, in its coordination role, should help other producers of official statistics to obtain the additional resources necessary to meet these requirements.

### **2.3.2 *Indicator 3.2: The scope, detail and cost of statistics are commensurate with needs.***

Notwithstanding the internal resource assessments mentioned for indicator 3.1, the opinion of the LPR team is that INSTAT needs to broaden the scope and detail of its statistics in order to meet current and future needs. Reaching full adherence to European standards of the statistical portfolio will require considerable extra investment.

The efficiency of the work at INSTAT and within the NSS should be improved, in particular by increasing the contribution of administrative bodies to the production of official statistics within the NSS. INSTAT could thus make more use of data from administrative sources and reduce the costs within INSTAT by using modern technology for data collection and data storing, for example.

Establishing a comprehensive training plan in order to service the rapid growth in numbers of junior staff would also contribute to increasing efficiency. Also continuous vocational training of staff should be part of the human resource policy. Skills should be updated and participation in training valued in the career plan. A corresponding training programme and guidelines for the implementation shall be set up.

### **2.3.3 *Indicator 3.3: Procedures exist to assess and justify demands for new statistics against their cost.***

Whilst procedures exist, through the course of regular management meetings, to assess and justify new statistics against their cost, this type of decision making is outweighed by the urgent need to strengthen the statistical portfolio as a whole.

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

In a similar way to indicator 3.3, INSTAT management has the capabilities to discontinue or curtail existing statistics, but during this period of growth, all outputs are necessarily being developed in line with European statistics good practice.

## 2.4 Principle 4: Commitment to quality

**Statistical authorities are committed to quality. They systematically and regularly identify strengths and weaknesses to continuously improve process and product quality.**

**Overall assessment:** The Statistics Law requires in Article 4/1 the compliance of the statistical production with the quality criteria which correspond to the European standards. INSTAT is well aware of the relevance of the quality aspects of statistical products. Quality control is realised at all stages of the statistical processes by the line departments. Not so much has been done so far to (i) signal to the users and the general public how high the relevance of quality management for INSTAT is and (ii) standardise the tools and procedures of quality management that are used in INSTAT.

A reference to the principles and commitments related to quality in the Mission Statement of INSTAT and a formal Quality Commitment Statement on a prominent place of the INSTAT website would be in line with international good practice. A stronger emphasis on the adoption of more standardised methods, on the documentation of statistical processes and products, and on undertaking regular monitoring and systematic reviews of processes and outputs would contribute to a more efficient production and higher quality of statistical products. An intensified and institutionalised communication with users would help to improve not only quality but also trust in the institution INSTAT and its statistical products.

### 2.4.1 *Indicator 4.1: Quality policy is defined and made available to the public. An organizational structure and tools are in place to deal with quality management.*

The quality of official statistics is well respected by INSTAT. Quality dimensions which are of relevance for the statistical production are stipulated in the Statistics Law. Article 4/1 requires the compliance of the statistical production with the quality criteria relevance, accuracy, timeliness, punctuality, accessibility, clarity, comparability, and coherence. These criteria are in full agreement with European standards. The LPR team recommends that INSTAT follows international best practice by making reference to the principles and commitments related to quality in its Mission/Vision Statement and by introducing a publically available Quality Policy/Commitment Statement. The Statistics Law stipulates that the NSS should also adhere to the quality criteria as defined in Article 4/1, and that in Article 7, INSTAT has been given the role to control the implementation of corresponding methodology and procedures.

INSTAT currently devolves responsibility for statistical quality to each individual line department within the organisation, and there is no obvious mechanism for sharing this information across departments. It is recommended that a centralised statistical quality unit be established by INSTAT. This unit should deal with the coordination and management of cross-cutting quality issues and be led by a dedicated quality manager reporting directly to the Director General. This organisational restructure would give rise to coherent improvements to statistical processes and products through, for example, developing quality guidelines, standardising metadata reports and conducting user satisfaction surveys. The statistical quality unit should be supported by a cross-organisational quality committee, composed of a number of senior experts from INSTAT, which should meet on a regular basis.

Quality guidelines on how to implement quality management within the statistical production process are important tools for assuring the consistently high quality of statistical products. Such quality guidelines would facilitate the work of the line departments, including the training of new staff, and would improve the efficiency of statistical processes. The LPR team recommends that quality guidelines describing in detail the implementation of quality management within the statistical production processes based on the Generic Statistical Business Process Model (GSBPM) or another equivalent model are adopted. These guidelines should describe the monitoring of the quality at each stage of the statistical

production process and have to take the situation of other producers within the NSS into account.

The provision of specific training courses supporting the quality policy for relevant staff is an important element of quality management. INSTAT is making use of training courses that are provided by Eurostat and the Swedish development agency SIDA. It is recommended that the training programme of INSTAT offers relevant courses on quality issues, including courses on the quality guidelines. This should be done for both newcomers and more experienced staff. INSTAT should also coordinate training courses offered to the staff of the other statistical agencies as a part of their role as the NSS coordinator.

#### **2.4.2 Indicator 4.2: Procedures are in place to plan and monitor the quality of the statistical production process.**

Factors which affect the quality of the statistical products are (i) methodological support, (ii) monitoring of the quality at different stages of the statistical production chain, and (iii) measures indicated by a general Quality Assurance Plan. In INSTAT, each line department is responsible for quality monitoring and assurance of its own statistical processes with support from the methodological and IT departments. It is recommended that the support to the line departments is formalised in the form of a Quality Assurance Plan, describing working standards, formal obligations such as laws and internal rules, and a set of quality control actions to prevent and monitor errors, to evaluate quality indicators, and to control relevant points at all stages of the statistical process.

The Statistics Law stipulates in Article 7 that INSTAT is responsible for ensuring the uniformity of methodology used in implementing statistical surveys within the whole NSS. Hence, it is the responsibility of INSTAT to establish and apply quality monitoring and assuring procedures for the statistical processes conducted by all statistical agencies of the NSS.

#### **2.4.3 Indicator 4.3: Product quality is regularly monitored, assessed with regard to possible trade-offs, and reported according to the quality criteria for European Statistics.**

The INSTAT management team is well aware of the fact that the production of high quality products is essential for the good reputation of and the trust in official statistics. Technical working groups, which include users, have been established to discuss quality aspects of the statistical products, having in mind possible improvement actions. On the INSTAT website, conceptual and methodological information is available for each statistical theme, helping the users to understand and assess the quality of the statistics. The LPR team welcomes that user satisfaction surveys are planned in the near future.

It is recommended that the methodological information on statistical products given on the website is extended into user-oriented quality reports. These should follow a uniform and standardised format for all statistics and provide the users with all relevant metadata and quality indicators. This would help the media and the general public to understand the published statistical figures.

In addition to user-oriented quality reports, comprehensive producer-oriented metadata reports should be developed and made available for all statistical products. Such metadata reports should be designed according to the Euro-SDMX Metadata Structure (ESMS) or a similar format. This task cannot be expected to be done in a short period but should be planned carefully in the statistical programmes of the coming years.

The monitoring of quality indicators should be used as basis for the improvement of the statistical products. It has to cover all statistics that are produced within the NSS.

#### **2.4.4** *Indicator 4.4: There is a regular and thorough review of the key statistical outputs using also external experts where appropriate.*

The assessment of the quality of its statistical output is a core element of quality management of an NSI. On several occasions, INSTAT has been consulting users, e.g., in the context of the population census 2011. Such user consultations are an excellent instrument for collecting user feedback on statistical products. The LPR team recommends that user groups are systematically established for all relevant topics as a basis for getting users' feedback and also for informing users. Such user groups can serve additional purposes: they are for example a good place to discuss the format and the content of related user-oriented quality reports. Reactions from journalists who use statistical products and researchers who work with data have also the potential of providing feedback on the quality of statistical products.

INSTAT benefits from various internationally funded initiatives. In addition to capacity building projects (such as adhering to IMF dissemination standards), some projects focus directly on improving statistical processes and products.

It is recommended that systematic and regular quality reviews are planned and have a place in the statistical programmes for the coming years. These reviews have to cover all statistics produced by the NSS. Internal auditors should be trained in auditing techniques and self-assessments; this will support the quality review programme and ensure its effectiveness and sustainability.

## **2.5 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:**

INSTAT has made considerable efforts to ensure the confidentiality of the information provided by respondents. Detailed provisions on statistical confidentiality are present in the law on official statistics, which is applicable for all statistical producers. However, in a number of aspects of statistical confidentiality there is room for improvement by INSTAT. The IT solutions for statistical databases are of a mixed nature, some having support for access control, while other types of databases are less strict in this sense. Newly appointed staff at INSTAT are not required to sign a legal confidentiality commitment.

The BoA has safeguards in place to guarantee the confidentiality of information provided by data providers. However, it is recommended that the law on the BoA's is amended in such a way that the article about a possible provision of individual data to tax authorities is removed from the law.

#### **2.5.1** *Indicator 5.1: Statistical confidentiality is guaranteed in law.*

The Law on Official Statistics contains an article about the definition of confidential data and a provision to avoid disclosure of confidential data during dissemination (Art. 2). Data for individual statistical units may not be used for non-statistical purposes (Art. 4). In article 15, more detailed provisions about confidentiality are given, such as de-identification (names, addresses), prevention of indirect disclosure of individual information by avoiding small numbers in table cells, and rules about access to confidential data. The legal provisions are binding not only for INSTAT, but also for other statistical producers.

The law on Population and Housing Census has separate provisions for confidentiality. The paper forms collected during the fieldwork for the 2011 population and housing census will not be destroyed as it was planned initially, but will be transferred to the State Archives. For the time being, the census forms are still at INSTAT.

A provision in the BoA's Law (Article 58.2) states that individual respondents' data may be disclosed to tax authorities. This provision is in conflict with principle 5 and should be deleted so as not to give rise to doubts in the BoA's adherence to statistical confidentiality.

#### **2.5.2 Indicator 5.2: Staff signs legal confidentiality commitments on appointment.**

The inclusion of the confidentiality principle and related basic rules in the Statistics Law (that is binding for the staff of INSTAT), was considered by INSTAT's top management to be a sufficient pre-condition for the observation of this principle. New staff does not sign any legal confidentiality commitment, but confidentiality issues are part of the testing of candidates for vacant posts.

#### **2.5.3 Indicator 5.3: Penalties are prescribed for any wilful breaches of statistical confidentiality.**

Article 18b of the Statistics Law contains provisions on the penalties for wilful breaches of statistical confidentiality, the size of the fines, and the procedure for imposing a penalty. Penalties can be imposed on staff who have left INSTAT as well as on researchers who have been given access to micro-data. Since 2004, the size of the penalties has been fixed in the statistics law, ranging from LEK 20,000 to 25,000 (around EUR 140 to 180). As this is a low amount that has not been changed for almost 10 years, it is recommended to increase the level of penalties in order to strengthen their prohibitive effect. This adjustment of the levels of fines could be done when the Statistics Law is amended next time.

No penalties have been applied after the law on statistics was approved in 2004.

Breaches of statistical confidentiality may take place during electronic processing, since multiple INSTAT users have access to the computers and the network. Outside of the electronic domain there is no regular checking for such breaches.

In case of serious breaches of statistical confidentiality, there can be disciplinary or criminal proceedings.

#### **2.5.4 Indicator 5.4: Guidelines and instructions are provided to staff on the protection of statistical confidentiality in the production and dissemination processes. The confidentiality policy is made known to the public.**

Civil servants receive guidelines and instructions on confidentiality issues through the Code of Ethics on Protection of Personal Data and the specific job description for each member of staff.

For interviewers and temporary employees the rules on observing statistical confidentiality are part of the employment contract.

Two Data Protection Officers are certified in INSTAT to deal with confidentiality issues and select methods of confidentiality in collaboration with the Commissioner of Data Protection. This certification involved a 3-month training organised for Data Protection Officers in ministries and other agencies of the state. The two Data Protection Officers have in addition to the tasks of data protection also other tasks at INSTAT.

The Commissioner of Data Protection visited INSTAT around three months before the LPR took place; no particular findings from that visit were reported. The Code of Ethics on Protection of Personal Data (in Albanian language) was handed out to the LPR team, giving evidence that INSTAT has taken measures in this field.

The general public is informed about the confidentiality issues through the Law on Official Statistics, but also through corresponding statements in the one year operational plan and in the 5-year programme; these documents are public and thus accessible to everyone.

Guidelines and instructions on the protection of statistical confidentiality are given to researchers, who are allowed to work with micro-data. Such guidelines and instructions are

included in the Internal Regulation of INSTAT. A follow-up on how these guidelines and instructions are respected in practice is not available.

**2.5.5** *Indicator 5.5: Physical and organisational provisions are in place to protect the security and integrity of statistical databases.*

INSTAT has some physical security measures in place such as limited and controlled access to the premises where servers and other IT-devices are located. A new unit is established which is dealing with the security of the statistical databases. This measure will increase the security and integrity of the databases. Among the databases, some are maintained and managed in SQL (structured query language) server by the IT unit. Some other databases are managed directly by the subject matter specialists.

Procedures of anonymity and encryption of personal data are in place for some databases used for storing the raw data from the Population and Housing Census, Census of Agriculture Holdings and various surveys. Access to statistical databases in RDBMS (relational data base management system) is monitored and recorded, while access to databases in SAS, SPSS, MS Access and similar applications is not monitored and recorded. Access rights for users are monitored, but the documentation of access rights can still be improved.

No micro-data are handled on the PCs used by the subject matter specialists.

PCs connected to the LAN (local area network) have restrictions on access to the Internet, for burning CD/DVD and for using USB (universal serial bus) flash drives.

**2.5.6** *Indicator 5.6: Strict protocols apply to external users accessing statistical micro-data for research purposes.*

There is a contract for researchers to sign before they get access to micro-data (Art. 15.7 of the Law). Condition for granting access are (1) that the data are anonymised so that they do not allow neither direct nor indirect identification, (2) that the protection of confidential data within the research project is assured, and (3) that, once the project is terminated, the data are destroyed with written notification of that destruction to INSTAT. The rules for access to micro-data should be published on the INSTAT website.

Access to researchers was granted in around 30 cases for each of the population censuses of 2001 and 2011. Other cases of access to micro-data have been granted regarding household surveys such as LFS (labour force survey), HBS (household budget survey) and the LSMS (Living Standards Measurement Survey). Anonymized micro-data from these social surveys have been made available on the website of INSTAT in SPSS format.

The use of micro-data is monitored by giving access to the databases controlled through an operation system authentication and by the definition of user roles in databases managed by SQL Server 2008 R2. For micro-data that are not stored in the SQL server, no such technical solution exists for the monitoring.

Researchers have to perform their work on micro-data within INSTAT premises and using INSTAT equipment, without possibilities for saving data on external storage media such as USB, CD or DVD.

## 2.6 Principle 6: Impartiality and objectivity

**Statistical authorities develop, 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:** Article 4 of the Statistics Law stipulates that official statistics are produced impartially and have to reflect the reality as faithfully as possible. The LPR team is satisfied that INSTAT demonstrates a strong respect for principle 6 and its implementation in practice. Observations made during the LPR provided reasonable assurance that INSTAT respects scientific independence when producing and disseminating official statistics and that it carries out its tasks in an objective manner. Neither the impartiality nor the objectivity of INSTAT were questioned at any stage of the LPR, but were rather confirmed by all groups of users interviewed.

INSTAT should do its utmost to improve its working relationship with the media and its public image in order to build trust and to raise the public's perception of its professional independence. Formalisation of available procedures would be a way to improve the future perception of INSTAT as an impartial and objective NSI. It is recommended that the methodological information on the website is extended into user-oriented quality reports that follow a uniform and standardised format for all statistics. INSTAT should formalise and publicise the procedures for error treatment and revisions. A procedure for revising the release calendar while also integrating the statistical products of other statistical agencies of the NSS should be developed. The release time should be the same for all releases.

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

Interactions with stakeholders and examination of statistical outputs and documentation provided by INSTAT indicate that sources, concepts, methods, processes and data dissemination channels are chosen on the basis of statistical considerations and national and international principles and good practices. Special guidelines for assuring impartiality and objectivity are not available.

### 2.6.2 Indicator 6.2: Choices of sources and statistical methods as well as decisions about the dissemination of statistics are informed by statistical considerations.

From interactions with stakeholders and examination of statistical outputs and documentation provided by INSTAT, the LPR team is satisfied that INSTAT produces official statistics that are based on sound methods and presents them in a professional statistical manner. While resources and other practical considerations may sometimes constrain the optimum choice of sources and methods, it is clear that objectivity and impartiality are at all times adhered to as core working principles in the statistical production.

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

INSTAT has a clear error treatment policy and all errors discovered in published statistics are announced and published, chiefly via the medium in which the incorrect statistic was disseminated. All stakeholders consulted by the LPR team believe that INSTAT provides corrected data as soon as possible after it becomes aware of the need for a correction.

It is recommended that INSTAT formalises and publicises the error treatment policy.

**2.6.4** Indicator 6.4: Information on the methods and procedures used is publicly available.

INSTAT publishes on its website methodological notes both in Albanian and English that give definitions and other details of the statistical methods used. Such notes may be helpful for evaluating the statistical process and the quality in the wider sense of official statistics and their compliance with the principles. However, in many cases the notes are rather brief, give mainly definitions, and are restricted to a general description without many details.

It is recommended that this methodological information is extended into user-oriented quality reports that follow a uniform and standardised format for all statistics.

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

A release calendar is issued by INSTAT and is made known to users in advance through its website. A change in the dissemination schedule is announced by a note in the release calendar. The stakeholders generally acknowledge the usefulness of the calendar. Delays in the releases of statistical products as compared to the announced date happen.

It is recommended that a procedure is developed for revisions of this calendar. The release calendar shall also integrate the statistical products of other statistical agencies of the NSS. The release time should be the same for all releases, a time that is only exceptionally disrespected.

**2.6.6** Indicator 6.6: Advance notice is given on major revisions or changes in methodologies.

The information about major revisions is announced on the INSTAT website and in relevant publications. Revisions are announced particularly in National Accounts, where provisional, semi-final and final results are released. Revisions of results from the population and housing census and from social and economic surveys are also announced if necessary.

It is recommended that the procedures for revisions and also for error treatment is formalised in a revision policy and is made public.

**2.6.7** Indicator 6.7: All users have equal access to statistical releases at the same time. Any privileged pre-release access to any outside user is limited, monitored and publicised. In the event that leaks occur, pre-release arrangements should be revised so as to ensure impartiality.

Equal access for all users is a fundamental principle, and the use of the Internet strengthens the achievement of this indicator in practice. The Statistics Law prohibits the communication of statistical information before the due release date. Article 17 states that “Official Statistics shall be disseminated in such a way that all users have equal and simultaneous access”. All stakeholders consulted by the LPR team agree that INSTAT adheres to the principle without exception and that there is no discrimination between users. The INSTAT management states that requests for embargoed pre-release access are not known for INSTAT.

**2.6.8** Indicator 6.8: Statistical releases and statements made in press conferences are objective and non-partisan.

Press releases and press conferences are objective and reflect solely statistical findings. Guidelines for the conduct of press releases and press conferences are not available. The plan to develop such guidelines as part of the dissemination strategy with IPA 2013 is welcomed.

The Albanian media, especially its print media, is organised in such a way that each entity is known to have an established editorial position somewhere on the political spectrum. There is therefore a danger the independent and impartial nature of the statistics produced by INSTAT could be unintentionally misrepresented by journalists seeking to represent the particular

views of their organisation. Persistent examples of these practices may reflect badly on INSTAT through the erosion of public trust.

The LPR team recommends that INSTAT implements a robust media strategy in order to improve general working relationships and communication with the media by inviting representatives to special seminars, providing them with services they need, and treating the media as partners. Staff members working together with media people should be trained in dealing with representatives of media. Such measures will improve INSTAT's public image and build trust and raise the public's perception of its professional independence.

## 2.7 Principle 15: Accessibility and clarity

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

**Overall assessment:** INSTAT produces a wide range of statistical publications. The INSTAT website presents statistics clearly, with good accessibility, both in Albanian and English. Publications can be downloaded free-of-charge from the online publication catalogue and paper publications can be ordered from the INSTAT office. INSTAT disseminates only its own statistical products but not the output of other statistical agencies of the NSS. The LPR team welcomes the planned development of a dissemination policy. Workshops for users, in particular for the media, are offered, aiming at improvement of the users' understanding of the statistical products.

INSTAT should seek feedback on its dissemination activities from users; the planned user satisfaction survey is welcome.

INSTAT should offer special pages on the website for important user groups such as the media and the scientific community. In this context it is noted that micro-data from LSMS and LFS are available on the website. Moreover, researchers can get access to micro-data in a secure "research room". The website area dedicated to the media should include press releases, the publication calendar, and other services such as links to metadata and corresponding reports.

Users, and in particular the media, should get better informed about the quality of statistical products. It is recommended to standardise the format of metadata reports, to extend and homogenise the content of the reports, and to include quantitative indicators in particular on quality aspects. The implementation of the software system METAPLUS is welcomed as it will allow the introduction of a comprehensive metadata system that fulfils European standards. Custom-designed analyses should be published. The rules for access to micro-data should be published on the INSTAT website.

The INSTAT website should be the national portal of official statistics with links to all official statistics and to all institutions in the NSS.

On the website, the statistics are accompanied by supporting metadata.

### 2.7.1 *Indicator 15.1: Statistics and the corresponding metadata are presented, and archived, in a form that facilitates proper interpretation and meaningful comparisons.*

A dissemination strategy is not yet available. INSTAT has requested technical assistance from IPA 2013, to develop a dissemination strategy and plans to standardise dissemination procedures according to the best practices. The future dissemination policy should be made public on the website.

Workshops organised by INSTAT for users, in particularly for the media, are helpful for users to understand and work with statistical products. INSTAT should seek feedback on dissemination from users; the planned user satisfaction survey is welcome.

Training courses for writing press releases are not available.

INSTAT has implemented a backup system for its data and plans to extend it into a full archiving system. The system should also cover metadata for all statistical products.

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

INSTAT launched a new website in September 2012. Statistical information is disseminated in various formats. Tables in Excel can be downloaded as a basis for further analysis by the users; PC-axis has been implemented and allows the users to generate statistical results according to their needs.

The publications department is responsible for answering requests and clarifications of statistical results. All stakeholders consulted by the LPR team expressed satisfaction with the contents of the statistical releases and the amount of information provided on the INSTAT website.

It is recommended that the INSTAT website becomes the national portal of official statistics with links to all official statistics and to all institutions of the NSS such as the BoA.

INSTAT should offer special pages on its website for important user groups such as the media and the scientific community. The media website should provide services for media people, e.g., by showing the release calendar, announcing press events like press conferences and workshops for journalists, providing the actual press releases, and by giving access to a chronological archive. Links should direct users to tables, charts, maps, and metadata to facilitate re-dissemination. The area of the website dedicated to researchers should include information about relevant services, including the modes and procedures to get access to micro-data and links to scientific analyses based on INSTAT data.

**2.7.3 Indicator 15.3: Custom-designed analyses are provided when feasible and the public is informed.**

INSTAT offers custom-designed statistical information upon request. Major analyses are subject to payment, depending on their complexity, and users are charged accordingly. Results from custom-designed analyses are not made public.

Information on the procedure of ordering custom-designed analyses, including prices, should be offered on the INSTAT website.

**2.7.4 Indicator 15.4: Access to micro-data is allowed for research purposes and is subject to specific rules or protocols.**

Third party access to micro-data is regulated in the Statistics Law in the context of confidentiality. Guidelines and instructions on the protection of statistical confidentiality are included in the Internal Regulation of INSTAT. Researchers who are allowed to work with micro-data are informed about these guidelines.

Communication with researchers has been established for discussing the rules for access to micro-data, in order to improve the effectiveness of this service to the scientific community. Researchers are allowed access to micro-data in a secure “research room”. On the INSTAT website, micro-data from the Living Standards Measurement Survey (LSMS) and the LFS can be downloaded.

The rules for access to micro-data should be published on the INSTAT website.

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

Metadata on the statistical products are disseminated together with the methodology for the different statistical themes. These metadata help users to understand and work with statistical

products. The dissemination department answers enquiries from users on metadata. Complex user enquiries, however, are forwarded to the relevant statistical line department.

Users, and in particular the media, should get better informed about the quality of statistical products. It is recommended to standardise the format of metadata, to extend and homogenise metadata for all statistical products, and to include quantitative indicators, in particular for quality aspects. The on-going implementation of the software system METAPLUS is welcomed as it will allow the introduction of a comprehensive metadata system that fulfils European standards.

Training courses on metadata are organised by Eurostat, and INSTAT staff have participated in such courses. INSTAT should also offer internal courses on metadata. In the future, training courses will be needed to teach the staff in the use of METAPLUS.

**2.7.6** *Indicator 15.6: Users are kept informed on the methodology of statistical processes including the use of administrative data.*

The metadata on the statistical products contain some information about the applied methodology. However, for many statistical products the metadata are rather brief, give mainly definitions, and are restricted to a general description without many details. It is recommended to extend and homogenise metadata for all statistical products.

The on-going implementation of the software system METAPLUS shall establish a common format for the provision of metadata about the statistical processes.

**2.7.7** *Indicator 15.7: Users are kept informed about the quality of statistical outputs with respect to the quality criteria for European Statistics.*

Information about the quality of statistical products is made available on the website and in the various working groups with users.

The on-going implementation of the software system METAPLUS will improve the provision of information about the quality of statistical products.

### 3 COORDINATION ROLE OF THE NATIONAL STATISTICAL INSTITUTE

This assessment takes into account the relevant legal and policy framework as well as the related de facto co-ordination mechanisms and bodies and their functioning in practice. Items to be discussed are:

- institutional framework;
- planning and programming;
- dissemination/communication;
- coordination on training;
- standardisation of production processes; and
- release of data.

The February 2013 amendment of the Statistics Law of Albania regulates both the functioning of INSTAT and the NSS. The NSS comprises, according to Article 13 of the Statistics Law, all statistical agencies, central and local institutions, which contribute to statistics to be included in the programme. The Statistics Law assigns to INSTAT a leading role and a comprehensive operational competence in the NSS. Article 7 defines INSTAT as the responsible institution for coordinating the NSS. The coordinating competencies of INSTAT include:

- collaboration with the statistical agencies
  - in designing and implementing the programme,
  - in ensuring the uniformity of methodology used in the implementation of statistical surveys,
  - in controlling adherence to the statistical quality principles;
- provision of technical support;
- creation of an inter-agency national electronic statistical information system.

Articles 7 and 8 say that the 5-year programme of the NSS and the one year operational plans are to be drafted by INSTAT and approved by the Statistical Council. These articles also assign the responsibility to INSTAT to ensure that the statistical products of the whole NSS are developed, produced and disseminated according to the principles laid down in the Statistics Law including those of the CoP. Article 13 gives comprehensive supervision tools to INSTAT including access to all registers and data available to agencies of the NSS in the context of their statistical activities. Article 12/1 says that the head of INSTAT may propose to the Statistical Council the establishment of a Statistical Advisory Board for dealing with items related to the NSS. INSTAT represents the NSS within the ESS and in international organisations and maintains relations with NSIs of other countries. Article 11 gives the competence to produce an Annual Report on the NSS on the achievements of the statistical programme to the Statistical Council.

INSTAT has taken steps to implement its coordinating role. Memoranda of Understanding have been signed with a number of producers of official statistics and providers of administrative data such as the BoA, the MoF, the General Directorate of Custom, the General Directorate of Tax, the MoAFCP and others. Some statistical agencies like the BoA and the MoF are informed about the functioning of the NSS according to the Statistics Law and about the related responsibilities given to INSTAT. The 5-year programme (Official Statistics National Program 2012-2016) has been designed in collaboration with the BoA and the MoF.

The LPR team recommends that INSTAT creates a separate unit to handle the coordination of the NSS. This unit should report directly to the Director General. INSTAT should establish a central platform for coordination. The Statistical Advisory Board, as foreseen in the Statistics Law, could be used for that purpose. For more specialised issues specific committees, working groups or task forces could be set up, for example methodological working groups with members from INSTAT

and the statistical agencies for creating guidelines and manuals. Communication between all actors within the NSS should be facilitated by establishing an NSS intranet.

Procedures should be developed and agreed on with the statistical agencies for the following tasks:

- to design the statistical programmes (5-year, annual) of the NSS in collaboration with all statistical agencies;
- to ensure the uniformity of methodology used in the implementation of statistical surveys and for standardising the production processes;
- to control adherence to the statistical quality principles.

The INSTAT website could serve as a national electronic statistical information system. For that purpose, the INSTAT website should be supplemented with the main results of all statistical agencies of the NSS and with links to the websites of these agencies where users find the details on statistics, metadata, and other information. The common release calendar, coordinated by INSTAT, should cover the statistical products of all statistical agencies of the NSS. Consolidated guidelines for dissemination, to be used by all statistical agencies of the NSS, should be developed, adapting existing material where appropriate.

The training courses for the NSS including seminars for presentation and explanation of results should be coordinated by INSTAT. The training plan should be published on the intranet.

The Annual Report of the Statistical Council on the NSS should evaluate and give feedback on the achievements of the statistical programme which should cover also the functioning of the NSS.

The statistical agencies of the NSS should, in accordance with the Statistics Law, enhance and support the role of their statistical units as members of the NSS under the coordination of INSTAT, in particular as contributors to the statistical programme and to the common statistical portal.

#### **4 GOOD PRACTICES TO BE HIGHLIGHTED**

INSTAT has made substantial progress in recent years in various directions and is on course to develop into a modern statistical agency. However, innovations or outstanding processes could not be observed so far which could be recommended to other NSIs.

## 5 LIST OF IMPROVEMENT ACTIONS BY PRINCIPLE OF THE CODE

### 5.1 Improvement Actions Principle 1: Professional independence

| Improvement actions  | Timetable        |
|--|------------------|
| <p>INSTAT shall promote amendments to the Statistics Law including:</p> <ul style="list-style-type: none"> <li>- the definition of an independent appointment procedure of the INSTAT Director General to enhance the public perception of institutional independence, both nationally and internationally.</li> <li>- provisions for the INSTAT Director General to have the necessary authority to carry out their professional responsibilities.</li> <li>- provisions for the INSTAT Director General to have the responsibility for ensuring that statistics are developed, produced and disseminated in an independent manner.</li> <li>- provisions for INSTAT to have sole responsibility for deciding on statistical methods, standards and procedures, and on the content and timing of statistical releases.</li> </ul> | 4Q2017           |
| <p>INSTAT shall do its utmost to improve its public image in order to build trust and to raise the public's perception of its professional independence. An important element of this recommendation should be for INSTAT to improve its working relationship with the media.</p> <ul style="list-style-type: none"> <li>a) Establish special website pages for media</li> <li>b) Development of a communication strategy with media</li> </ul>  | 4Q2013<br>2Q2014 |
| <p>INSTAT shall create a separate unit to handle the coordination of the NSS. This unit should report directly to the Director General.</p>  | 2Q2014           |
| <p>The agencies of the NSS shall, in accordance with the Statistics Law, enhance and support the role of their statistical units as members of the NSS under the coordination of INSTAT. In particular starting with 2015, a common statistical programme of the NSS shall be published and the common statistical portal shall give access to the statistical products of all agencies.</p>   | 1Q2015           |
| <p>INSTAT shall implement all outstanding elements of the current Statistics Law which have not yet been actioned. These include:</p> <ul style="list-style-type: none"> <li>a) the adoption of detailed rules of procedure and general functioning of the Statistical Council;</li> <li>b) the setting up of the Statistical Advisory Board; and</li> <li>c) establishing the coordinating activities of INSTAT within the Albanian NSS.</li> </ul>   | 1Q2014           |
| <p>INSTAT, in collaboration with the Statistical Council, shall</p> <ul style="list-style-type: none"> <li>a) produce publicly available Annual Reports about the fulfilment of the statistical programme in line with international standard practice, and</li> <li>b) shall honour the other reporting obligations specified in the Statistics Law.</li> </ul>   | 1Q2014           |

## 5.2 Improvement Actions Principle 2: Mandate for data collection

| Improvement actions   | Timetable |
|---|-----------|
| INSTAT shall raise the level of the financial penalties associated with businesses and households failure to respond to mandatory data requests.  | 2Q2014    |
| INSTAT shall achieve agreements with data custodians on the procedures for access to administrative data and to influence the future development of administrative registers to facilitate better statistical use.  | 4Q2015    |
| INSTAT shall improve data sharing practices through the implementation of two-way exchanges of data between the different parts of the national statistical system implemented through. <ul style="list-style-type: none"> <li>a) agreements about definitions and formats,</li> <li>b) establishing a repository of available data,</li> <li>c) enabling web services, and</li> <li>d) creating common databases.</li> </ul> | 2Q2016    |

## 5.3 Improvement Actions Principle 3: Adequacy of resources

| Improvement actions  | Timetable |
|--|-----------|
| INSTAT shall give a report to the Statistical Council which compares the 5-year programme and the requirements to achieve full adherence to European statistics regulations. This report shall also give an estimate of the additional budgetary means necessary to close the gaps.  | 2Q2014    |
| INSTAT, in its coordination role, shall help other statistical agencies to identify the additional resources required to meet European statistical regulations.  | 2Q2014    |
| INSTAT shall establish a comprehensive training plan as part of the human resource policy. Continuous vocational training of staff shall help to update skills and special training shall service the rapid growth in numbers of junior staff. Participation in training shall be valued in the career plan.                                 | 2Q2014    |
| INSTAT should play a stronger role in the coordinating activities related to the funding by international organisations. To this purpose, INSTAT shall establish a list of potential projects and assign priorities taking into account urgency and potential efficiency gains. This list shall be communicated to the international donors. | 2Q2014    |

## 5.4 Improvement Actions Principle 4: Quality commitment

| Improvement actions  | Timetable |
|--|-----------|
| A reference to the principles and commitments related to quality shall be given in the Mission Statement of INSTAT and a formal Quality Commitment Statement should be shown on a prominent place of the INSTAT website.               | 2Q2014    |
| A clear organisational structure shall be established for managing quality, in particular a centralised unit with the head of the unit acting as the quality manager and a quality committee which discusses regularly quality issues. | 1Q2014    |
| User groups shall systematically be established for all relevant topics as a basis for informing users and getting their feedback.   | 2Q2014    |
| Quality guidelines describing in detail the implementation of quality management within the statistical production processes based on the  | 2Q2016    |

| Improvement actions   | Timetable |
|---|-----------|
| Generic Statistical Business Process Model (GSBPM) or another equivalent process representation shall be developed. These guidelines have to take the situation of other producers within the NSS into account.       |           |
| A quality assurance plan shall be developed, describing working standards, formal obligations such as laws and internal rules, and a set of quality control actions covering all stages of the statistical processes. | 4Q2014    |
| Standard metadata reports (ESMS or similar) should be designed and produced. Ultimately, these should include quality indicators for all statistical products.  |           |
| a) The format of standard metadata reports and the schedule for the production of the reports shall be set up.  | 4Q2014    |
| b) The metadata reports shall be produced for all statistical products.   | 2Q2016    |
| Quality reports containing all relevant metadata and quality indicators shall be produced for all statistical products and made publicly available on the website.  | 2Q2016    |
| Systematic and regular quality reviews shall be planned and shall have a place in the statistical programmes for the coming years. The schedule for this action shall be set up.                                      | 2Q2014    |

## 5.5 Improvement Actions Principle 5: Statistical confidentiality

| Improvement actions   | Timetable |
|---|-----------|
| All staff members shall sign a commitment to confidentiality, including a declaration on non-disclosure of individual data, when recruited.   | 4Q2013    |
| A system shall be established to monitor the respect of guidelines and instructions on the protection of statistical confidentiality by researchers who are allowed to work with micro-data.          | 4Q2014    |
| INSTAT shall raise the level of penalties for staff and researchers for breaches of confidentiality.  | 3Q2014    |
| An IT-tool for monitoring the access to all databases, also in SAS, SPSS, MS Access and similar applications, shall be established.   | 3Q2014    |
| Documentation on access rights should be created.   | 3Q2014    |
| It is recommended that Article 58.2 is removed from the Law on BoA. While this recommendation is directed to the BoA, INSTAT, being the coordinator of the NSS, shall initiate the necessary actions. | 3Q2014    |

## 5.6 Improvement Actions Principle 6: Impartiality and objectivity

| Improvement actions   | Timetable |
|---|-----------|
| A revision policy shall be developed and made public, describing principles and guidelines for the producers.   | 4Q2014    |
| The policy on error treatment should be formalised and communicated.  |           |
| The advance release calendar shall contain the release dates of all statistical products, including press releases, of the NSS for at least the coming three months. The release time should be the same for all releases, and should only exceptionally be disrespected. | 4Q2014    |
| Guidelines for the conduct of press releases and press conferences shall be developed.  | 4Q2014    |

## 5.7 Improvement Actions Principle 7: Sound methodology

| Improvement actions  | Timetable |
|--|-----------|
| A strategy and a master plan shall be developed for the future use of administrative data sources and registers in the NSS in dialog with the relevant shareholders.   | 4Q2015    |
| INSTAT shall develop and document a strategy for improving the statistical methodology used by other producers of official statistics within the NSS.  | 4Q2014    |
| INSTAT shall co-operate closer with the scientific community through regular contacts, workshops, etc. to discuss methodological, IT, and innovation developments. A corresponding supplement to the statistical programme for 2015 shall be established | 4Q2014    |

## 5.8 Improvement Actions Principle 8: Appropriate statistical procedures

| Improvement actions   | Timetable |
|---|-----------|
| INSTAT shall develop, in cooperation with other agents within the NSS, appropriate statistical procedures for other producers of official statistics. A first step in this action is the establishment of a programme that comprehensively covers the needs of all statistical agencies of the NSS. | 4Q2014    |

## 5.9 Improvement Actions Principle 9: Non-excessive burden on respondents

| Improvement actions   | Timetable |
|---|-----------|
| The response burden shall be reduced by all means available by cooperating with businesses, by exploring and using administrative data. The development of a web form questionnaire is welcomed. First actions: | 4Q2014    |
| a) Implementation of a device for response burden measurement   | 4Q2015    |
| b) Routine wise application of the web form questionnaire   |           |

## 5.10 Improvement Actions Principle 10: Cost effectiveness

| Improvement actions   | Timetable |
|---|-----------|
| Standardised programmes and procedures for statistical processes shall be implemented. The development of a data warehouse is an important step in this direction and welcomed. | 4Q2015    |
| • Implementation of data warehouse  |           |

## 5.11 Improvement Actions Principle 11: Relevance

| Improvement actions  | Timetable |
|--|-----------|
| User groups shall be consulted for understanding user needs in detail and getting their feedback about potential improvements of statistical products. | 4Q2014    |
| • Establishment of five major user groups  |           |
| User satisfaction shall be measured regularly in a standardised way in order to be able to monitor its evolution over time.                            | 4Q2014    |
| • Implement regular user satisfaction survey   |           |

### 5.12 Improvement Actions Principle 12: Accuracy and reliability

| Improvement actions   | Timetable |
|---|-----------|
| Numerical indicators of quality such as sampling and non-sampling errors shall be integrated in the standard metadata report.               | 4Q2014    |
| A procedure shall be put in place for regular and standardised analyses of revisions in key statistical domains, notably national accounts. | 2Q2014    |

### 5.13 Improvement Actions Principle 13: Timeliness and punctuality

| Improvement actions  | Timetable |
|--|-----------|
| <p>A system for monitoring actual timing of releases compared to the release calendar shall be established. Statistics on delays shall be prepared and published in regular short reports, to be discussed by the board of INSTAT for potential corrections or adjustments of the statistical production processes.</p> <ul style="list-style-type: none"> <li>• First report on monitoring actual timing of releases</li> </ul> | 4Q2013    |

### 5.14 Improvement Actions Principle 14: Coherence and comparability

| Improvement actions | Timetable |
|---------------------|-----------|
|                     |           |

### 5.15 Improvement Actions Principle 15: Accessibility and clarity

| Improvement actions  | Timetable |
|--|-----------|
| The website of INSTAT shall be a national portal of official statistics with links to other producers of official statistics such as the BoA.  | 4Q2014    |
| The advance release calendar has to cover the dissemination times of all producers of official statistics.   | 4Q2014    |
| A dissemination policy shall be developed in agreement with all producers of official statistics.  | 2Q2015    |
| The website shall have special pages and services for important user groups such as the media and the scientific community.  | 4Q2015    |
| <p>a) INSTAT shall improve the contacts and communication with the media, by, a) organising special seminars for media</p> <p>b) providing them with specific services.</p> <p>c) Staff members who work together with media people should receive training on writing press-releases or on dealing with representatives of media.</p> | 2Q2014    |
| Information on the procedure of ordering custom-designed analyses, including prices, shall be offered on the INSTAT website.   | 4Q2014    |
| INSTAT shall develop training courses on metadata like those organised by Eurostat.  | 4Q2014    |

**6 ANNEXES**

**6.1 Agenda of the LPR**

## Light Peer Review, Agenda

Institute of Statistics, Albania

Final, September 13<sup>th</sup>

### Date and place of the LPR

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|       |                       |
|-------|-----------------------|
| Date  | September 10-13, 2013 |
| Place | INSTAT premises       |

### Assessment team

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|              |   |
|--------------|---|
| Eurostat:    | Mr. Torbioern Carlquist                   |
| GOPA-expert: | Mr. Peter Hackl ( <i>leading expert</i> ) |
|              | Mr. Tim Clode                             |

## Light Peer Review of the Albanian Institute of Statistics

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| <b>Day 1: September 10</b>        |  |   |
|-----------------------------------|--|---|
| 09:30 – 10:00                     | Welcome and introductory meeting with the top management of the Institute of Statistics of Albania | <b>Assessment Team</b><br>Top Management of INSTAT  |
| 10:00 – 11:00                     | Review of principles 1, 2 and 3 including coordination of the statistical system                   | <b>Assessment Team</b><br>Top Management  |
| <b>11:00 – 11:15 Coffee Break</b> |  |   |
| 11:15 – 13:00                     | Cont.: Review of principles 1, 2 and 3 incl. coordination of the statistical system                | <b>Assessment Team</b><br>Top Management  |
| <b>13:00 – 14:00 Lunch Break</b>  |  |   |
| 14:00 – 15:30                     | Review of principles 4 and 5   | <b>Assessment Team</b><br>Top Management  |
| <b>15:30 – 15:45 Coffee Break</b> |  |   |
| 15:45 – 17:00                     | Review of principles 6 and 15  | <b>Assessment Team</b><br>Top Management  |
| <b>Day 2: September 11</b>        |  |   |
| 09:00 – 10:15                     | Meeting with members of the Statistical Council of INSTAT  | <b>Assessment Team</b><br>Members of the Statistical Council  |
| <b>10:15 – 10:30 Coffee Break</b> |  |   |
| 10:30 – 12:00                     | Meeting with other producers of official statistics: Bank of Albania and Ministry of Finance.      | <b>Assessment Team</b><br>Representatives from Statistical Agencies<br>(Ministry of Finance, Bank of Albania) |
| <b>12:00 – 13:00 Lunch Break</b>  |  |   |

## Light Peer Review of the Albanian Institute of Statistics

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|                                   |   |  |
|-----------------------------------|---|--|
| 13:00 – 14:30                     |   | <b>Assessment Team</b><br>Representatives from users<br><br>Ministry of Environment, Forests and Water Administration,<br>Ministry of Interior, Ministry of Education and Science,<br>State Police, Ministry of Culture, Youth and Sports, Ministry<br>of Agriculture, Food and Consumer Protection, Ministry of<br>Health |
| <b>14:30 – 14:45 Coffee Break</b> |   |  |
| 14:45 – 16:00                     | Meeting with users: Business associations and others  | <b>Assessment Team</b><br>Chamber of Commerce and Industry, Tirana, Albania  |
| 16.00 – 17.30                     | Meeting with junior staff   | <b>Assessment Team</b><br>INSTAT junior staff  |
| <b>Day3: September 12</b>         |   |  |
| 09:00 – 10:00                     | Meeting with users: Scientific community  | Assessment team<br>Representatives from scientific community   |
| <b>10:00 – 10:15 Coffee Break</b> |   |  |
| 10:15 – 11:30                     | Meeting with users: International organisations   | <b>Assessment team</b><br>Representatives from international organizations<br>UNDP, ILO, Embassy of Sweden, IMF  |
| 11:30 – 12:30                     | Meeting with users: Media   | <b>Assessment team</b><br>Representatives from media   |
| <b>12:30 – 13:30 Lunch Break</b>  |   |  |
| 13:30 – 15:00                     | Meeting with senior staff: Detailed review and discussion of improvement actions with respect to all principles of the Code | <b>Assessment Team</b><br>INSTAT senior staff  |
| <b>Day 4: September 13</b>        |   |  |
| 09:00 – 11:00                     | Meeting with top management and EUD representative: Conclusions and recommendations including improvement actions           | <b>Assessment team</b><br>Top Management of the INSTAT and EUD   |

## **6.2 The Albanian Statistics Law**



REPUBLIC OF ALBANIA  
THE ASSEMBLY

**LAW**  
**No. 9180, date 5.2.2004**  
**“On Official Statistics”**

*Amended by:*

- *Law no. 21/1012 “On a amendment of the Law no. 9180, dated 5.2.2004 “On official statistics”;*
- *Law no. 7/2013 “On some amendments of the Law no. 9180, dated 5.2.2004 “On official statistics, amended”<sup>1</sup>*

In virtue of articles 78 and 83, point 1 of the Constitution, on the proposal of the Council of Ministers,

THE ASSEMBLY  
OF THE REPUBLIC OF ALBANIA,

DECIDED:

**Article 1**  
**Object**

The object of this law is the establishment of the legal framework for the collection, organization, production and dissemination of official statistics in the Republic of Albania.

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<sup>1</sup> This law is fully approximated with:

Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009, “On European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities”. CELEX No.: 32009R0223. (OJ L 87, 31.3.2009, p. 164-173)

## **Article 2**

### **Definitions and Abbreviations**

1. For the purpose of this law:

a) “statistics” shall mean information obtained by processing data in order to characterize collective phenomena in a considered population;

b) “official statistics” is the quantitative and represented information on the economic, demographic, social and environment situation in Albania, produced from or under authority of INSTAT, within the framework of the Programme of Official Statistics;

c) “*National Statistical System*” is the set of institutions and organizations that operate within the Republic of Albania who collect process and publish official statistics according to the Programme.”<sup>2</sup>

c) “Programme of official statistics” shall mean the Programme approved by the Parliament of the Republic of Albania.

d) “population” shall mean any set of statistical units, whether they are physical persons, legal persons, households or any other type of economic units;

dh) “production of statistics” shall mean all the activities necessary for the preparation, collection, storage, processing, compilation, analysis, interpretation and dissemination of the statistical information;

e) “dissemination” shall mean giving to users, regardless of the form and means used, statistical data, but avoiding disclosure of confidential data;

ë) “statistical units” shall mean, institutions, namely a natural person and household that, according to this law, is obliged to give statistical data to authorized statistical agencies;

f) “statistical agencies” shall mean authorities other than the Institute of Statistics that are specified in the Programme of official statistics, authorized to undertake activities relating to the production of official statistics;

g) “other statistical activities” shall mean statistical activity not included in the Programme of official statistics;

gj) “confidential data” shall mean data obtained by a statistical agency that allow statistical units to be identified, thereby disclosing individual information;

h) “statistical survey” shall mean collection of data from statistical units by asking them to provide information about themselves or their activities for use solely in the production of statistics;

i) “general census” shall mean the survey of every household or economic unit in the Republic of Albania, to which response is compulsory;

j) “minister” is the member of Council of Ministries who is charged for the monitoring of the work at INSTAT;

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<sup>2</sup> Amended by the Law no. 7/2013

2. Within this law:

- INSTAT shall mean the Institute of Statistics
- The Programme shall mean the Programme of Official Statistics.

### **Article 3**

#### **General Censuses**

Any General Census shall be included in the Programme but the conduct of such a census shall be regulated by a separate law.

### **Article 4**

#### **Principles of Official Statistics**

*To ensure public confidence in official statistics, INSTAT and statistical agencies should be guided by the principles of the European Statistics Code of Practice. The organization and the implementation of the Programme is guided by the following principles:<sup>3</sup>*

a) “Impartiality” which means the objective and independent manner of producing statistics, free from any political pressure or other interested group (stakeholders), particularly as regards the selection of techniques, definitions and methodologies best suited to the attainment of the defined objectives. It implies the availability of statistics with minimum delay to all users.

b) “Reliability”, is the characteristic of statistics to reflect as faithfully as possible the reality, which they are designed to represent. It implies that scientific criteria are used for the selection of resources, methods and procedures;

c) “Professional independence”, which means that when implementing the Programme, the staff of INSTAT or the statistical agencies are not allowed to seek nor get to take instructions from Government, other State authorities, political parties or any other interest groups, notably in the selection of data sources, statistical methods and procedures, in the contents, form and time of dissemination, and in the application of statistical confidentiality;

ç) “Non-excessive burden on respondents” which means that data collection should be limited to what is necessary to achieve the requested result;

d) “Cost-effectiveness” is the best possible use of all available recourses and the minimization of the burden on respondents. The work and the cost which the production of statistics requires should be in proportion to the importance of the requested result;

dh) “Statistical confidentiality” which means the protection of data related to single statistical units which are obtained directly for statistical purposes or indirectly from administrative or other sources against any violation of the right to confidentiality. It implies the prevention of non-statistical utilization of the data collected and unlawful disclosure;

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<sup>3</sup> Amended by the Law no. 7/2013

e) “Transparency” is the right of respondents to have information on legal basis, the purposes for which the data are required and the protective measures adopted.

#### **Article 4/I<sup>4</sup>**

##### **Statistical quality principles**

*To ensure the quality of official statistics and to maintain public confidence in them, INSTAT and statistical agencies should be guided by the following principles:*

a) *“Relevance”, which refers to the degree to which statistics meet current and potential needs of the users;*

b) *“Accuracy”, which refers to the closeness of estimates to the unknown true values;*

c) *“Timeliness”, which refers to the period between the availability of the information and the event or phenomenon it describes;*

ç) *“Punctuality”, which refers to the delay between the date of the release of the data and the date by which the data should have been delivered;*

d) *“Accessibility” and “clarity”, which refer to the conditions and modalities by which users can obtain, use and interpret data;*

dh) *“Comparability”, which refers to the measurement of the impact of differences in applied statistical concepts, measurement tools and procedures were statistics are compared between geographical areas, sectoral domains or over time;*

e) *“Coherence”, which refers to the adequacy of the data to be reliably combined in different ways and for various uses.*

#### **Article 5**

##### **The Publication of Official Statistical Data**

1. Official Statistics shall provide quantitative and representative information to the general public, parliament, government, other public authorities, economic, business and social organizations, research and academic institutions, and the media, in all cases both nationally and internationally. They shall reflect the true situation and shall distribute the results in impartial manner.

2. The necessary information to assess the quality of the official statistics, in particular the data on the methods used for producing statistics and on principles applied, shall be publicly accessible.

3. The governmental authorities and other groups mentioned in Article 4 (c) shall respect the principles set out in Article 4 and in this Article and these authorities are not allowed to influence the staff of the statistical agencies in the performance of their tasks.

#### **Article 6**

##### **The Programme of Official Statistics**

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<sup>4</sup> Added by the Law no. 7/2013

1. The Programme shall cover the statistical information necessary for the observation of the economic, social and environmental situation in the Republic of Albania, focusing on the phenomena which are essential for decision makers and honoring the citizens' right to official statistics. To realize the Programme it is necessary to take into consideration the relation between the costs and burdens on the one hand and the benefits on the other hand.

2. The Parliament approves the official statistical Programme which shall cover five calendar years. The Programme shall be published in the Official Gazette of the Republic of Albania.

3. The Programme shall include at least:

- a) descriptions of the main statistics and indicators to be made available;
- b) the institutions responsible for producing and disseminating *official statistics*<sup>5</sup>;
- c) the classifications that will be employed;
- c) the level at which the statistics and indicators will be available (national , prefecture, district and so on);
- d) the frequency with which the statistics and indicators will be available;
- dh) the year in which the statistics and indicators will be disseminated;
- e) for new statistics and indicators, the year in which they will first be made available;
- ë) the list of sources used to produce the statistics and indicators, in particular whether administrative data or surveys;
- f) the administrative sources, which means the records , the data and results that shall be passed to INSTAT and statistical agencies, the institutions responsible for these activities and actions, and the time limits for the actions;
- g) the list of surveys that must be conducted, the institutions responsible for designing and conducting them, the completed questionnaires, records, information and results that shall be passed to INSTAT and statistical agencies, and the time limits for these actions.

## **Article 7**

### **Role of the Institute of Statistics**

*1<sup>6</sup>. INSTAT is the main producer of official statistics in Republic of Albania and the responsible institution to coordinate the functioning of National Statistical System.*

*The coordinating activity includes:*

- a) collaboration with statistical agencies to design and implement the Programme;*
- b) ensuring the uniformity of methodology used during the implementation of statistical surveys;*
- c) providing the technical support in order to have a concordance between statistical activities and international standards;*

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<sup>5</sup> Amended by the Law no. 7/2013

<sup>6</sup> Amended by the Law no. 7/2013

*ç) controlling the implementation of statistical quality according to principles mentioned in the Article 4/1 of this law;*

*d) participating in creation processes of national statistics systems of electronic information;*

*dh) representation of National Statistics System in European Statistics System and international organizations and to maintain relations with NSI's of other countries.*

2. INSTAT shall be responsible for:

a) proposing the Programme to the Statistical Council;

b) securing the implementation of the approved Programme;

*c) ensuring that statistics in the Programme are developed, produced and disseminated according to the principles laid down in this law;<sup>7</sup>*

ç) ensuring that data required for the Programme are collected, processed, disseminated and stored using best professional practice, including scientific principles and professional ethics;

d) facilitating a correct interpretation of data in official Statistics;

dh) promoting the role and understanding of statistics in Albania;

e) ensuring that Official Statistics are made available on an impartial basis to all interested users;

ë) determining all statistical definitions, classifications and nomenclatures in official statistics, in compliance wherever feasible with international concepts and classifications;

f) maintaining up to date information on all relationships between Albanian statistical agencies and international agencies on matters relating to the actual or prospective Albanian official statistics; leading Albanian statistical representation in those relationships when requested and in all cases where the implications affect a number of Albanian Statistical Agencies;

g) creating, maintaining and updating any statistical register.

## **Article 8**

### **Tasks and the rights of the Institute of Statistics**

1. In pursuance of its responsibilities under paragraphs 7 (c) and (ç) INSTAT shall:

a) issue to all statistical agencies, make public and keep up to date, guidelines on professional standards in the production of official statistics,

b) examine the procedures for the production of statistics adopted by any statistical agency, and by any central and local institution.

c) approve from the beginning any statistical survey. The criteria for approval shall be:

i) the survey;

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<sup>7</sup> Amended by the Law no. 7/2013

- ii) avoidance, if it is outside the Programme, of any duplication with or adverse effect upon the Programme;
- iii) satisfaction that it will be conducted and the results analyzed and disseminated to professional statistical standards;
- c) collect, compile, analyse, disseminate and store data in accordance with responsibilities allocated in the Programme;
- d) prepare a draft five year Programme
- dh) prepare a draft five year strategic plan for INSTAT;
- e) prepare a draft annual budget proposal;
- è) prepare a draft one year operational plan for INSTAT;
- f) prepare a draft annual report of INSTAT;
- g) prepare and submit to the Statistical Council short four-monthly reports of progress in implementing the Programme;
- g)j) propose to the Statistical Council matters which that Council should consider discussing directly with the senior management of Statistical Agencies to ensure that any official statistics meet professional standards;
- h) prepare draft reports for consideration by the Statistical Council proposing action or decisions required by the Council of Ministers to ensure that any official statistics meet professional standards;
- i) arrange and chair a quarterly advisory meetings , involving heads of statistics departments of all ministries and statistical agencies that produce statistics, to discuss matters of professional interest: an appropriate meeting each year shall discuss desirable developments in the Programme and actions necessary to achieve those improvements;
- j) before the end of the calendar year publish a detailed calendar of dates on which particular official statistics will be disseminated in the following year, and the form of dissemination;
- k) seek to conclude memoranda of understanding with all Statistical Agencies and with holders of administrative records that are used in the production of the Programme, covering working arrangements and mutual obligations;
- l) to set forth specific criteria for professional skills to select the heads of statistical structures;
- ll) provide the secretariat for the Statistical Council;
- m) chair the National Commission on Nomenclature.

## 2. INSTAT may:

- a) request from statistical agencies information on progress with undertaking the tasks allocated to them in the Programme;
- b) request from ministries, central and local institutions access to administrative and statistics records over and above any rights of access specified in the Programme;

c) undertake any other activities that support its capacity to fulfill its responsibilities and tasks as specified in this law;

ç) undertake, or contribute to, analysis and research activities to which official statistics are a significant input.

## **Article 9**

### **Status and Financing of the Institute of Statistics**

1. INSTAT is a public legal person, *under Prime Minister*<sup>8</sup>  
*1/1.*<sup>9</sup> *The organizational structure of INSTAT shall be approved by the order of Prime Minister, based on the proposal of Statistical Council according to the letter (d) of the point 1, Article 11 of this law.*

2. The steering organs of INSTAT are as following:

- a) The Statistical Council
- b) The General Director

3.<sup>10</sup> *The General Director is appointed by Prime Minister after conducting a public recruitment procedure of the Statistical Council. The approach of implementation of this procedure, notification deadlines and criteria to evaluate candidates shall be determined by a specific decision of Council of Ministers.*

*After the implementation of this procedure, the Statistical Council shall propose the classified candidates to the Prime Minister, accompanied by all administrative documentation of the process.*

*The General Director shall be appointed for a period of five years, and may be reappointed once only.*

3/1<sup>11</sup> *Candidates for the General Director shall fulfill these criteria:*

- a) *Relevant professional qualifications;*
- b) *Has completed post-graduate studies;*
- c) *Experience in management functions for a period not less than 5 years;*
- ç) *To be known for him/her reputation and competence in the field of statistics;*
- d) *Have managerial and communication skills.*

3/2<sup>12</sup> *the General Director shall be dismissed by Prime Minister basing on Statistical Council proposal only when are met one or more of the following cases:*

- a) *Infringement of professional ethics;*
- b) *Serious administrative or abuse of power violation;*
- c) *Physical or mental infirmity that makes them unable to perform the functions of their office;*

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<sup>8</sup> Amended by the Law no. 21/2012

<sup>9</sup> Added by the Law no. 7/2013

<sup>10</sup> Amended by the Law no. 7/2013

<sup>11</sup> Added by the Law no. 7/2013

<sup>12</sup> Amended by the Law no. 7/2013

c) *If convicted by a court of final decision for the commission of a criminal offence;*  
d) *Identified deficiencies, serious or repeated professional misconducts. If there are identified deficiencies or professional misconducts, the decision of Statistical Council to propose the dismissing of general Director shall be available only if it is approved by at least 2/3 of Council's members.*

4. The servants of INSTAT, specialists and the managers enjoy the status of the civil servants, while for the other employees, the provisions of the Work Code should be implemented.

The recruitment of the INSTAT's staff should be done in compliance with the regulations stipulated in the law No. 8549 dated 11.11.1999 "On civil servants status".

5. The existing employees of Institute of Statistics, who work in the working positions considered as a part of civil service, shall be subject to a probationary period lasting one year from the date of this law comes into force.

6<sup>13</sup>. *INSTAT is financed by State budget and other legal incomes which are registered in the Treasury's System.*

#### **Article 10<sup>14</sup>**

##### ***The status and composition of Statistical Council***

1. *The Statistical Council is composed by seven members, who shall be appointed by the Council of Ministers, based on professional interests on official statistics, as well as on their knowledge of statistical methods, their use of statistics, or their provision of data for or other involvement in statistical production.*

2. *Members of Statistical Council are representatives of:*

a) *Bank of Albania (1 member);*

b) *Ministry of Finance (1 member);*

c) *Representatives of main users of official statistics (2 members);*

ç) *Academic world (1 members);*

d) *Civil society (1 member).*

dh) *Union Chambers of Commerce and Industry of Albania (1 member).*

3. *Members of the Statistical Council shall serve in a personal capacity. They shall be appointed for a fix term of up to five years, aiming at the completion dates of the term of each member to be spread evenly over the five-year period. Members may be reappointed once only.*

4. *Members of Statistical Council can be dismissed by Council of Ministers only on one or more of the following grounds:*

a) *repeated absence from meetings of Statistical Council;*

b) *conflict of interest with interests of INSTAT;*

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<sup>13</sup> Amended by the Law no. 7/2013

<sup>14</sup> Amended by the Law no. 7/2013

c) *physical or mental infirmity that makes them unable to perform the functions of their office;*

ç) *If convicted by a court of final decision for the commission of a criminal offence.*

5. *After member's dismissing, Council of Ministers approves him/hers replacement by a specific decision.*

6. *The Chairperson of Statistical Council shall not be representative or employer of any government ministry. The Chairperson is selected by members of Statistical Council; the appointment comes into force after approval by Council of Ministers.*

7. *Detailed rules on criteria and procedures of representation, selection, appointment and dismissing of members, as well as functioning rules of Statistical Council, shall be approved by Council of Ministers.*

#### **Article 10/I<sup>15</sup>**

##### **Statistical Council's Meeting**

1. *The Statistical Council shall meet at least three times per calendar year.*

2. *A quorum shall consist of at least five members.*

3. *Statistical Council's Secretariat shall be supported by INSTAT*

#### **Article 11**

##### **Role and tasks of the Statistical Council**

1. The role of the Statistical Council is to supervise INSTAT and to support INSTAT in its role of ensuring that the Programme is produced in accordance with UN Fundamental Principles of Official Statistics. To fulfill that role it shall undertake the following activities, in addition to its activities specified elsewhere in this law:

a) approves the Draft-Programme, the modifications made and through the Prime Minister or Minister submits it to the Parliament for approval;

b) approves the five year strategic plan for INSTAT, which shall include plans for the implementation of the Programme;

c) approves the one year operational plan of INSTAT;

ç) approves the annual project-budget plan;

d) approves the project-organizational structure of INSTAT;

dh) approves the annual report of INSTAT;

e) discuss quarterly reports of General Director, on implementation of the Programme;

ë)<sup>16</sup> *decides on and authorize an annual update to the Programme and inform the Council of Ministers and Albanian Parliament for modifications made;*

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<sup>15</sup> Added by the Law no. 7/2013

<sup>16</sup> Added by the Law no. 7/2013

f)<sup>17</sup> produces an Annual Report on National Statistical System function, including a report on the achievements of the Programme, to be presented to the Prime Minister and Parliament and to be publicly available.

2. In order to play its role, the Statistical Council shall:

a) discuss directly with senior representatives of the management of Statistical structures in the Ministries and other statistical agencies issues requiring the support or action of those agencies to ensure that any official statistics meet professional standards;

b) prepare or endorse reports to the Council of Ministers which require that Council's decision to ensure that any official statistics meet professional standards;

c) request an independent evaluation, assessment or audit, from outside experts, on a specific area of official statistics. The cost of this evaluation to be met from INSTAT's budget.

## **Article 12**

### **Tasks of the General Director**

The General Director shall:

a) prepare proposals for the organizational structure of INSTAT or for changing that structure, for approval by the Statistical Council, pursuant to the paragraph 1 (d), of the article 11 of this law;

b) propose the appointment of the staff at the director level, to be approved by the Statistical Council;

c) act as the representative of INSTAT in discussions and negotiations with third parties;

ç) prepares annual proposals for possible modifications of the Programme, that shall be presented to Statistical Council;

d)<sup>18</sup> repealed;

dh) attend all meetings of the Statistical Council and participate in discussions, but without the right to vote;

d) implement other tasks defined in the acts of the Council of the Ministers.

### **Article 12/1<sup>19</sup>**

#### **Statistical Advisory Board**

*The Head of INSTAT may propose to Statistical Council the establishment of a Statistical Advisory Board in order to discuss items related to National Statistical System. The Head of INSTAT, after arguing the concrete needs that institution has for specific issues, propose to Statistical Council the members, their duties and the working time.*

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<sup>17</sup> Added by the Law no. 7/2013

<sup>18</sup> Repealed by the Law no. 7/2013

<sup>19</sup> Added by the Law no. 7/2013

*Statistical Council presents the proposal to Council of Ministers for final approval of Statistical Advisory Board establishment. The Board shall be financed by INSTAT's budget.*

**Article 12/2<sup>20</sup>**

**National Commission of Classification**

*1. The National Commission of Classification performs updating and adaption of economic and social statistics classification in accordance with European and international statistics classification.*

*2. Establishment, composing, rules of functioning and the payment of members of this commission is decided by Council of Minister*

**Article 13**

**Duties and Tasks of other agencies**

1. All Albanian statistical agencies, central and local institutions contributing to statistics to be included in the Programme shall provide INSTAT all the documents and records necessary to allow INSTAT to fulfill its obligations under paragraph 1 (b), Article 8.

2. All Statistical Agencies shall:

- a) give to INSTAT any information requested under paragraph 2 (a), Article 8;
- b) fulfill all obligations placed upon them in the Programme;
- c) keep INSTAT informed of their contacts relating to statistics with international agencies.

3. All central and local institutions shall give INSTAT access to registers, data files, and to data collected, processed and stored in the domain of their respective responsibilities, to the extent that it is necessary for the production of statistics, thus avoiding response burdens on the statistical units.

4. No charge shall be made to INSTAT for any of the duties undertaken by other agencies in connection with paragraphs 1, 2 and 3 of this article.

*5<sup>21</sup>. All public institutions are obliged to inform INSTAT for creating any new documentation with administrative data or for changing the existing one, as well as shall give accession to INSTAT to use these data only for statistical purposes.*

**Article 14**

**Rights and Obligations of Statistical Units**

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<sup>20</sup> Added by the Law no. 7/2013

<sup>21</sup> Added by the Law no. 7/2013

1. Statistical Units called upon to provide information for producing statistics within the Programme shall be informed about the purpose and scope of the survey, their rights and obligations, and the measures to be taken to ensure statistical confidentiality.

2. Statistical Units, called upon to supply information for the Programme as enterprises, institutions, physical and legal persons shall supply the information requested completely and truthfully to INSTAT or other statistical agency, whichever is stated in the Programme. The information shall be provided in the form requested, within the time period requested and free of charge.

### **Article 15<sup>22</sup>** **Confidentiality**

1. Data taken from publicly available sources shall not be considered confidential.

2. Data collected, processed and stored for the production of official statistics shall be treated by INSTAT, statistical agencies and any organization or person mandated by them, as strictly confidential when they allow statistical units to be identified, either directly or indirectly, thereby disclosing individual information that has not already been made public on other grounds. *All employees of the bodies/controllers mentioned in the first paragraph of this point, who are aware about the data they use during they daily work, are obligated to maintain the confidentiality of reliability even after the end of their working function.*

3. *Direct identification means when a statistical unit is directly identified from its name or address or any officially allocated and commonly known identification number. When data processing is made in a manner that allows the identification of the data subject, the data should immediately be encrypted in order for the subjects to be no longer identifiable.*

4. Indirect identification is the possibility of deducing the identity of a statistical unit *other than direct identification*. To determine whether a statistical unit is indirectly identifiable, all means shall be taken into account all measures that might reasonably be used to identify the said statistical unit. To aid protection against identification, aggregates shall normally comprise at least three units and the share of one unit in an aggregate must not normally exceed 85% of the total.

5. All individual data collected from statistical units for the production of official statistics shall be used only for statistical purposes. These data shall be published only when grouped together and shall not be used for taking any administrative decision, including decisions relating to fiscal control or juridical investigations.

6. Access to confidential data shall be limited to persons who in the performance of their tasks contribute to the production of official statistics and to the extent that access to these data is necessary for the production of the said statistics. Access for scientific research purposes shall be limited according to the paragraph 7 of this article.

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<sup>22</sup> Amended by the Law no. 7/2013

7. Access to confidential data for scientific and research projects may be granted by the General Director of INSTAT for a limited period, provided that the data concerned do not allow direct identification. The recipient must sign a contract with INSTAT by which:

- a) there is an assurance that the envisaged results will not refer to identifiable units or allow indirect identification;
- b) the standard of protection of confidential data within the research project is assured;
- c) there is an obligation to destroy the data once the project is terminated, with written notification of that destruction to INSTAT.

8. *The official statistics shall not be given out to users disclosing this way confidential data.*

9. The institute of Statistics and other Statistical Agencies take all necessary , technical, organizational measures for the security of the protection of the confidential data from every illegal entrance, discover or use of the confidential data.

10. *After complete processing of data collected via paper questionnaires, and not earlier than one year after the publication of official statistics produced by the data processing, the questionnaires shall be burned under the supervision of committee set up by INSTAT.*

## **Article 16**

### **Link of the official statistics with the administrative data**

1. INSTAT defines the statistical methodologies to be used for the production of the administrative statistics.

2. INSTAT makes public and functional the guidelines on the professional standards for production of the official statistics.

3. INSTAT shall be informed on every statistical survey including even those that are out of the Programme, which will be undertaken, by any statistical agency or central and local institutions.

4. INSTAT has the right to take and to use the administrative statistics and is obliged to spread them out accordingly with the official statistics Programme. Producers of the administrative statistics should transmit these statistics with the request of INSTAT.

## **Article 17**

### **Dissemination**

1. Official Statistics shall be disseminated in such a way that all users have equal and simultaneous access.

2. All appropriate media to reach users may be used.

3. INSTAT and statistical agencies having responsibilities in the Programme for dissemination shall seek to meet requests from any organization or individual for non-published data or special analyses.

4. Charges may be levied for any dissemination activities. All agencies making charges shall publish their charging schemes.

## **Article 18 Penalties**

1. Non-compliance with the obligations set out in paragraph 2 of article 14 shall be considered an administrative offence subject to a fine, provided that the infraction does not constitute a criminal offence as following:

a) Physical or legal persons and heads of institutions who fail to comply for the first time shall be subject to a fine of up to 5000 Lek. Subsequent offences shall be subject to a fine of from 5000 Lek to 25000 Lek for each offence. The titular of the public institutions shall be subject to the fine for the offence of the confidentiality by them.

b) The offence of the confidentiality by an employee even after the cessation of their employment or by a third party who has been given access to the data for research purposes shall be subject to a fine from 20000 lek up to 25 000 lek

2. The fine shall be imposed by:

a) Head of Division if the information is requested by INSTAT;

b) Agency's Head of Statistics, if the information is requested by a Statistical Agency;

c) Head of Division if the person is an employee or ex-employee of INSTAT or any third party;

d) Agency's Head of Statistics if the person is an employee or ex-employee of the statistical agency

3. Appeals against the fine may be made to the General Director of INSTAT within ten days of the date of announcement or publication of the penalty, who should be responded within 30 days. Appeals against the decision of the General Director or in the case when he doesn't give any answer may be made to the Court within 30 days from the day of the decision declared or from the non response.

4.<sup>23</sup> *The incomes taken from fines goes 100% to the State budget.*

## **Article 19 Final Dispositions**

Within 1 year from the entry into force of this law, the Council of Ministers shall issue implementing sub-laws in compliance with the general principles provided at article 10, paragraph 1, 2 of this law.

## **Article 20**

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<sup>23</sup> Amended by the Law no. 7/2013

The law no. 7687 dated 16.03.1993 “On Statistics in the Republic of Albania” and any other disposition that is in opposition with this law is abrogated after this law legally comes into force.

### **Article 21**

This law comes into force on the 15th day following its publication in the Official Gazette of the Republic of Albania.

**CHAIRMAN OF PARLIAMENT  
SERVET PELLUMBI**