The French system
of official statistics

For the past quarter-century, *Courrier des statistiques* has been providing a steady flow of information on the French system of official statistics—its missions, organization, and main operations. These detailed, documented articles are aimed at a readership of professional statisticians and proficient users. But they do not suffice to provide an overall view. The purpose of this special issue\(^1\) is to offer a new general description of the system—to update and supplement the more concise overview published in *this* journal just under a decade ago.\(^2\)

The updated description centers on INSEE and the 19 ministerial statistical offices (MSOs) (*services statistiques ministériels*: SSMs). However, this set of bodies does not hold a monopoly in official-statistics production. Some data are also generated by the management activities of institutions whose core mission is not to produce statistical information.\(^3\) The compilation of this document was made possible by the establishment of a special unit in INSEE’s Directorate for Statistical Coordination and International Relations (DCSRI): a statistical support mission tasked with supplying cross-functional tools to the official statistical system. This new overview has become all the more necessary given the abundance of unit creations and restructurings in the ministerial statistical offices in recent years. A wide range of areas have been involved: social protection, environment, infrastructure, transportation, crafts industries, small businesses, youth affairs, sports, tourism, and more. The momentum for a large share of these changes has been provided directly by the recommendations of Edmond Malinvaud’s 1997 report on The “statistics and economic studies” function in general-government departments.

External demand is also on the rise. Economic globalization is stimulating an ever greater interest in the statistical data and systems of other countries. The phenomenon is particularly visible in the European Union, where the statistical harmonization process begun years ago is gathering speed with the advent of Economic and Monetary Union. The French statistical system and its evolution is eliciting strong interest from our partners in OECD (Organisation for Economic Cooperation and Development). The same may be said of the countries of

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3. These institutions are listed on pages 36 and 37.
central/eastern Europe and of the South, with which INSEE and French MSOs are engaged in intensive technical cooperation.

True to the Courrier tradition, this issue seeks to give precise, operational information for statistics professionals—which is why we are dedicating it entirely to the description of our statistical system. However, to satisfy the demand for information from abroad, the authors—Yves Detape and Jacqueline Simon-Lacroix—have prefaced the detailed descriptions of INSEE and each ministerial statistical office with a more summary section, to give the reader a better understanding of the general workings of the French system. By international standards, the French system effectively displays a number of original features. Some relate to our approach to issues of concern to all statisticians. Others are rooted in our organization and history: the role of the National Council on Statistical Information (Conseil National de l’Information Statistique: CNIS); the existence of economic-studies units at INSEE and in several MSOs, which creates a proximity between producers and users; and the crucial role of selective schools (grandes écoles) that train management-level staff for the entire official statistical system.

This issue is designed as a reference document, but it deals with a changing reality and can thus provide only a snapshot of the system at the time of writing. Accordingly, we have planned regular updates on the CNIS websites, in order to make the information available to a potential audience far wider than the Courrier readership. We hope this will contribute to information transparency for the largest possible number of users and to a better understanding of the French statistical system. In conclusion, I wish to thank the authors for their painstaking work, and all the heads of statistical offices whose participation in this project has been informed by the very spirit of a decentralized system.

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INSEE
Head of Statistical Coordination and International Relations Directorate
General framework

In France, official statistics are produced by statistical offices located in government departments. These offices display a relative consistency, due both to their functions and to the rules under which they operate.

The official statistical system (OSS) collects the data needed to compile quantitative results. In this capacity, it undertakes censuses and surveys, manages databases, and also draws on administrative sources.

The OSS produces quantitative information that constitutes the official data on which public debate will center. It constructs and computes the main indices and indicators for assessing the population’s demographic, economic, and social conditions.

The OSS analyzes the quantitative information at its disposal and uses it as the input for the studies needed to interpret the results obtained.

The OSS gives access to the full array of economic and social information that it compiles. For each user group (government bodies, businesses, researchers, teachers, journalists or individual citizens), the information produced is sold or made available free of charge in paper format, on computer media (floppy disks or CD-ROMs) or electronically (Internet or Minitel videotext network).

Among the system’s constituent units, INSEE (Institut National de la Statistique et des Études Économiques: National Institute of Statistics and Economic Studies) plays a central role, ensuring overall coherence. In addition to INSEE, there are about twenty ministerial statistical offices (MSOs) in central government, which share in the responsibility for generating and disseminating economic and social information.

In carrying out these missions, statistics producers in public agencies operate under a unified corpus of rules. The basic legislation on official statistics is Act 51-711 of June 7, 1951, on the obligation to respond, statistical coordination, and statistical confidentiality. Despite later amendments and updates, the Act remains a brief document and its spirit has changed little. It spells out the broad principles for ensuring the quality of official statistical output. Its interpretation and supervision are delegated to the National Council for Statistical Information (Conseil National de l’Information Statistique: CNIS). A consultative body bringing together statistics producers and users, CNIS operates alongside INSEE.
1 - Five original characteristics

France’s official statistics system (hereafter: OSS) possesses five characteristics that strongly shape its organization and operation: three of them—its distribution, coordination, and research/analysis capabilities—set it apart from the other European statistical systems; two other characteristics (see §D and E below) are more specific to the statistical function in French public administration.

A - A wide distribution throughout central government

Public-sector statisticians operate in nearly all government ministries, in many public agencies, and even in private-sector institutions in charge of public-service missions. Among these entities, INSEE and the ministerial statistical offices1 (hereafter: MSOs) form the “hard core” of official statistics. Their spheres of competence are very diverse—from sports to foreign trade. To carry out its missions, the official statistical system (INSEE and MSOs) employs 10,000 people, of whom about two-thirds at INSEE. The Institute is the system’s centerpiece and has the larger share of the workforce because of its regional facilities. The OSS is said to be “functionally decentralized.” It also maintains a tangible presence in French regions, described as “geographic deconcentration” (déconcentration géographique).

● INSEE

INSEE is a government body (administration publique) classified as a Directorate General of the Ministry of Economy, Finance, and Industry. Its members are central-government employees (agents de l’État), regardless of whether or not they possess civil-servant (fonctionnaire) status. INSEE is subject to government accounting rules. The public funds it receives appear in the central government’s general budget, and it is authorized to collect the proceeds from the sale of its publications and from contracting work performed on behalf of public- and private-sector organizations.

INSEE missions

INSEE’s terms of reference give it a special position within the Ministry of Economy, Finance, and Industry. The Ministry’s other directorates have executive or supervisory responsibilities and are the instruments of government policy-making and policy implementation. INSEE, by contrast, serves as a provider of information and analysis, both for private-sector economic agents and for government authorities. In other words, it is essentially a technical organization.

INSEE’s long-term missions may be classified under the following headings:

- coordination of the French statistical system at the national level
- representation of French statistical institutions at the European and international levels
- production of demographic, economic, and social statistical information
- economic and social analyses and studies
- dissemination of information produced by itself or other agencies
- enhancement of statistical and economic competencies through teaching, research, and technical cooperation outside the European Union (EU).

INSEE’s remit therefore extends beyond its in-house operational activities, i.e., its own production. It also encompasses the economic and social information apparatus run or funded by the government, an apparatus that INSEE is responsible for managing and coordinating.

INSEE structure

INSEE comprises a head office in Paris and regional locations, typically in the regional “capitals” (chefs-lieux): 22 regional offices (directions régionales) in metropolitan France and 2 overseas (Réunion and Antilles-Guyane [West Indies-French Guiana]).

The head office coordinates the statistical system, defines national programs, and manages the Institute’s resources. It is organized by broad field, including: demography and social statistics; economic studies; business statistics; coordination and international relations.

The regional entities participate in all INSEE missions. They serve as echelons for gathering basic information, as analysis units, and as centers for the regional dissemination of economic and social statistical information.

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1. INSEE and the MSOs are the only ones described in this issue. For a list of other statistics-producing organizations, see page 33.
Task-sharing in the official statistical system

The division of labor between units of the official statistical system is largely determined by history. The classification below is highly simplified and describes only part of the actual task-sharing between INSEE and the MSOs.

Production system

In the field of business statistics, INSEE manages the registers and coordinates surveys (concepts, questionnaires, methods, etc.). It defines the economic activities of enterprises and coordinates the survey launch files. INSEE tracks producer prices in all industries.

The MSOs track the units and markets in their respective spheres of competence. The MSOs conduct the annual enterprise surveys (enquêtes annuelles d’entreprise: EAEs or European structural surveys) that collect the operating accounts of enterprises (20 or more employees in the goods-producing industries). They are organized around a common core (questionnaire and processing operations) and constitute the Eurostat structural surveys in France. The MSOs carry out the production surveys in each industry (enquêtes de branches: EBs) that feed the European database on markets for manufactured products (PRODCOM) and the specialized surveys in the MSOs’ respective industries. INSEE itself conducts the statistical surveys on the tertiary sector (excluding transportation), as the MSOs with responsibility in these areas do not gather data. In the Customs Service, the “statistics and economic studies” bureau provides trade data, which complement the market data.

These sources are used side by side with a variety of specialized tools, for example on farmers and farming concerns, on transportation vehicles and their uses, on financial structures, on energy consumption, and so on. These tools are generally administered by the MSO in the relevant field.

Business surveys are often conducted by mail, a method that has fostered the growth of these surveys in the MSOs. The surveys are now beginning to be carried out via the Internet.

Demographic and social statistics

INSEE performs censuses and surveys of households. For example, it conducts the “employment” survey, the French version of the European labor-force survey. It collects information on consumer prices and calculates the consumer price index. Household surveys are usually carried out by interviewers, and INSEE, which operates a permanent network of interviewers, has proved to be the entity best-equipped to perform these surveys. Lastly, INSEE extracts data from tax and social-contribution files.

The MSOs, instead, are in charge of compiling statistics on individuals, public-sector units, and private-sector units that fall within the spheres of competence of their respective ministries. Tasks are distributed by administrative area. DARES (labor and employment) tracks wages, working conditions, the unemployed, and subsidized jobs. DREES (healthcare and social protection) produces statistics on hospitals, healthcare workers, and the population’s health conditions. The Justice Ministry MSO collects information on court activity, delinquents, inmates, and penal institutions. The MSO at the Civil-Service Ministry monitors public-sector employment and the compensation of government employees.

Economic analysis

INSEE is in charge of the national accounts, the analysis of current economic conditions, and short-term forecasting. The only other entity whose terms of reference overlap is the Economy Ministry’s Forecasting Directorate. Its work, however, centers more on the preparation of the central-government budget and on meeting the Ministry’s in-house requirements.

While INSEE is responsible for short-term analysis, we should point out that INSEE collects only part of the current economic data by itself: prices, business and household confidence surveys, and the labor-force survey. INSEE does its own processing of administrative data from tax forms on business sales and data on social-contribution receipts. But, for example, data on industrial production, jobs, unemployment, and wages are collected and published by the MSOs. In many cases, it is INSEE that computes the indices, harmonizes sources, and performs benchmarking and seasonal adjustment.

For medium- and long-term analysis, INSEE has most of the required instruments at its disposal, through the processing of administrative sources, many of which—such as tax returns—have an annual periodicity.
MINISTERIAL STATISTICAL OFFICES

Whatever the scope of their missions, all ministerial statistical offices have at least four duties:

a) In their own areas, they are responsible for implementing the amended 1951 Act on statistical confidentiality, coordination, and the obligation to respond. They represent their ministries at the CNIS (National Council for Statistical Information). They participate in concept development, methodological choices, and statistical coordination. Since 1986, legislation has given them broad access to administrative sources for statistical-processing purposes.

b) They apply EU rules and maintain regular contacts with Eurostat (the Statistical Office of the European Communities).

c) They liaise between their ministries and INSEE on all statistical matters that fall within the their ministries’ spheres of competence (surveys, publication of results, exchanges of information) and for the management of professional statisticians (cadres-statisticiens) assigned by INSEE. The latter account for a major proportion of the managerial staff and about one-fourth of the total workforce.

d) They disseminate and comment on the information they possess. This constant practice—which has become a rule—guarantees a wide access to economic and social information by citizens and specialists (professionals, research organizations, journalists, researchers, teachers, and students). It also allows a strict enforcement of statistical confidentiality in statistical publications and dissemination.

By contrast, the tasks performed by MSOs are very diverse: this is due not only to the spheres of competence, but also to the specific history of these organizations. The MSOs differ sharply with respect to eight activities: data collection, involvement in management, analytical capability, information technology, assessment role, participation in forecasting, decision-making assistance, and research guidance. Depending on the office, these activities may range from non-existent to highly important and closely linked to daily operations.

The same variety also exists in size and organization. The statistical office of the Agriculture Ministry, the largest of all, has a staff of almost 650, because it maintains facilities in each département as well as in each region. Five large MSOs have regional statistical units and a sizable workforce (about 250-400 people): Customs, Education-Research, Infrastructure-Housing-Transportation, Health-Welfare and Labor-Employment-Continuing Education. Of the larger statistical offices, only Industry lacks a regional or local presence, but it nevertheless employs about 250 persons as well. The statistical offices of the Justice ministry (ca. 80 personnel) and the Environment ministry are mid-sized. Ten other statistical offices (Wholesale/Retail Trade-Craft Industries-Services, Communication, Culture, Defense, Energy, Civil Service, Local Government, Fisheries, Youth Affairs-Sports, Tourism) have small staffs (6-40 people).

Advantages of functional decentralization

Each MSO possesses a specialized competency in the administrative sphere to which it is linked via its ministry. This system offers advantages in terms of efficiency and responsiveness. Inside a ministry, it is easier for a specialized statistical office than for an outside entity to process for statistical purposes the documents initially designed and collected for administrative use (such as tax and customs forms). The “in-house” office is also in a better position to perceive user demand and to be informed of developments affecting the environment in which it collects statistics. Lastly, there are closer ties with the institutions that use and study the information gathered, and with government decision-making centers. The statistical offices are thus well-poised to meet demand.

Moreover, thanks to the opening of careers across the OSS, professional statisticians can find fields of interest across a wide range of economic and social issues. This has a positive impact on career opportunities and facilitates mobility.

B - Strong coordination

Official-statistics production is institutionally coordinated by the National Council for Statistical Information (CNIS). INSEE contributes to the consistency of the statistical system by acting as the CNIS secretariat and administering technical and human resources.

The consultative function of CNIS

CNIS’s consultative role was patterned on the model used for “French-style planning” in the 1950s-1960s. CNIS’s modus operandi transposes this historical French tradition to the field of statistics. In its planning work, the Commissariat Général au Plan, as well, extensively involves the “social partners” (employers and labor) in consultations with government.

CNIS represents social partners and statistics users. It voices their demands and needs in regard to statistics production and dissemination. It discusses the statistical program and monitors the enforcement of regulations (obligation to respond and confidentiality). As the users’ representative, CNIS issues an opinion on an annual program and makes medium-term proposals. As a rule, these opinions are very scrupulously heeded—admittedly with occasional delays due to the time needed to set up the appropriate resources.

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2. On the 1951 Act and the role of CNIS, see §2 below, “Legal and institutional framework of official statistics”.
4. For workforce sizes, see table page 38.
The obligation for producers to justify their projects and methods before the Council is a powerful deterrent to potential drifts in “functional decentralization.” Decentralization raises the risk of redundancy, gaps, and inconsistencies. If each producer office were concerned only about its own work and disregarded the needs of other offices or the information available there, the MSOs could compile similar but not necessarily convergent statistics. At the same time, the offices would not make full use of the available sources, and some fields might not be covered. That is why France has set up a powerful coordination system to cover all the needs of the community and to maintain a unity of concepts, methods, and practices (most notably in the ethical area).

Coordination via INSEE

In addition to its production activities, the Institute coordinates statistical operations in three ways:

- It manages registers (national register for the identification of individuals; register of enterprises and local units).
- It defines classifications (classifications of activities and products; official geographic code; classification of occupations and socio-occupational categories).
- It determines the accounting and conceptual frameworks (national accounts; satellite accounts).

People

INSEE and MSO employees who belong to the “civil-service statisticians” cadre5 are managed by INSEE, which supervises their training and careers. The resulting unified career management is an important coordination tool. INSEE organizes the mobility of its managerial staff with a view to ensuring the transmission of skills throughout the official statistical system. Managerial mobility across the entire system is a means of disseminating the methods used and of ensuring their consistency.

C - Combining research/analysis capabilities and statistical production

Economic and social information is not fully conveyed by statistics. Analysis and interpretation are needed as well.

INSEE publishes studies that present results drawn from the statistics it compiles: the Institute shows how the findings mesh with public concerns. The wealth of information gathered in censuses and surveys, or culled from administrative databases, provides abundant raw material. In addition to publications of a national scope, INSEE, with its regional offices, is particularly well-positioned to conduct local studies.

The ministerial statistical offices have promoted a similar expansion of analytical work for the past twenty years. At the outset, statistical analysis and production were handled by separate units. The present trend is to merge study units—whatever their type—with statistics-producing units. The division of labor in the MSOs is increasingly organized by topic (wages, employment, social exclusion, etc.) rather than function (collection, studies, research, assessment). Two current examples concern labor and health. Research and assessment are increasingly entrusted to the MSOs. Statistics directorates in the field of health and welfare have a recognized role in performing and commissioning studies. They promote, supervise, and coordinate research. They sit on the boards of directors and the scientific councils of the leading research organizations. When stipulated by law, they are in charge of drafting assessment reports for Parliament. One recent example is the monitoring of the implementation of new laws on flexible working hours and the shorter work week.

Statistics and studies

Studies prepared for general-information purposes—irrespective of whether they provide a historical perspective or a summary discussion of a given topic—obey the same logic of objectivity and impartiality as statistical production itself. They are enhanced by the use of statistical-mathematics techniques.

The combination of data-gathering and studies has a positive impact on the quality of data collection and dissemination. The analysis of results is an opportunity to verify the precision and relevance of the figures. Analysis also offers a chance to stimulate interest in the results of the data-gathering operation among the public and survey respondents. It strengthens the credibility of official statistics and encourages survey response. These lessons have substantially influenced the administrative reforms of statistical offices and study units in recent years.

The “studies” function of government bodies is also designed to prepare and assess public policies. These studies—which encompass advisory work, implementation, and evaluation—must follow rules other than those applied to general-information studies. They require confidentiality at some stages and cannot be presented in the same context as general studies, for they are largely focused on calculation assumptions.

(based on the report by Edmond Malinvaud on the “statistics and economic studies” function in central-government departments, January 1997)

5. Inspecteurs généraux, administrateurs chargés de mission, and attachés of INSEE.
D - A clearcut international involvement

France’s official statistical system contributes to the development of concepts and data at the European and global levels through its presence in international organizations. There is an abiding concern to produce data suitable for international comparisons. For the U.N., “official statistics provide an indispensable element in the information system of a democratic society [...]” In addition to recommendations on dissemination quality, transparency, the impartial, scientific character of statisticians’ work, and ethical rules, the U.N. notes that “the use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems.”

Even more, European harmonization has a strong and very direct influence on the workings of the French official statistical system. Most OSS components (INSEE and the ministerial statistical offices) are statistical organizations as defined by EU statistical law (Regulation 322-97). As such, they are in charge of relations with the international organizations and constitute the national authority for the production of Community statistics in their spheres of competence. INSEE represents France at the SPC (Statistical Programme Committee: see box p. 11), where it submits French contributions to the construction of EU statistics.

The OSS also participates on a regular basis in international cooperation work via assistance, training, and support missions. INSEE helps design and implement multilateral cooperation programs under the aegis of international organizations such as Eurostat, United Nations institutions, the World Bank, and the International Monetary Fund (IMF). It manages bilateral and multilateral relations in the field of technical cooperation—a key channel for disseminating OSS know-how. These cooperative arrangements were strongly focused on African countries and Latin American partners at the outset, but they have since been gradually extended to the central/east European countries applying for EU membership, then to China and the Commonwealth of Independent States (CIS). France was the driving force behind the creation of Afristat, the economic and statistical observatory of sub-Saharan Africa—comprising the CFA franc zone countries plus Mauritania.

E - Strict legislation and ethical practices

Limiting the response burden

While responses to government surveys are compulsory, this requirement is offset by the concern to limit the response burden for individuals and enterprises. All mandatory surveys are covered by an arrêté, i.e., a simple regulatory decision taken by the ministries concerned. The existence of a consultative body (CNIS) and the amalgamation of mandatory surveys into a single document (with rare exceptions) prevent survey redundancy and an undue burden on respondents. The recent trend is an increasing reliance on administrative sources. The law allows data acquisition from government agencies (tax authorities, civil registration, social insurance) for statistical purposes, as well as data exchange between statistical offices. All this is encouraged by an overall policy of “administrative simplification,” i.e., cutting red tape in a wide range of areas.

Adapting to user needs

The OSS is organized to allow a continuous adjustment to user needs without legislation. This ongoing effort to satisfy demand confers strong legitimacy upon the work of official statisticians. While the legislative framework is stringent on data-protection issues, the choice of statistical programs is largely shaped by the practice of consultation between government departments and users at CNIS. Lawmakers have little say in statisticians’ work, except to request the production of specific indicators (price index excluding tobacco, Maastricht convergence criteria, etc.)—but without barring the production and dissemination of other statistics. Adjustments to user needs are achieved with the resources allocated to each ministry’s individual budget.

Data protection

Data collected or used by the OSS are protected by the 1951 Act and, in particular, by the statistical-confidentiality rule. Moreover, if the data concern private individuals, the provisions of the 1978 “Information Technology and Civil Liberties” Act (Informatique et Libertés) apply as well.

Clarity of concepts and methods

INSEE and MSO methodologies and working practices are available in their publications and often discussed with social partners at CNIS meetings. This transparency facilitates the debate over figures and ensures that users and the general public are properly informed. However, in some exceptional cases, a secrecy rule may be applied to guarantee the quality of the results. One example is the confidentiality of the list of products tracked by the consumer price index, to protect the index from manipulation. In such cases, secrecy may even be legally recognized.

Staff professionalism

France’s public-sector professional statisticians (cadres-statisticiens) are recruited from among higher-education graduates on a competitive entrance exam; high standards are required in mathematics, economics, and
general knowledge. They then receive the same training as future statistician-economists of the private sector. All categories of OSS employees attend continuing-education programs during their careers. Staff skills are defined to ensure the quality of the work performed and maintain public confidence in the published results.

**Independence of statisticians**

INSEE and MSO employees have a civil-servant or quasi-civil-servant status, which shields them from political pressures and economic lobbies, thereby guaranteeing their independence. Confidentiality rules are not circumvented, nor are there any attempts at misleading presentations of results. The resources needed for official statistics are appropriated through a specific budgetary procedure for each ministerial department. The positions held by INSEE civil servants assigned to MSOs are funded under special rules in the central-government budget.

Thanks to compliance with regulations and ethical codes, the legitimacy and credibility of the official statistical system are recognized by the public and by statistics users. The OSS inspires trust, as regards the protection of respondents’ interests, the rigor of the processing operations, and the quality of the results. INSEE’s role is recognized, and this gives it—among other things—the moral authority to disseminate the use of its registers throughout the central government apparatus and the social-protection system. And the effort to satisfy user demands is a stimulus to renewal. The responsiveness of the French statistical system is made possible by its size and its extensive opening to the outside world.

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**How European institutions function in the statistical area**

Within the European Union Council, 1 statistical issues are handled by ECOFIN, i.e., the Council of Economy and Finance Ministers of the Member States. Except for procedures relating to the status of the European Central Bank (ECB), decisions pertaining to statistics are taken by the Council under the procedures covered by article 251, i.e., co-decision. Statistics production is conducted under a program, which is a “decision” applicable to the Member States. The statistical program is presented by the Commission, approved by a qualified majority of the Council, and passed with identical wording by the European Parliament. Nevertheless, the Council may delegate executive powers to the Commission: in that case, the program is approved by the Commission, usually assisted by a “committee”—which, for statistical matters, is the SPC (Statistical Programme Committee). Committee decisions have regulatory force and the matter will not be raised with the Council again unless the Committee fails to approve the measures proposed by the Commission. This procedure has been used for major issues such as the interpretation of ILO-defined unemployment and the harmonized index of consumer prices.

The main indicators are harmonized and aggregated at the European level. The Maastricht agreements, the establishment of the ECB, and the existence of Community regulations and aid have strengthened the necessary cooperation between European official statistical systems. Eurostat—one of the European Commission’s Directorates-General—is in charge of implementing the Community’s statistical policy and supplying the European Union with high-quality statistical information. Eurostat policy is geared to four priorities:

- supplying users (European and national institutions, social partners, and general public) with reliable, comparable information
- defining common European standards
- developing the European statistical system
- promoting exchanges of know-how between Member States and through development aid programs.

Eurostat assembles the national statistics, calculates the aggregates for the EU15 and EU12 (euro area), translates the material, and adds brief commentary. In particular, it redisseminates across the EU the national data and the aggregates that it has computed. Eurostat leaves Member States responsible for data collection, but provides the standardization. On the other hand, Eurostat does not engage in economic analysis of its own. It works with Member States at the decision-making level and for access to national information.

1. Note: The European Union Council is composed of ministers and constitutes one of the EU’s two legislative bodies, the other being the European Parliament.
2 - Legal and institutional framework of official statistics

Statistical information is regulated by the amended Act of June 7, 1951, on coordination, confidentiality, and the obligation to respond. This is the basic legislation that organizes the official statistical system. While periodically updating it since 1951, lawmakers have preserved its initial thrust. Lawmakers are also in charge of ensuring the transposition of Community rules to French law, in particular that of Council Regulation (EC) 322/97 of February 17, 1997, on Community Statistics.

The Act sets out the three broad conditions for carrying out statistical operations: (1) inclusion in an official statistical program, (2) confidentiality, and (3) obligation to respond. The Act set up a council to monitor statistical work and the implementation of the regulation. Initially known as the Committee for the Coordination of Statistical Surveys (COCOES), it became, in 1972, the National Statistical Council (CNS) and, in 1984, the National Council for Statistical Information (CNIS).

In addition to special regulations concerning statistical information, France has enacted specific legislation on the processing of electronic data, which is applicable to statistical processing: the “Information Technology and Civil Liberties” Act (Informatique et Libertés).

A - Coordination and application of regulations via CNIS

CNIS is composed of representatives from the political sphere (elected assemblies, ministries), labor (employers and employees), non-profit organizations and community groups (families, journalists, etc.), the academic world (teachers and researchers), and “qualified individuals” (i.e., recognized experts).

On behalf of the official statistical system, CNIS acts as a forum for dialogue between statistics producers. In this capacity, it discusses the following matters and publishes opinions on them:

➤ current state of the statistical information system and requirements to be satisfied
➤ statistical programs and procedures for disseminating them
➤ improvements needed in statistical methods disseminated by public agencies
➤ design, revision, and updating of main economic and social classifications
➤ content of economic and social databases, procedures for accessing them, and pricing principles.7

Each year, CNIS prepares the official program of statistical surveys to be carried out. The amended 1951 Act stipulates that all statistical surveys by government offices must be pre-approved by (1) the Ministry with authority over INSEE (the National Institute of Statistics and Economic Studies) and (2) the Ministry whose sphere of competence includes the population of survey respondents. The survey cannot be approved unless (1) it forms part of the CNIS annual program, or (2) it is mandated by specific legislation, or (3) its necessity and urgency has been demonstrated conclusively. The producers—most notably the MSOs—must comply with these rules for survey execution. CNIS jurisprudence sets three cumulative criteria in three areas: organization (survey to be conducted by an official body), purpose (to obtain statistics), and methodology (persons surveyed are outside of government). The decree setting out the ministers’ approval (visa) draws a distinction—based on the CNIS opinion—between compulsory surveys in the public interest and surveys that do not entail an obligation to respond (see box). The issuance of the approval—with or without the obligation to respond—ensures that the confidentiality rules of the 1951 Act will apply to the data collected. CNIS also prepares a medium-term (five-year) statistical program.

CNIS is chaired by the Economy Minister. The Council's plenary session consists of about 100 members and 70 alternates. An Executive Committee handles Council business between two plenary sessions. Expert appraisal is conducted by 13 enlarged task forces (formations) specializing in broad fields.8 The task forces review the annual and five-year statistical programs. They submit their opinions to the plenary session.

7. Prices of statistical publications, like those of all government publications, are set by ministerial decision.
8. 1 agriculture, 2 wholesale/retail trade, services, 3 population, living conditions, 4 education, training, 5 employment, income, 6 environment, 7 manufacturing, food industries, energy, 8 money, finance, balance of payments, 9 health, welfare, 10 regional and local statistics, 11 production system, 12 transportation, tourism, 13 urban planning, infrastructure, housing.
Many ad hoc working groups operate within the CNIS framework, issuing suggestions for changes in statistics-gathering procedures and the presentation of results.

Three CNIS committees have specialized functions:

The Quality Label Committee validates survey proposals (see box opposite) and assigns a “public-interest and statistical-quality label”. The Committee works in four configurations depending on whether the survey under examination concerns non-farm enterprises, households, local government, or farm holdings or farm enterprises. Each configuration comprises seven to ten members. Each statistical producer—government agency or department—appoints a qualified individual, preferably a CNIS member, to represent it.

The Litigation Committee recommends individual action for refusals to respond to compulsory surveys. The Economy Minister, after considering the Committee opinion, decides whether to impose fines for non-response. In practice, fines are applied only to non-responding enterprises, but not to private individuals.

The Confidentiality Committee monitors the enforcement of response confidentiality rules for business data. It may authorize transmission of individual data for research or analysis purposes. In that case, the confidentiality rules remain in force, and the data recipients become equally responsible for enforcing statistical confidentiality.

B - Data protection and statistical confidentiality

● Rules governing statistical information

Statistical confidentiality—defined by the 1951 Act—applies to all individual information gathered by statisticians, but its procedures differ according to whether that information concerns private behavior or the economic and financial sphere. The goal of statistical confidentiality in regard to individual data is to protect (1) personal privacy and (2) the economic interests of agents (i.e., businesses and individuals) surveyed. The individual information in the questionnaires that concerns personal and family life—and, more generally, facts and behavior of a private nature—cannot be released in any form by the entity where the information is deposited until one hundred years after the date of execution of the census or survey.9 The individual information in the questionnaires that concerns economic or financial matters cannot, under any circumstances, be used for purposes of tax auditing or investigations into improper business practices. This ban applies to personal data (for example, on income) as well as enterprise data (for example, business accounts).

The rules also prohibit the publication of data that would allow an indirect identification of respondents and their responses. This concept is known as “impossibility of identification.” The rules restrict the degree of detail in published information. Specific, draconian rules apply to censuses. For sample surveys of households, identification via results is generally impossible, and thus does not entail the enactment of special rules. As regards business surveys, no data are published if they concern three enterprises or less, or if a single enterprise accounts for 85% or more of the value obtained. However, the rules do allow the dissemination of registers or lists extracted from registers (in particular, the national business register, SIRENE) that mention economic activity, a workforce-size category, and a sales bracket.

Civil servants and other government workers must all abide by the laws and regulations on professional secrecy and the “obligation of reserve.” These rules apply to the files and information that come to their knowledge in the course of their work. Like all civil servants, official statisticians are subject to these obligations as well. Lawmakers have formulated additional provisions concerning computerized data.

Procedure for a survey in the public interest

A proposal for a statistical survey by a government office is first examined by a specialized CNIS task force. If the task force agrees to the plan, it issues a “usefulness opinion” (avis d’opportunité), which certifies that the survey is useful and not redundant with existing data.

The proposal is then examined by the Quality Label Committee (Comité du Label), which assesses the quality of the operation’s execution. If the findings are favorable, the Committee issues a “conformity opinion” (avis de conformité) stating that the survey complies with accepted statistical practices. In some cases, the Committee may also submit a draft text for a ministerial approval (visa) that would make survey response compulsory. The Committee verifies the confidentiality guarantees, questionnaire content, the statistical and quantitative nature of the results, the quality of data collection and processing, actual dissemination and availability of results, and the absence of an undue burden on respondents.

The survey can then be added to the official program discussed at the CNIS plenary session, after which it is submitted to the ministries concerned for approval. The survey is now recorded in the decree approving the official survey program, which gives it a legal basis for its execution by the appropriate office.

If the questionnaire covers information on individuals, CNIL approval must also be obtained before data collection can begin.

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9. On expiry, the information comes under the provisions of Act 79-18 of January 3, 1979, on archives.

Courrier des statistiques, English series no. 8, 2002 13
The “Information Technology and Civil Liberties” Act

The rules for protecting privacy in the use of computer files are set out in (1) the French Act of January 6, 1978, on information technology, data files, and civil liberties and (2) the European Community Regulation of June 11, 1990. This legislation ranges beyond the statistical field; it applies to all automated processing, regardless of author (government or non-government entity) or purpose. The 1978 Act established a body to monitor the computer processing of nominative data: the National Commission on Information Technology and Civil Liberties (CNIL).

➤ Obligation to report computer processing of nominative information

CNIL is the independent administrative authority responsible, in France, for ensuring the respect of privacy, personal freedom, and civil liberties in the use of information technology. CNIL is composed of members of Parliament, members of the highest French judiciary bodies—Conseil d’État, Cour de Cassation, and Cour des Comptes—and qualified individuals.

When the automated processing of nominative data is performed on behalf of the State, a public-sector organization, a local government entity, or a private-sector legal entity managing a public service, the processing is either authorized by law or approved by a regulation enacted after a reasoned opinion from CNIL. When the processing is performed by or for entities other than those mentioned above, it simply needs to be reported beforehand to CNIL. In any event, whether authorized by legislation or regulations or declared by private-sector organizations, the processing must serve a stated purpose and cannot be used for any other. A simplified report is allowed for a statistical processing operation approved by CNIS, but the motives must still be provided.

➤ Restrictions on, and monitoring of, the processing of nominative information

CNIL also enforces compliance with legal obligations by the entities responsible for the data files. In particular, no nominative data mentioning race, opinions (political, philosophical or religious), or labor-union affiliations can be stored in computer memory. Individuals are entitled to access and challenge the information and processing operations that concern them. They may demand the correction or destruction of erroneous, inaccurate or obsolete information, or information whose storage is prohibited. The information must not be used for purposes other than the one stated. Information conservation and archiving are governed by rules whose implementation is closely monitored by CNIL.
3 - Schools and training in the official statistical system

The cohesion of France’s official statistical system is strengthened by its single training system. Two schools—ENSAE and ENSAI, which are run by INSEE—provide the initial training for nearly all OSS management-level personnel. Two INSEE-administered continuing-education centers, CEPE and CEFIL, offer training programs for government statisticians throughout their careers.

A - ENSAE and ENSAI

Most official statisticians are trained at the two schools that form the National Economics and Statistics Schools Group (Groupe des Écoles Nationales d’Économie et Statistique: GENES). The two grandes écoles (see box) train both civil servants and non-civil servants; between 20% and 30% of their graduates enter, or already belong to, the civil service.

ENSAE students are recruited by competitive examination from three sources: after “prep classes” (classes préparatoires) for scientific and business grandes écoles; after a B.A. in mathematics or economics; or on graduation from a scientific grande école.11 The program lasts two or three years depending on the student’s earlier credentials. In addition to this initial three-year program, ENSAE offers a “Mastère” (MS) program, roughly equivalent to an M.A., and a “Specialized Higher-Education Certificate” (Certificat d’Études Supérieures Spécialisées; CESS) for students who have completed five years of education after their baccalauréat (end-of-high-school diploma). ENSAE’s total student population is now about 300; about 130 graduate each year, including fewer than 20 persons qualified as INSEE administrateurs.

ENSAI students are recruited by competitive examination after two years of post-baccalauréat education, and some without entrance exam after four years of post-baccalauréat education.12 The program lasts three years, but is reduced to two years for élèves-fonctionnaires—i.e., students with civil-servant status—who can extend it by one year of continuing education that will qualify them for a degree. There are approximately 300 students, including about 100 with the rank of INSEE attachés. About 70 non-civil-servant students graduate each year.

B - CEPE and CEFIL

The Center for the Study of Economic Programs (Centre d’Études des Programmes Économiques: CEPE) is a continuing-education center that offers programs in economics and statistics both to government employees with agent de l’État status and to corporate personnel and attendees from abroad. Inter-company sessions meet the most common and highly specialized needs of professionals handling statistical and economic data. CEPE develops customized sessions and special programs for “client” organizations.

The special role of grandes écoles in France

The fact that French professional statisticians all receive the same training is due to the existence of the INSEE schools. This situation is fairly specific to France: the two schools reflect the country’s tradition of selective grandes écoles; in other countries, training would be provided by universities. The longevity of the two INSEE schools—despite the cost of high-quality education—is possible because their programs are also designed to train management-level personnel for the private sector. Much of the demand in the private sector is for economists, and both schools therefore provide dual training in economics and statistics. The opening to the private sector ensures an adequate, indeed substantial, intake—and puts both schools in competition against the rest of the education system. As a result, they must keep their curriculum up to date and up to standard. For this purpose, they are also involved in economic and statistical research projects.

10. See the section on GENES in the article on INSEE below, page 28.
11. “Trainee administrators” (administrateurs-stagiaires)—the future statisticians of the civil service—are recruited as follows: three-fifths enter upon graduating from École Polytechnique (one of France’s most prestigious science schools) or, more seldom, from the Écoles Normales Supérieures; one-fifth are selected on the basis of a competitive examination mostly open to holders of a B.A. in economics or of a diploma from one of the Paris business schools; the remaining fifth are recruited through an in-house competitive exam open to civil servants and other government employees with a given length of service.
12. The intake consists of students enrolled in “special mathematics classes” (classes de mathématiques spéciales), first-year science students in the Écoles Normales (khâgne), and university students with at least two years of post-baccalauréat education in economics and mathematics. Between one-third and one-quarter of the attachés are selected by means of an in-house competitive exam open to civil servants and other government employees already working in statistical offices.
provided 230 training days and hosted nearly 700 trainees.

In addition to CEPE, INSEE runs a training center in southwest France called CEFIL (Centre de Formation de INSEE à Libourne), whose main mission is to provide:

- initial technical training for INSEE personnel of contrôleur rank
- instruction for trainees from abroad.

CEFIL also participates in continuing education for employees of INSEE and the Economy and Finance Ministry. The Center has the capacity to host training programs for personnel of other ministries and local government bodies. CEFIL also arranges customized training and seminars at the request of its various partners.

History of the two schools

Founded in 1946, INSEE’s applied training school (école d’application) was chiefly designed to train statisticians and economists who would go on to work in French government. From the outset, the school’s training led to two types of career: INSEE administrateur and INSEE attaché. The Division des Administrateurs, as an “applied training school” for École Polytechnique leavers, had an intake of graduates from the grandes écoles and Bachelors of Science. The Division des Attachés recruited high-school leavers with a mathematics baccalauréat.

In addition to French civil servants, the school attracted two categories of students: (1) foreign civil servants sent by their countries and destined to become the managerial staff of newly-established or expanding statistical agencies; (2) young people with a dual training in statistics and economics, aiming for a career in research firms or in corporate operational-research departments. The école d’application became a scientific higher-education institution catering for the private sector as much as for government. A decree of November 2, 1960, turned the école d’application into the École Nationale de la Statistique et de l’Administration Économique (ENSAE), opening it up to university graduates in law and economics. The total student population grew quickly, from about 14 in 1950 to more than 300 in the 1960s, while ENSAE acquired an ever higher profile.

Meanwhile, the Centre Européen de Formation des Statisticiens-Économistes des Pays en Voie de Développement (CESD) was set up in January 1963 for the purpose—as its name indicates—of training statisticians in the developing countries. Its students were enrolled at ENSAE.

The amended decree of April 15, 1971, marked a milestone in ENSAE history by clearly defining its mission as a grande école. The decree of June 27, 1994, gave the school its present structure. The former ENSAE has been replaced by the “Group of National Economics and Statistics Schools” (Groupe des Écoles Nationales d’Économie et Statistique: GENES), comprising four entities:

→ The former Division des Administrateurs has kept the name École Nationale de la Statistique et de l’Administration Économique (ENSAE) and stays in Paris.

→ The former Division des Attachés has been renamed École Nationale de la Statistique et de l’Analyse de l’Information (ENSAI), with a longer program and a broader range of specializations. ENSAI relocated to the Ker-Lann campus in Bruz (10 km from Rennes, Brittany) in September 1996.

→ Founded in 1957, the Center for the Study of Economic Programs (Centre d’Études des Programmes Économiques: CEPE) was incorporated into INSEE in 1987. Since 1994, it has served as the GENES continuing-education unit.

→ The Center for Research in Statistics and Economics (Centre de Recherche en Économie et en Statistique: CREST) has also kept its name but has merged with the INSEE Research Department (see page 29).
INSEE is the centerpiece of the French official statistical system. The Institute comprises a Head Office (Direction Générale) and Regional Offices (Directions Régionales). The Head Office is composed of:

- an audit office known as the Inspectorate General;
- a General Secretariat that manages the Institute's resources;
- two Statistical Directorates, one focusing on population, the other on the production system;

1 - Main missions

INSEE's core missions—and the ones to which most of its employees are assigned—are the collection, production, and dissemination of demographic, economic, and social information. This role must be construed in a very broad sense, as it encompasses crude statistical data but also processed data obtained through computations and studies on that original data. Indeed, INSEE's work includes not only the preparation of quantitative data needed for a modern society and a modern State, but also the studies derived from them. In this respect, INSEE's remit is broader than that of most statistical institutes in the rest of the world.

The Institute's other missions—which are equally important but occupy a smaller portion of its workforce—are the coordination of governmental statistical activity, international cooperation, and the advancement and dissemination of scientific knowledge in economics and statistics through teaching and research.

Statistical production

In the population sphere, INSEE tracks demographic issues and living conditions. The Institute conducts the population census and household surveys. It compiles the vital statistics (births, marriages, and deaths) and manages the nation’s major statistical registers: the register of persons and voter-registration records. It produces quantitative information by processing administrative documents, in particular the tax records.

In the economic sphere, INSEE constructs the national accounts and calculates the price indexes, most notably for consumer prices and producer prices. Information on enterprises, and the production system in general, is gathered under rules defined by INSEE, which manages the register of enterprises and local units (SIRENE) and computes the production indexes. The Institute processes tax sources on enterprises. It monitors business demography (business creations and failures) and the financial links between enterprises (enterprise groups). INSEE conducts surveys of business owners. Because of the lack of surveying resources in the relevant ministries, the Institute carries out its own surveys of the wholesale/retail trade and the service industries.

Studies and forecasting

INSEE produces studies in the following areas:

- overall economy, economic trends, and the main economic and financial balances;
- production system; condition and behavior of enterprises;
- demographic and social conditions, births, migration, wages, employment, pensions, etc.;
- spatial organization: geographic distribution of population and economic activities; flows between territorial units.

The studies on structures and on past and current trends are classified as “summary” or “synthetic” studies (études de synthèse). Some are produced at regular intervals, such as the report on the French economy (L’Économie française). This annual document, prepared in collaboration with the Forecasting Directorate of the Ministry of Economy, Finance, and Industry (Direction de la Prévision), offers an overall economic assessment for the National Economic Commission (Commission Économique de la Nation). The Institute also publishes quarterly analyses of current
economic developments. It carries out studies on the behavior of consumers and businesses, employment, income, wealth, and other topics.

The responsibility for government macro-economic projections is divided between INSEE, the National Planning Commission (Commissariat Général du Plan), and the Forecasting Directorate. But the government does not hold a monopoly in the area, and there is much economic-forecasting activity in the private sector—as in other countries.

INSEE produces forecasts of French economic trends in the very short term (six months) as part of its economic analyses. It develops macroeconomic models and demographic models to prepare medium- and long-term scenarios.

Dissemination

INSEE disseminates data and economic and social studies to public and private users. The Institute puts out more than 300 publications a year (excluding telematic dissemination).

INSEE gives access to much of its data via four Minitel (videotext) services and Internet servers. Also, to disseminate its information more widely, and to enable it to reach the market via other value-added-product operators, INSEE opens its electronic databases to commercial ventures for redissemination purposes. These services are available across France, in particular thanks to INSEE Regional Offices.

Coordination of the official statistical system

Each ministry conducts statistical work in its spheres of competence in liaison with INSEE. The consistency of the official statistical system is promoted by INSEE and the National Council for Statistical Information (Conseil National de l’Information Statistique: CNIS), with INSEE providing the main secretariats for the Council (see coordination page 25).

International relations

INSEE maintains relations with the chief international organizations such as Eurostat (Statistical Office of the European Union) and the other countries’ statistical institutes. One of INSEE’s current international missions is its involvement in coordinating the development of European statistics.

INSEE is working with central/eastern European countries to bring their statistical systems up to western European standards, most notably for the countries applying to join the European Union.

INSEE helps the developing countries to create the specific statistical tools they need. It also helps to train statisticians in those countries.

INSEE participates in the organization of international conferences and seminars with other national statistical institutes.

Higher education and research

The Groupe des Écoles Nationales d’Économie et Statistique trains specialists in statistics, economics, and information processing for the government, public agencies, and the business sector. It also conducts research in those fields.

2 - INSEE resources and General Secretariat

Budget

Funding for INSEE is included in the fiscal allocations to the Ministry of Economy, Finance, and Industry. The INSEE budget covers two categories of expenditures: (1) an allowance to cover basic operating requirements, i.e., personnel, equipment, building acquisition and maintenance, supplies, and printing expenses; (2) special funding for non-current outlays such as censuses and special surveys, or equipment modernization. Expenditures excluding the population census totaled EUR320 million in 2000.

INSEE is authorized to receive the proceeds from the sale of information products and from work undertaken in partnership with other organizations. In 2000, these resources came to about EUR27 million.

<table>
<thead>
<tr>
<th>INSEE workforce on the Institute’s payroll (at January 1, 2001)</th>
<th>number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>by status:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civil servants (fonctionnaires)</td>
<td>6,171</td>
<td>96.7</td>
</tr>
<tr>
<td>Agents contractuels</td>
<td>198</td>
<td>3.1</td>
</tr>
<tr>
<td>Agents vacataires</td>
<td>12</td>
<td>0.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6,381</td>
<td>100.0</td>
</tr>
<tr>
<td>by category:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category A</td>
<td>1,396</td>
<td>21.9</td>
</tr>
<tr>
<td>Category B</td>
<td>1,926</td>
<td>30.2</td>
</tr>
<tr>
<td>Category C</td>
<td>3,047</td>
<td>47.7</td>
</tr>
<tr>
<td>Agents vacataires (non-tenured)</td>
<td>12</td>
<td>0.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6,381</td>
<td>100.0</td>
</tr>
<tr>
<td>By administrative unit :</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head Office and Inspectorate General</td>
<td>18</td>
<td>0.3</td>
</tr>
<tr>
<td>General Secretariat</td>
<td>363</td>
<td>5.7</td>
</tr>
<tr>
<td>Statistical Coordination</td>
<td>80</td>
<td>1.3</td>
</tr>
<tr>
<td>Business Statistics</td>
<td>175</td>
<td>2.7</td>
</tr>
<tr>
<td>Demographic and Social Statistics</td>
<td>201</td>
<td>3.2</td>
</tr>
<tr>
<td>Economic Studies and Summaries</td>
<td>155</td>
<td>2.4</td>
</tr>
<tr>
<td>Dissemination and Regional Action</td>
<td>299</td>
<td>4.7</td>
</tr>
<tr>
<td>GENES &amp; CEFIL (including students with civil-servant status)</td>
<td>283</td>
<td>4.4</td>
</tr>
<tr>
<td>Regional Offices</td>
<td>4,300</td>
<td>67.4</td>
</tr>
<tr>
<td>National Computing Centers</td>
<td>507</td>
<td>7.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6,381</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: INSEE annual report (rapport d’activité), 2000.
Personnel

- Statuses

INSEE personnel are government employees (agents de l’État); they comprise two broad categories:

- tenured civil servants (fonctionnaires), who occupy permanent positions and are governed by the general civil-service code and related legislation. They belong to categories (corps), each subject to special regulations: administrateurs, attachés, contrôleurs, and adjoints administratifs;

- non-tenured employees, working under contract for INSEE as agents contractuels and agents vacataires.

- Categories

INSEE personnel comprise three categories:

- Category A (senior administrative and “design” staff): inspecteurs généraux, administrateurs, attachés, chargés de mission, etc.;

- Category B (intermediate-level management): mostly contrôleurs, recruited by competitive examination at the baccalauréat level (high-school leavers) or selected from employees in category C; trained at CEFIL;

- Category C: mostly “administrative assistants” (adjoints administratifs), including secretaries.

Logistics and resource management

INSEE logistics are provided by the General Secretariat: this general-support mission is largely focused on three areas:

- personnel management, which covers career management, training, information, assessment, and improvement of working conditions;

- management of physical resources (buildings, information systems) and financial resources; the General Secretariat prepares and monitors the INSEE budget; it is also in charge of information systems;

- programming and supervision of operations: the General Secretariat matches the operations program against the resources needed to implement it.

All the Head-Office Directorates operate a Resources Administration Unit (Cellule de l’Administration des Ressources: CAR), which liaises with the General Secretariat. In the Regional Offices, this function is performed by the Services de l’Administration des Ressources (SARs). These units are responsible for personnel management, training, funding arrangements, and so on.

The General Secretariat is also in charge of coordinating two regional networks: the network of SAR managers via the Personnel Department, and that of the Heads of Statistical Units (Chefs de Service Statistique) via the Programming and Management Department.

Information systems

Information systems are included in the management of human, financial, and physical resources at the General Secretariat. The information-systems domain comprises two Departments and the National Computing Centers (Centres Nationaux Informatiques: CNIs).

- The Information-Systems Production and Infrastructure Department (DPI) has the following missions: operation of computer hardware, software, and applications; hardware and software management; defining policy for self-service use of information systems. It also provides user assistance.

- The Applications and Projects Department (DAP) organizes applications maintenance and develops information-systems and organizational projects.

The two Departments jointly define and implement a corpus of methods for project execution, maintenance, and production of applications in the National Computing Centers.

- The National Computing Centers (CNIs) have the following missions:

  - operation, maintenance, and upgrading of existing applications;
  - project development;
  - optimization of user services, with special attention to enforcement of security and the provision of assistance and advisory services to users.

There are five CNIs, located in Aix-en Provence, Lille, Nantes, Orléans, and Paris.

3 - Inspectorate General

The Inspectorate General is in charge of assessments and audits throughout the statistical system. It supervises Regional Office operations.

The Inspectorate General’s audit and assessment missions are usually carried out by a team, with the consent and participation of the units concerned; their impact is strengthened by follow-up programs. The missions are often designed to prepare a change of partnership or the development of a new partnership. The focus may be on enhancing quality or efficiency, or on the search for benchmarks among foreign statistical institutes. The scope of coverage may be an information field, a procedure, or the functioning of a unit. Members of the Inspectorate General may perform missions in a personal capacity as “senior” experts.

The Inspectorate General also works to promote the implementation of INSEE strategy guidelines. The head of the Inspectorate General is mandated to alert the INSEE Director General and Steering Committee to potential issues of concern regarding the operation of the official statistical system. In particular, this includes INSEE’s enforcement of high standards for quality and efficiency, and compliance with European requirements.

1. The INSEE Inspectorate General reports to the Institute’s Director General, whereas French government Inspectorates General traditionally report to the Minister. This special arrangement is an acknowledgment of the technical nature of statisticians’ work.
INSEE Regional Offices (Directions Régionales: DRs) have the following missions:

➤ collection of statistical information in the field through surveys or processing of administrative records;
➤ statistical work and analysis in demography and economics, at the regional or local level: the projects may include demographic or economic overviews, but also narrow-field analyses in the context of local policy-making such as development plans involving central government and regions, or urban-development plans;
➤ dissemination to all user categories, and responding to information requests.

Each INSEE Regional Office (DR) is composed of three departments:

➨ a statistical department (SES),
➨ a studies and dissemination department (SED),
➨ a resource-administration department (SAR).

While the three departments are found in every Regional Office, with identical missions, the Regional Office Director is responsible for the internal organization of the three units.

● Statistical production at the regional level

Regional Office statistical production consists largely of the national production—i.e. the program decided upon by the INSEE Head Office—but also includes the production of local statistics.

For national production, the general rule up to now was the following. If a statistical operation may be roughly divided into three phases—design; collection and editing; processing and extraction of results—the Regional Offices are responsible for the second phase, in their geographic spheres of competence. But this territorial division of labor has changed and continues to evolve. First, some Regional Offices have taken on assignments from outside their geographic purview. Second, some Regional Offices host INSEE units in charge of nationwide operations. Third, the rationalization of statistical production has led to a redistribution of competencies across the Regional Offices:

<table>
<thead>
<tr>
<th>Relations with local authorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>In France, the term “local authorities” denotes (1) the prefects, who represent the central government in the regions (and départements), and (2) local-government units (collectivités territoriales), headed by elected officials. The regional prefect has authority over all central-government bodies present in the region. The prefect’s remit does not, however, include certain functions such as tax computation and collection, or the procedures for preparing statistics. This arrangement guarantees INSEE’s independence. As regards local-government units (region, département, commune [municipality]), the INSEE Regional Office is not under their authority; their position is that of statistical-information consumer, and in some cases of partner. The relationship is established with the executive body of the community: at the regional level, the President of the Regional Council; at the département level, the President of the General Council; at the municipal level, the mayor. All local-government bodies are entitled to INSEE’s statistical production on a par with central-government agencies. Partnerships may concern survey execution, joint studies, or joint publications. The largest local-government bodies sometimes operate their own statistical offices, usually of modest size, with which INSEE may collaborate. Each region also a consultative group, the Regional Economic and Social Council (CESR), which is generally a high-volume consumer of demographic, economic, and social information. In addition, a few regions (currently, four) have a Regional Committee for Economic and Social Information (CRIES), a local equivalent of CNIS. The Committee issues opinions on the usefulness of a planned regional or local survey before the latter is presented to the (national) Quality Label Committee with the aim of being classified “in the public interest.” Absent a CRIES, the INSEE Regional Office must set up an ad hoc group to launch such proposals and submit them to CNIS for approval. Note: There are 22 regions and 96 départements in Metropolitan France (mainland + Corsica), and about 36,000 communes including in overseas départements and territories (DOM-TOMs).</td>
</tr>
</tbody>
</table>
Some operations are performed by all Regional Offices: the “renovated” population census; household surveys; and other operations requiring a precise knowledge of the location of statistical units—for example, the local observation of enterprises and local units.

The other operations will be undertaken by only some Regional Offices, which will accordingly cover a broader geographic area than their own regions. If needed, several Regional Offices may be involved, unless the work can be concentrated in a single location (for example, the processing of administrative data). This specialization is aimed at increasing quality by lessening the variability of processing procedures, and it generates productivity gains through economies of scale. The development of territorial networks is facilitated by advances in information and communication technologies.

By tradition, a Regional Office conducts specific statistical operations on all or part of a region, either on its own initiative, with INSEE resources, or in response to a third-party request combined with funding (and, of course, to the extent of its personnel availability). It may thus perform household or business surveys, or extensions of national surveys (through an increase in the sample in order to achieve regional or local representativeness); or it may extract data from locally available administrative records for a detailed analysis of selected fields such as employment.

Studies and dissemination at the regional level

The Regional Offices’ study function is informed by a dual logic of supply and demand. First, it serves to mine the data available on the region and to make them accessible to the general public and local economic players—in order to fuel public debate and help decision-makers. Second, it is a way of addressing complex issues raised by one or more players (“complex” in the sense that they cannot be resolved directly by means of raw data). This requires, among other things, an attentiveness to the needs of society or the business community, adapting to different kinds of interlocutors, and working in partnership.

Dissemination via the Regional Offices consists in supplying all the products developed by INSEE (or, in some cases, the official statistical system), at both the national and regional levels, to users who request them; these products may consist of publications and electronic media, but also “customized” data-processing operations. All these offerings are generally available for a fee set out in a single, nationwide price list. This dissemination program currently relies—and will do so increasingly—on the online release of information accessible to all Internet users. Accordingly, the Regional Offices manage the regional pages of the INSEE website in conformity with a common framework.

While each Regional Office enjoys clear autonomy in its regional activities, the Regional Offices also network to benefit from investments made elsewhere. The “studies and dissemination” offices (SEDs) are coordinated by the Regional Action Department at INSEE’s Head Office. INSEE services for regional players center on a “Coherent Offering for the Regions” (OCRE), consisting of standard products complemented by studies. Demand is analyzed by the local SED (a “territorial front office” of sorts); but the data, “parent studies,” methods, tools, and rules are produced by the “regional-action service clusters” (PSARs). Hosted by the Regional Offices, the PSARs combine central “back office” and “front office” functions.

5 - Demographic and Social Statistics Directorate (DSDS)

The Demographic and Social Statistics Directorate (Direction des Statistiques Demographiques et Sociales: DSDS) is well-known for the price index, the population census, and the labor-force survey used to determine the unemployment rate. But the Directorate also produces, on a regular basis, many other statistics and studies on demography, employment, income, housing, wealth, and—more generally—household living conditions. For this purpose, it conducts many household surveys and processes administrative documents, most of them gathered from industrial firms, business firms, and administrative entities.

DSDS also supervises the management of the national register for the identification of individuals and the national voter-registration records. It produces the statistics derived from the civil-registration records.

The Directorate comprises three Departments, one Unit, and one independent Division. Each DSDS Department is responsible for statistical production but also for studies in its assigned field:

- Demography Department,
- Employment and Earned Income Department,
- Consumer Prices, Household Resources, and Employment and Earned Income Department,
- Statistical Methods Unit,
- Social Studies Division, which produces publications and summary studies and performs microsimulations.

Statistical methodology of the “populations and households” field

The Statistical Methods Unit possesses expertise in collection methods: sampling, coding, determination of estimators, weighting and correction methods, error computation (observation and correction), and seasonal adjustment. In this capacity, it selects the samples for INSEE’s national household surveys from two sampling frames: the master sample derived from the population census and the related sampling frame of new dwellings. It also conducts many special samplings, in particular for regional or local surveys.

The Statistical Methods Unit also advises survey managers at INSEE or in the Ministerial Statistical Offices (MSOs) at the weighting and non-response adjustment phase. Developed by the Unit and available in an initial version, the POULPE software program (French acronym for Optimal and Universal Program for Delivery of Survey Precision) evaluates the precision of data obtained from complex-sampling surveys (i.e., using multi-stage sampling, multi-phase sampling, etc.).
Another Unit mission is to perform methodological assessments of data-collection systems: qualitative and quantitative measurement of correction size, measurement of the impact of the obligation to respond on the response rate, the “interviewer effect”, and the interactions between interviewer, questionnaire, and respondent.

The Unit coordinates and drives the interviewer network and monitors data-gathering operations. It prepares and disseminates survey-quality action programs. In particular, it promotes a survey “quality assurance” plan.

Main operations

- **Population, household, and dwelling censuses** are carried out by INSEE. Censuses determine the de jure populations of France’s administrative units. They provide a detailed picture of the population and dwellings. And they serve as the basis for sampling frames for surveys of individuals and households. Censuses are costly: the 1999 census cost EUR200 million spread over two years, not counting normal INSEE operating costs. That is why—along with other reasons, such as the need for timelier information—INSEE has launched a census renovation project (Rénovation du Recensement de la Population: RRP) to conduct the census on a continuous basis that will yield annual results.

- **The National Identification Register of Private Individuals** (Répertoire National d’Identification des Personnes Physiques: RNIPP) is supervised by DSDS and managed at the Nantes Regional Office: it provides each French resident with an identification number to be used in his or her dealings with government agencies and social-protection organizations. The Register also serves as a base for demographic studies.

- **The voter-registration records** are kept up to date by INSEE, acting on behalf of the central government and municipal authorities. Like the RNIPP, it is supervised by the Directorate and managed in Nantes.

- **The consumer price index** is one of INSEE’s major long-term undertakings. Price quotations are gathered by INSEE Regional Offices. DSDS is solely responsible for developing the methodology and computing the index. Excluding public-service charges, more than 160,000 prices are collected monthly by 180 price collectors. A total of 300 people (including collectors) are involved in preparing the index.

- **Household surveys** are sample surveys, used to study a wide variety of fields (demographic, economic, social, and cultural) that lie outside the coverage of any census or administrative source. Household surveys either have a fixed periodicity, or are occasional and programmed to successively cover various aspects of economic and social life, in keeping with CNIS recommendations. The information gathered is used to analyze the level of, and change in, household living conditions. The following are some examples of recurrent annual and sub-annual surveys:

## History of the consumer price index (CPI)

The first generation of French price indexes dates from 1914. Over time, the number of product groups or items has substantially evolved in terms of content and coverage of household consumption. The index initially covered a working-class reference population, i.e., the social category whose living standards were the cause of greatest concern.

The main component of the index in 1914 was food. Manufactured products and services were gradually added. Today, the index tracks about 90% of household consumption. Since 1962, the sample of urban units includes representatives of all towns and cities with more than 2,000 inhabitants.

The CPI decomposed into 265 product groups and rebased in 1990 constituted the sixth-generation index since 1914.

In February 1999, INSEE launched a seventh-generation revised index (base year: 1998). As of February 2000, it covered 304 product groups, aggregated into 160 families, the latest group introduced being supplementary (i.e., non-compulsory) health insurance. For all the groups, families, and items, the rebased index covers all households of metropolitan France and overseas départements (DOMs). For the two “current” groupings, “total excluding tobacco” and “total” for all of France (metropolitan France + DOMs), an index is published for urban households headed by a manual worker or clerical worker.

- **monthly survey of households** on their sentiment about the economic situation, their goods ownership, and their purchasing intentions, as well as on their vacations (twice a year);

- **labor-force survey** (European Community Labor-Force Survey). This annual survey has been conducted on a continuous basis since mid-2001 and also serves as a vehicle for additional questionnaires on a variety of topics;

- **rents and maintenance charges** (quarterly);

- **continuous surveys of living conditions** (Enquêtes Permanentes sur les Conditions de Vie: EPCVs) conducted annually in three separate waves (January, May, and October), each covering 8,000 dwellings. They meet a Eurostat demand for harmonized data on the social situation of the European countries. Each wave comprises a specific set of social indicators (January: quality of residential environment and neighborhood; May: financial situation, consumption, and health; October:

2. The RNIPP section concerning persons born in French Overseas Territories (TOM) and abroad is managed by the National Old-Age Insurance Fund (CNAV) on delegation of authority from INSEE.
workplace and social contacts) and variable sections (1999: neighborhood services and vacations; 2000: asset ownership).

The Directorate conducts the following surveys at frequencies exceeding one year:  
▲ housing: occupancy, comfort, expenditures, etc. (every three or four years, the latest in 1997 and 2001);  
▲ wealth (1998 and 2003). This survey, carried out every 5-6 years, is complemented by an intermediate survey on “asset ownership” mid-way between EPCVs;  
▲ training and occupational skills, also allows a study of social and occupational mobility (after every census, the next in 2003);  
▲ family expenditures (annual between 1965 and 1974, five-yearly since, the latest in 2000-2001);  
▲ health (every ten years, the latest in 2002);  
▲ “family history” survey (EHF) linked to each census;  
▲ “time use” survey (every ten years, the latest in 1998).

The Directorate performs a third group of occasional surveys including:  
▲ handicaps, disabilities, and dependency panel surveyed in 1998 and 2000;  
▲ European panel from 1994 to 2001;  
▲ “homeless” survey (2001);  
▲ “voter turnout” survey (latest in 2002);  
▲ “construction of identities” survey (latest in 2002) on membership of social groups and cultural practices.

6 - Business Statistics Directorate (DSE)

The Business Statistics Directorate (Direction des Statistiques d’Entreprise: DSE) coordinates the official statistical system for the observation of enterprises. It manages the register of enterprises and local units (SIRENE), produces statistics on wholesale/retail trade and non-financial market services, manages business databases, prepares economic indicators (in particular, the industrial production index, the producer price index, the cost of construction index, and the sales index) and the sectoral national accounts, runs the commissions on the accounts of the agriculture, wholesale/retail trade, and service sectors, and designs statistical information systems for enterprises. It comprises:

► the “Register and Demography of Enterprises and Local Units” Unit (URDEE), which coordinates the management of the SIRENE register, promotes statistical uses of SIRENE, and studies business demography;  
► the “System of Enterprise Statistics” Department (DSSE), which coordinates all the official statistics on the production system. It defines the interface between business accounting and business statistics. It harmonizes the “benchmark” business surveys. It defines a harmonized policy for INSEE regarding information feedback to respondent enterprises. It runs the “Official Statistics and Enterprises” program, which aims to define certifiable standards in government-business relations, from the pursuit of quality in survey questionnaires to the certification of market sector surveys. It produces statistics on enterprises and local units with 50 employees or more (DMMOs), with an alternation every two years between “cost” and “structure”; these surveys are the French contribution to the coordinated European surveys on these topics;  
► annual survey of local-government bodies, to measure employment levels and changes in local-government and local public services, as well as the employment structure in these units, on a comprehensive basis.

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► the Industry and Agriculture Department (DIA), which processes the data on the two sectors, in particular on industrial production, prices, and national accounts.

► the Tertiary Sector Department (DAT), which surveys and tracks wholesale/retail trade and services.

Main tools and sources

► INSEE is not the only agency to conduct business surveys. Output and sales are also observed through surveys carried out by the statistical offices of the “technical” ministries responsible for specific industries such as agriculture, manufacturing, construction, and
transportation. As overall coordinator, INSEE defines the field of enterprises to be surveyed by government departments: it does this by assigning the economic-activity codes to enterprises and local units as part of its SIRENE-register management tasks. To avoid duplication, INSEE specifies which enterprises should be questioned by each surveying office, and—if necessary—redistributes the information obtained. It also defines a common base or “common core” for the questionnaires and processing operations for surveys concerning several industries covered by different ministries. And INSEE conducts its own surveys in wholesale/retail trade, services, and very small enterprises.

▲ Annual enterprise surveys (EAE) have been designed to obtain structural business statistics that are harmonized at the European level, through compliance with the requirements of EU regulation 58/97 of December 20, 1996. The surveys compile data on the operating accounts of firms as well as general data (workforce size) or industry-specific data (ancillary activities, etc.). INSEE and the MSOs concerned jointly define the common variables in the questionnaires and the harmonized processing procedures such as edits and adjustments. INSEE develops software modules for these procedures and makes them available to the MSOs.

▲ Industrial production indexes (IPI) are computed from industry surveys (production surveys) conducted by the MSOs or subcontracted to approved trade organizations.

▲ Producer price indexes in the goods-producing and service industries measure the monthly change in transaction prices net of taxes for the initial sale, on the domestic market, of products or services made in France. The indexes are harmonized at the European level. The index is compiled from a survey of 4,200 enterprises, 24,000 price quotations, and 650 public indexes. Specialized INSEE price collectors visit all the selected enterprises. The interviewer defines, in agreement with the enterprise, the sample of services or products to be covered by the survey.

▲ The Financial Links Survey (LIFI) is a compulsory statistical survey of private-sector enterprises. LIFI and the Register of Majority State-Owned Enterprises (Répertoire des Entreprises Contrôlées Majoritairement par l’État: RECME) are used to identify parent companies and the controlling links between enterprises. The data processing yields information on the influence and economic weight of enterprise groups, and allows a monitoring of concentration and other phenomena.

▲ The Survey on Revenues, Expenses, and Assets, initially designed to produce quarterly indexes of inventory values, has been extended to the computation of quarterly indexes of gross operating surplus. The questionnaire focuses on the elements of a simplified quarterly income statement. It also includes questions on inventories by category, at the start and end of the quarter. The sample comprises 8,000 enterprises with more than 20 employees.

▲ The Information System on New Enterprises (SINE) analyzes the development of start-ups in their first five years and the impact of business creations on employment. The survey is conducted in three waves (1994, 1997, and 1999 for SINE94).

● Extraction of data from administrative documents on the production system:

▲ The earnings of industrial and trading enterprises (BIC) are reported in corporate income tax returns. INSEE processes these records for statistical purposes.

▲ Sales returns (CA3) are the forms filed for computing value added tax (VAT). They yield essential data on current economic conditions (monthly sales indices).

▲ Business failures are statistical series compiled from court rulings on bankruptcy and liquidation proceedings; French law require publication of these rulings in the official paper of record, Bulletin Officiel des Annonces Civiles et Commerciales (BODACC).

● Business databases and registers. INSEE manages several databases and registers, of which the following are processed for statistical purposes:

▲ The register of enterprises and local units (SIRENE) records all enterprises and public-law corporations. It also identifies their local units (établissements). Unit identification is comprehensive in both geographic and economic terms. The database includes the following information: legal form or status, principal activity code (APE) assigned by INSEE in conformity with the French Classification of Economic Activities (NAF), workforce size, sales, date established and (where appropriate) date of business termination. The business creation series is compiled from information in the SIRENE register. For enumeration purposes, “creations” are defined as the actual business start-ups rather than the registrations of new businesses.

▲ The database of large local units, known as BRIDGE, enumerates local units with 50 or more employees (in some regions, with 10 or more employees). BRIDGE is a tool for statistical synthesis and longitudinal analysis. It records the changes, since 1961, in the main characteristics of each region’s main local units: demographic events, workforce size, economic activity, and precise location.

● Business databases:

▲ The “restructuring server,” CITRUS, is an information system on business restructurings. It is fed by legal sources (Bulletin des Annonces Légales Obligatoires, Bulletin Officiel des Annonces Civiles et Commerciales) and statistical sources such as annual enterprise surveys, the Survey on Revenues, Expenses, and Assets, and the SIRENE business register. CITRUS aims to assemble and harmonize all the information on restructurings culled from these various sources.

▲ The Unified System of Enterprise Statistics (SUSE) seeks to provide a consistent set of individual data on enterprises through the joint processing of two sources: (1) tax records, combining earnings of industrial and
trading enterprises (BIC) and earnings of unincorporated enterprises (BNC); (2) a statistical source, the annual enterprise survey (EAE). The two sources do not cover identical fields. Their data are overlapping and complementary.

▲ The Coordination Tool for Annual Surveys (OCEAN) is designed to perform the selection, coordination, and replacement of enterprise samples. It is mainly used for annual enterprise surveys. But the methodology also allows the survey operations to be spread out over time when the samples are selected. This statistical register serves as a tool for communicating between SIRENE, the “inter-agency” register, and the applications for processing annual enterprise surveys in specific industries. A similar tool, OCEAN-DARES,³ has been set up to supply DARES with the samples of local units that need to be officially reported or to be surveyed.

▲ The OREADE program (French acronym for Tools and Directories for the Study, Analysis, and Demography of Enterprises) is designed to incorporate statistical requirements more fully into registers—i.e., to create a statistics management base, to give precedence to the processing of the largest units, and to introduce more statistical information (several workforce categories, links to supply DARES with the samples of local units that need to be officially reported or to be surveyed).  

7 - Statistical Coordination and International Relations Directorate (DCSRI)

The Statistical Coordination and International Relations Directorate (Direction de la Coordination Statistique et des Relations Internationales: DCSRI) operates in four areas:

➤ coordination of the official statistical system; in particular, acting as secretariat of the National Council for Statistical Information (CNIS);

➤ coordination of concepts and classifications;

➤ European coordination and international methodological comparisons;

➤ international relations and cooperation programs.

The Directorate is divided into four units covering the above-mentioned areas:

➤ The Statistical Coordination Department is responsible for cooperative action. It progressively develops jurisprudence in statistical law and prepares the transposition of European directives and French legislation on statistics. It liaises between INSEE and the ministerial statistical offices (MSOs), in particular as regards personnel assignments and partnership development.

The Department also acts as the general secretariat for the National Council for Statistical Information (Conseil National de l’Information Statistique: CNIS), and, within CNIS, as the secretariat for the three committees (Litigation, Statistical Confidentiality, and Quality Label). And it contributes to statistical coordination via publications edited by its staff: Courrier des statistiques, DRSSM-Infos, and working papers.

➤ The Standards and Information-Systems Unit manages and coordinates statistical data repositories, most notably classifications. It also coordinates meta-information. It provides methodological support for the MSOs on issues requiring a cross-sectional approach. The unit is responsible for coordinating the networks of national statistical classifications and ensuring their international harmonization. It designs and supplies tools for managing and accessing classifications. It acts as the secretariat for the National Commission on Classifications of Activities and Products (CNAP). The Unit also designs, organizes, and manages a system for documenting statistical operations (Dispositif de Documentation Structurée: DDDS).

➤ The “Europe and Multilateral Relations Unit” handles

SIRENE’s role as a link between government agencies

The SIRENE register assigns a SIREN number to enterprises and a SIRET number to local units (établissements), all of which it enumerates comprehensively. Set up by Decree 73-314 of March 14, 1973, it is managed by INSEE. The decree authorizes the dissemination of information contained in the register to individuals and organizations that request it, except for information on the date and place of birth of individuals. In 1997, the SIREN number officially became the single identification number for French enterprises. It is incorporated into the registration numbers for the Commerce and Business Register (Registre du Commerce et des Sociétés) and the Trades Register (Répertoire des Métiers), and the European Community number for merchandise and service trade. All government agencies are required to use the number in their dealings with enterprises. The SIREN and SIRET numbers are the keys for managing many private databases. SIRENE is a data repository in the banking system and for websites with the “.fr” suffix (for “France”). It has also won acceptance as an address standard for electronic data interchange (EDI).

Many organizations are assigned the task of reporting new registrations, deletions, and alterations in the register to INSEE. They contribute daily to the updating of SIRENE. They include—among others—local tax-processing offices, local tax-collection offices, commercial-court registrars, chambers of commerce and industry, education districts, and social-insurance agencies.

3. DARES, the Directorate for Coordination, Research, Studies, and Statistics, is the ministerial statistical office covering employment, labor, and continuing education.

4. Formerly Dictionary of Statistical Data (Dictionnaire de Données Statistiques).
The International Technical Cooperation Unit organizes bilateral and multilateral cooperation with countries whose characteristics require special statistical tools. The Unit defines and implements cooperation programs with countries in many regions: Central/Eastern Europe, Commonwealth of Independent States (CIS), the Mediterranean basin, sub-Saharan Africa, Latin America, and South-East Asia. The programs involve missions by French specialists abroad, hosting visitors and interns, and organizing customized training sessions. The Unit adapts statistical systems and tools to the realities of developing countries and transition countries. It provides technical and methodological support to these countries’ statistical offices through missions, documentation, and the journal STATECO, which covers topics such as statistics-gathering, national accounting, planning, economic forecasting, and information-systems organization.

The Regional Action Department drives and coordinates INSEE’s regional action network. It contributes to the analysis of territorial aspects of economic and social development. It gathers and assesses the requirements for new collaborative projects voiced in the network. The Regional, Local, and Urban Statistics Division designs and defines the overall architecture of the system for economic and socio-demographic observation at the regional, département, and local levels. It shares this task with the regional centers operating at the Regional Offices of Champagne-Ardenne (System for the Study and Dissemination of Local Data: SEDDL), Brittany (center specializing in tax income), and Aquitaine (center studying geographic distribution patterns). The Department produces regional and local indicators, and organizes them into databases. It validates a set of indicators forming a “dashboard” of French regions and employment areas. The Territorial Studies Division is the regional-action service arm in charge of urban studies. In this capacity, it responds to requests from the network or national agencies. It conducts studies and develops methods to analyze the internal characteristics of towns and cities (structural, socio-demographic or economic aspects) and inter-urban relationships.

The Documentation Resources and Archiving Unit manages INSEE assets in several fields. It preserves and secures the databases from all statistical-production operations, and makes them available to in-house users and disseminators. It is responsible for documentation, which—in addition to INSEE and MSO publications—comprises all of the library’s books and publications (with an official delegation of authority from France’s national library, the Bibliothèque Nationale). In liaison with the Regional Action Department, it runs the network of Regional Office reference librarians, and it delegates assignments to a specialized group at the Regional Office of the “Centre” region. Thanks to the new documentation system called RSD (French acronym for Statistics and Documentation Repository), designed by the
INSEE publications

All INSEE publications are available on the Institute’s website (http://www.INSEE.fr), either in directly downloadable form, or on online order from the catalog.

The four-page bulletins in the INSEE-Première series give the main results of each of the major statistical operations, with commentary. About sixty titles are published every year. They are nearly always covered by the media: they promote public awareness of INSEE’s work, and contribute powerfully to building the Institute’s image.

INSEE publishes several annual reference works—Tableaux de l’Économie Française (TEF), also released on CD-ROM; L’Économie française; and France portrait social—plus Données Sociales every three years. These titles are used by a broad readership, in particular by university and high-school students and their teachers. They also provide reference material for the media. A yearbook entitled Annuaire statistique de la France (ASF) is available on CD-ROM.

The Synthèses series consists of single-volume gatherings of lengthy statistical studies on specific topics, or of studies from different sources on the same topic.

The INSEE-Résultats series (about thirty issues a year) gives the detailed results of statistical operations. These large volumes—increasingly issued with companion CD-ROMs—are used mainly by professional statisticians.

Two periodicals contribute to the dissemination of studies often based on modeling: a monthly, Économie et statistique, and a quarterly, Annales de INSEE. Their purpose is to provide material for scientific discussion and for university-level students.

Another range of INSEE publications is dedicated to current economic developments and trends (la conjoncture). Three Notes de conjoncture (short-term reports) are published annually. A large number of Informations rapides bulletins make all the economic indicators available to the public in a timely manner and at pre-announced dates. The main indicators and Notes de conjoncture are immediately released online.

The INSEE-Méthodes series is dedicated to the methodology used at INSEE and to models.

The quarterly Courrier des statistiques covers developments in the statistical system. The methodological journal STATECO is a medium for statistical cooperation.

Independent of these national publications, each INSEE Regional Office runs its own publishing program comprising: a monthly or quarterly periodical; Tableaux de l’Economie Régionale (TERIs), the regional equivalents of TEF; and books on the regional economy and society including atlases, descriptions of the local economic system, etc.

As a complement to these publications, INSEE is developing CD-ROM series, which offer easier access to information thanks to navigation features. Four series have been started so far. Three are intended for the dissemination of detailed data: (1) tables of results, (2) detailed survey files, (3) databases. The fourth series consists of CD-ROMs tied to INSEE reference works.

Lastly, a very large number of publications and CD-ROMs are specifically dedicated to the dissemination of population-census results.
The Department of General Economic Studies

The Department of General Economic Studies (Direction des Études et Synthèses Économiques: DESE) produces and coordinates macroeconomic research, accounts, studies, and models that provide a better understanding of the changes in the French economy in its international environment. It defines the general guidelines for macroeconomic work at the Institute, and handles institutional relations with third parties in the following areas: national accounting, short-term forecasting, medium-term projections, and economic studies. The Directorate maintains a continuous capability for providing an overview of current French economic developments and major economic-policy issues.

DESE is composed of three Departments:

- The Department of Short-Term Economic Analysis is responsible for all of the Institute’s analyses of current trends and developments, most notably the Notes de conjoncture (short-term reports) that periodically summarize the European and French economic situation and short-term outlook. The Department supervises all the national business surveys as well as any specific surveys requested by the European Union.

- The National Accounts Department produces and analyzes all the French national accounts (annual and quarterly) by summarizing the statistics and indicators produced by other INSEE units and relevant third-party organizations. It prepares the annual accounts of the business sector and other institutional sectors, the “rest of the world” account, the integrated economic accounts, and the wealth accounts. The Department is responsible for summarizing the annual accounts of goods and services, and the sectoral accounts. It compiles the input-output tables and monthly unit-value indexes of French trade.

- The Department of General Economic Studies prepares the studies needed to understand the functioning and development of the French economy. It is in charge of analyzing the current situation and changes in the French economy on the medium- to long-term horizon, taking account of the international environment and European integration. Under these terms of reference, it also assesses the impact of economic policies. For these assignments, it develops, maintains, and implements macro- and microeconomic models. The Department conducts applied economic studies particularly designed to shed light on corporate strategies. Areas covered include market structures, innovation, competition policy, investment decisions, financing methods, and effects of new technologies. It analyzes the incidence of redistribution systems, taxation, and social transfers on income, employment, the behavior of economic agents, and the overall economy—measured against the two criteria of fairness and efficiency (as defined in economic theory).

9 - Economic Studies and Summaries Directorate (DESE)

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10 - Higher Education and Research Directorate

The Grouping of National Economics and Statistics Schools (Groupe des Écoles Nationales d’Économie et Statistique: GENES) constitutes INSEE’s Higher Education and Research Directorate. It is a center of responsibility with its own budget. There are few full-time faculty members, but GENES draws on the expertise of many individuals—INSEE managerial staff, academics, government employees—who combine teaching with another occupation.
GENES comprises:

➤ The National School of Statistics and Economic Administration (École Nationale de la Statistique et de l’Administration Économique: ENSAE), which trains INSEE administrateurs and economist-statisticians for the private sector.

➤ The National School of Statistics and Information Analysis (École Nationale de la Statistique et de l’Analyse de l’Information: ENSAI), which trains INSEE attachés and management-level personnel in the fields of statistical engineering, information processing, and general economics for the private sector.

➤ The Center for the Study of Economic Programs (Centre d’Études des Programmes Économiques: CEPE), which is a training center for the public and private sectors.

➤ The Center for Research in Statistics and Economics (Centre de Recherche en Économie et Statistique: CREST), which is INSEE’s research center.

CREST comprises the following units at its Paris facility:

➤ INSEE Research Department
➤ Industrial Economics Laboratory
➤ Finance and Insurance Laboratory
➤ Macroeconomics Laboratory
➤ Microeconometrics Laboratory
➤ Quantitative Sociology Laboratory
➤ Statistics Laboratory.

And, at its Rennes facility:

➤ Statistics and Modeling Laboratory
➤ Survey Statistics Laboratory.

A CREST sub-unit, the Economics and Statistics Research Group (Groupe de Recherche en Économie et Statistique: GRECSTA) is linked with CNRS as “associated research unit” (Unité de Recherche Associée: URA) #2200.

CREST works in the scientific and technical fields taught at ENSAE and ENSAI. INSEE routinely assigns members of its staff to CREST, enabling them to conduct research in statistics and economics more easily than if they were serving in operational units.

11 - History

The National Institute of Statistics and Economic Studies (Institut National de la Statistique et des Études Économiques: INSEE) was established under the Budget Act (loi de finances) of April 27, 1946, Articles 32 and 33. The new institution took over responsibility for an official statistical activity that had been performed without interruption since 1833.

From 1833 to 1945

In 1833, the French Ministry of Commerce set up the Bureau de Statistique Générale, which in 1840 took the name that it would keep for a century: Statistique Générale de la France (SGF). In 1906, SGF was incorporated into the newly established Ministry of Labor. In 1919, it took over the Service d’Observation des Prix, founded in 1917. Between 1930 and 1936—apart from a brief interlude in 1934—SGF became a sub-directorate reporting to the French Premier (Présidence du Conseil). At end-1936, it became an office of the Ministry of the National Economy. Alongside this central statistical office, other government departments gradually set up their own statistical facilities. On the eve of World War II, SGF had the following remit:

➤ organize and tabulate the major surveys that did not fall within the purview of a ministerial department (in particular, the population census);
➤ publish the vital statistics;
➤ observe prices and calculate the price indexes and the industrial production index;
➤ coordinate statistical programs throughout government;
➤ analyze the results of the work performed;
➤ disseminate statistics from all sources and its own findings through the publication of the Annuaire statistique (established 1878), Bulletin de la Statistique Générale de la France (established 1911), and individual volumes.

With fewer than 150 employees, SGF’s resources were too modest to enable it to carry out these missions in full.

In 1941, the Finance Ministry set up the Service National des Statistiques by merging the Statistique Générale de la France with the Service d’Observation Économique (established 1937), the Institut de Conjuncture (established 1938), and the Service de la Démographie. The latter office—set up in 1940 on the infrastructure of the former army recruitment offices—had a large staff and mechanical data-processing equipment. All of these resources were distributed across Regional Offices.

From 1946 to the 1960s

In 1946, a new merger of the Service National des Statistiques with the economic studies and documentation offices of the Ministry of the National Economy gave birth to the Institut National de la Statistique et des Études Économiques. INSEE’s status was that of a Directorate General of the Ministry of the National Economy, then distinct from the Finance Ministry.

In 1962, a final change gave INSEE its present structure, following a partial incorporation of the tasks and

5 The National Center for Scientific Research (Centre National de la Recherche Scientifique; CNRS) is a public agency engaged in basic research in all fields of knowledge, supported by more than 1,200 research and service units.
personnel of the Service des Études Économiques et Financières (SEEF) of the Ministry of Economy and Finance. In 1965, the section not incorporated into INSEE became the Ministry’s Forecasting Directorate (Direction de la Prévision). INSEE then took charge of the basic national-accounting work and summary forecasts; the latter were particularly intended to serve as inputs for French economic planning. The Institute also began its cooperation with the Ministry’s Forecasting Directorate to compile the annual forecasts included in the “economic budgets.”

This period also saw the start of the processing of sources initially developed for non-statistical purposes—i.e., administrative records and management databases. Two examples are: tax returns for wages and salaries (1950) and, later, for corporate earnings; and records on employment of the disabled, for the analysis of employment structure (1968).

Since 1970

In the early 1970s, other government departments rapidly set up statistical offices of their own, a trend that has continued ever since. The Institute accordingly expanded its role as coordinator, providing these offices with the qualified staff they needed to develop, and turning into a resource center for the entire official statistical system. INSEE was reorganized after the McKinsey report (1971). Statistical practices have evolved: the number of statistical surveys of households and enterprises and large-scale censuses—purely statistical operations at the outset—is growing, and they are collecting a wider variety of data. Meanwhile, the advent of information technology allows a better use of the information held by government and by private- and public-sector enterprises. In recent years, INSEE has been making more systematic use of administrative sources. Legislation passed in 1986 has given it greater access to information held by government agencies, but solely for statistical-production purposes.
Balancing coordination
and autonomy in the OSS chain

The specificity of the French system

Nearly 40% of senior INSEE staff (cadres A) work in ministerial statistical offices (MSOs) outside the Institute. The figure shows the importance of administrative decentralization in our official statistical system (OSS). This choice—which is fairly different from the arrangements in several other large European countries—deserves emphasis. In fact, the “coordination” of France’s somewhat complex organization is partly provided by the relative cultural and technical homogeneity of its managerial staff. Most are graduates of the two grandes écoles incorporated into INSEE: ENSAE and ENSAI, which respectively train INSEE administrateurs and INSEE attachés. The existence of these two echelons (corps), their management, and the guarantee of mobility between INSEE and the MSOs ensure a fair degree of unity in the community of French official statisticians. But the fact that these professionals are incorporated into distinct administrative entities, each with its specific organization, gives them a hands-on experience of the life and concerns of the ministries to which they are assigned. It is this second aspect of the French OSS organization that makes it original.

Indeed, official statistics is always caught between two contradictory necessities. On the one hand, it seeks to unify its data, classifications, procedures, and technical tools; on the other hand, it must adapt to the needs and languages of very different universes. If an OSS goes too far in the first direction—as happens in some countries—the risk is an ever-greater pursuit of an impressive-looking rational organization that will offer intellectual satisfaction but will in fact be strongly self-centered, being driven by the logic of engineers and computer scientists. In that case, the tool and its subtleties may appear to push toward self-sufficiency. The reference to the “field” of origin of the data—and to the questions that the data are supposed to answer—may well disappear from sight. Conversely, of course, a Balkanized system where the parties do not communicate with one another may also drive users to despair, as they will be perpetually unmasking its inconsistencies. The integration of ministerial statistical offices into government departments—along with the relative cultural, technical, and professional homogeneity of their managerial staff—offers an original response to this twofold danger.

Several other organizational arrangements exist in European countries, which we may separate into (1) the four other “big” countries (Germany, United Kingdom, Italy, and Spain) and (2) the smaller countries.

Generally speaking, the two “orthogonal” forms of centralization (or decentralization)—administrative but also territorial—cannot be described independently of each other. Germany, for example, practices heavy regional decentralization: the statistical offices of the Länder report to the Land, not to the Bund (federal government); yet the Federal Statistical Office in Wiesbaden displays a near-total administrative centralization. The United Kingdom lacks a regional statistical organization, but its Office for National Statistics maintains specialized units distributed across the country, resulting from a series of rather recent mergers. Historically, British statistics has been divided between independent entities. In Italy and Spain, the fairly complicated organizations reflect the diversity of political-decentralization and local-autonomy arrangements introduced in both countries over the past three decades. By way of compensation, administrative centralization

1. As well as some non-tenured cadre A staff.
is greater than in France. Our last example is the United States, where official statistics are carved up among different agencies, each with its own tradition. The three main entities are the Census Bureau, the Bureau of Labor Statistics, and the Bureau of Economic Analysis. Yet one feature shared with France is that economists—most notably forecasters—are closely associated with the system, whether in-house or via outside institutions.

In the smaller countries—for example, in the Netherlands—administrative centralization is also, as a rule, greater than in France. In Sweden and elsewhere, an organization into “agencies” provides a sharper distinction between production and use of statistics than in France: these two sides of the process are linked by quasi-market or outright commercial ties. This system is making inroads in the United Kingdom and northern Europe. Government departments in need of statistics issue invitations to tender, and the official statistical office may find itself bidding against other public- or private-sector organizations. It is in this context that the notion of “total quality” made its way from manufacturing into the world of statistics. These procedures have also been adopted for most operations at Eurostat, the Statistical Office of the European Union.

The French arrangement therefore seems relatively original, and bears the stamp of its history. In France, national accounting was a powerful engine—back in the 1950s—for the coordination of definitions of statistical variables, classifications, and data recording and tabulation procedures. In a second phase, which begins in the 1970s, the need to mesh the languages and specific needs of certain fields with the unified construction of the national accounts led to the gradual development of systems known as “satellite accounts”—another novel feature of the French OSS. These satellite accounts are precisely compiled in the MSOs and coordinated with the central framework maintained by INSEE. Today, national accounting plays a lesser role as coordinator. The most powerful coordination engine—and at a higher level—is now the drive for European statistical harmonization under the impulse of Eurostat.

Between the two dangers of autism and dispersion, official statistics must perpetually navigate in order to avoid succumbing to either. There is probably no “theoretical,” logical or legal solution—to a kind that can be set out in normative, all-purpose documents—to this abiding difficulty. In the French edition of this issue, each government department describes solutions based on different organization charts, different uses of sources, and different relations with users. This very comprehensive dossier draws largely on regulations and official documents. The focus is on the description of MSO missions, sources, and products. Naturally, it cannot fully substitute for another, livelier, and concrete description of the MSOs’ everyday operations. One would need to recount the difficulties they face in exploiting for statistical purposes the “information mines” generated almost involuntarily by administrative activity. One would also have to describe the continuing dialogue with players working in different cultures, for whom the fulfillment of statistical requirements is just one of many tasks. These aspects of the life of MSOs are covered in Courrier des statistiques, which, issue after issue, has presented many of them under the most varied angles. Even in the material included in this annual selection in English, the reader will find essential inputs for assessing the ways in which an official statistical system can conceptualize and manage the tension between coordination and autonomy for its components.

Alain Desrosières

2. On the organization of statistical systems in other countries, we refer the French-speaking reader to the INSEE series Regards à l’étranger on the United Kingdom (Pays-Bas-Uni, by Véronique Alexandre, no. 1, 1998), Germany (Allemagne, by Cécile LeFlèvre, no. 2, 1998), Italy (Italie, by René Hallou, no. 6, 2001), and China (Chine, by Véronique Alexandre and Luc Brouard, no. 8, 2001), Issue 91-92 (December 1998) of Courrier des statistiques (French edition) is devoted to Germany, Italy, the Netherlands, and the United Kingdom.
List of ministerial statistical offices (MSOs) excluding INSEE

(Units meeting the criteria defined in the 1951 Act)

MINISTRY OF AGRICULTURE AND FISHERIES
(MINISTÈRE DE L’AGRICULTURE ET DE LA PÊCHE)
Agriculture and forestry: Central Office of Statistical Surveys and Studies (Service Central des Enquêtes et Études Statistiques: SCEES) at the Financial Affairs Directorate
Compiles, processes, analyzes, and disseminates statistical data on agriculture, forestry, food industries, land use, and rural-area infrastructure and environment.
Fisheries and aquaculture: Central Bureau of Statistics (Bureau Central des Statistiques) at the Directorate for Sea Fisheries and Aquaculture

MINISTRY OF CIVIL SERVICE, CENTRAL-GOVERNMENT REFORM, AND REGIONAL DEVELOPMENT
(MINISTÈRE DE LA FONCTION PUBLIQUE, DE LA RÉFORME DE L’ÉTAT ET DE L’AMÉNAGEMENT DU TERRITOIRE)
Bureau of Statistics, Studies, and Assessment (Bureau “Statistiques, études et évaluation” - FP/9) at the Directorate-General for Administration and the Civil Service

MINISTRY OF CULTURE AND COMMUNICATION
(MINISTÈRE DE LA CULTURE ET DE LA COMMUNICATION)
Culture: Department of Studies and Forward Planning (Département des Études et de la Prospective) at the General Administration Directorate
Covers all areas of cultural creation, cultural actions, and cultural practices: architecture, archives, libraries, museums, cinema, foreign languages and civilization, books, music, fine arts, performing arts and entertainment, and cultural heritage.
Communication: Mission for Statistical Observation, Studies, and Documentation on the Media (Mission d’Observation Statistique, d’Étude et de Documentation sur les Médias) reporting to the Prime Minister
Field of investigation comprises the press, audiovisual communication, and other communication services for the general public.

MINISTRY OF DEFENSE
(MINISTÈRE DE LA DÉFENSE)
Bureau of Statistics and Studies (Bureau de la Statistique et des Études) at the Financial Services Directorate

MINISTRY OF ECOLOGY AND SUSTAINABLE DEVELOPMENT
(MINISTÈRE DE L’ÉCOLOGIE ET DU DÉVELOPPEMENT DURABLE)
Environment: French Environmental Institute (Institut Français de l’Environnement: IFEN)
A “national public administrative agency of the central government” (établissement public national de l’État à caractère administratif) reporting to the Ministry.

MINISTRY OF ECONOMY, FINANCE, AND INDUSTRY
(MINISTÈRE DE L’ÉCONOMIE, DES FINANCES ET DE L’INDUSTRIE)
State Secretariat for Small and Medium-Sized Businesses, Craft Industries, and Consumer Affairs
(Secrétariat d’État chargé des PME, du Commerce, de l’Artisanat et de la Consommation)
Wholesale/retail trade, craft industries, and services: Sub-Directorate for Wholesale/Retail Trade, Craft Industries, and Service Industries (Sous-DIRECTION des Activités Commerciales, Artisanales et de Services), forming part of the Directorate for Wholesale/Retail, Craft, and Service Enterprises
Covers wholesale and retail trade (including mass merchandising), services (including the professions), and small enterprises. The small-enterprise sector is defined very broadly to include not only wholesaling/retailing but also construction and industrial products, repairs, food industries, and a section of the transportation industry.
Delegated Ministry of the Budget and Fiscal Reform
(Ministère délégué au Budget et à la Réforme Budgétaire)
Customs: Statistics and Economic Studies Bureau at the Directorate-General of Customs and Excise
Monitors French merchandise trade.

Delegated Ministry of Industry
(Ministère délégué à l’Industrie)
Designs and implements the system of statistical surveys and studies in the manufacturing industries, communication technologies, and industrial services.

A center for statistics and studies with extensive coverage of international issues.

MINISTRY OF INFRASTRUCTURE, TRANSPORTATION, HOUSING, TOURISM, AND THE SEA
(MINISTÈRE DE L’ÉQUIPEMENT, DES TRANSPORTS, DU LOGEMENT, DU TOURISME ET DE LA MER)
Economy and Statistics Office (Service Économie et Statistique: SES) at the Economic and International Affairs Directorate
Spheres of competence: construction, real-estate transactions, housing, rents, transportation (passenger and freight), infrastructure, and urban planning.

State Secretariat for Tourism
(Secrétariat d’État au Tourisme)
Strategy, Forward Planning, Assessment, and Statistics Department (Département de la Stratégie, de la Prospective, de l’Évaluation et des Statistiques: DSPES) at the Tourism Directorate
Scope of coverage may be defined as persons traveling outside their usual area of residence and work.

MINISTRY OF THE INTERIOR, DOMESTIC SECURITY, AND LOCAL LIBERTIES
(MINISTÈRE DE L’INTERIEUR, DE LA SÉCURITÉ INTÉRIEURE ET DES LIBERTÉS LOCALES)
Local government: Office of Statistics, Studies, and Local Resources (Service des Statistiques, des Études et des Techniques Locales) at the Directorate-General for Local Government
In France, there are three levels of local government with full executive authority—the municipality (commune), the département, and the region—plus inter-municipal cooperation bodies. The Office monitors the resources and actions of these institutions.

MINISTRY OF JUSTICE
(MINISTÈRE DE LA JUSTICE)
Sub-Directorate for Statistics, Studies, and Documentation (Sous-Direction de la Statistique, des Études et de la Documentation) at the Directorate for General Administration and Infrastructure
Statistical coverage includes: operations of judiciary institutions; delinquency; crime; penal population; civil proceedings (private litigation, divorces, adoptions, acquisitions of French nationality, business failures, etc.).

MINISTRY OF SOCIAL AFFAIRS, LABOR, AND SOLIDARITY – MINISTRY FOR HEALTH, FAMILY AFFAIRS, AND PERSONS WITH DISABILITIES
(MINISTÈRE DES AFFAIRES SOCIALES, DU TRAVAIL ET DE LA SOLIDARITÉ – MINISTÈRE DE LA SANTÉ, DE LA FAMILLE ET DES PERSONNES HANDICAPÉES)
Employment, labor, and continuing education: Directorate for Research, Studies, and Statistics (Direction de l’Animation de la Recherche, des Études et des Statistiques: DARES)
Scope of investigation encompasses employment, labor market, compensation of employees, working conditions, employer-employee relations, collective bargaining, and workforce training.
Health and social protection: Directorate for Research, Studies, Assessment, and Statistics (Direction de la Recherche, des Études, de l’Évaluation et des Statistiques: DREES)
Covers health, welfare, social protection, family, and women’s rights.
MINISTRY OF SPORTS
(MINISTÈRE DES SPORTS)
“Data Bases and Statistical Information” Mission (Mission “Bases de Données et Information Statistique”) at the Personnel and Administration Directorate
Main data-gathering areas: sports and cultural practices, sports economics, sports-related occupations and jobs, vacation and recreational centers, sports associations, and youth membership organizations.

MINISTRY OF YOUTH AFFAIRS, EDUCATION, AND RESEARCH
(MINISTÈRE DE LA JEUNESSE, DE L’ÉDUCATION NATIONALE ET DE LA RECHERCHE)
Sub-Directorate for Statistical Studies (Sous-Direction des Études Statistiques: SDES) at the Programming and Development Directorate
Covers all levels of both public and private education, from kindergarten to university.
Other statistics-producing offices

As defined by the 1951 Act, these offices are not MSOs but qualify as “producer offices” that are subject to confidentiality and coordination rules, and are represented at CNIS. They are not described in the original French edition of this issue.

Agriculture
INRA Institut National de la Recherche Agronomique (National Institute for Agronomic Research)

Audiovisual industry, film industry
CNC Centre National de la Cinématographie (National Center for Cinema) – Office of Studies, Statistics, and Documentation (Ministry of Culture and Communication)

Consumption, consumer opinion
CREDOC Centre de Recherche pour l’Étude et l’Observation des Conditions de Vie (Research Center for the Study and Observation of Living Conditions)

Construction, urban planning

Demography
INED Institut National d’Études Démographiques (National Institute of Demographic Studies)
IDUP Institut de Démographie (Demography Institute), University of Paris I
OMI Office des Migrations Internationales (International Migration Office)

Chambers of commerce
ACFCI Assemblée des Chambres Françaises de Commerce et d’Industrie (National Committee of French Chambers of Commerce and Industry)
APCA Assemblée Permanente des Chambres d’Agriculture (National Committee of Chambers of Agriculture)
APCM Assemblée Permanente des Chambres de Métiers (National Committee of Chambers of Craft Trades)
CCIP Chambre de Commerce et d’Industrie de Paris (Paris Chamber of Commerce and Industry)

Civil liberties, police
DLPAJ Direction des Libertés Publiques et des Affaires Juridiques (Directorate for Civil Liberties and Judicial Affairs) (Ministry of the Interior, Domestic Security, and Local Liberties)
DCPJ Direction Centrale de la Police Judiciaire (Central Police Directorate) (Ministry of the Interior, Domestic Security, and Local Liberties)

Employment, unemployment
ANPE Agence Nationale pour l’Emploi (National Employment Agency)
CEE Centre d’Études de l’Emploi (Center for Employment Studies)
UNEDIC Union Nationale Interprofessionnelle pour l’Emploi dans l’Industrie et le Commerce (National Multi-Sector Union for Employment in Industry and Commerce)
DIPL Délégation Interministérielle aux Professions Libérales (Interministerial Delegation for the Professions)

Environment
ADEME Agence de l’Environnement et de la Maîtrise de l’Énergie (Environmental and Energy-Conservation Agency)
D4E Direction des Études Économiques et de l’Évaluation Environnementale (Directorate for Economic Studies and Environmental Assessment) (Ministry of Ecology and Sustainable Development)
Health
INSEARM Institut National de la Santé et de la Recherche Médicale (National Institute of Health and Medical Research)
CREDES Centre de Recherche, d’Etude et de Documentation en Économie de la Santé (Center for Research, Analysis, and Documentation on Healthcare Economics)
OFDT Observatoire Français des Drogues et Toxicomanies (French Observatory for Drugs and Substance Addiction)

Insurance, balance of payments, stock markets, finance, taxes, monetary affairs
AFB Association Française des Banques (French Banking Association)
BDF Banque de France (Bank of France)
CCA Commission de Contrôle des Assurances (Insurance Control Commission) (Ministry of Economy, Finance, and Industry)
CDC Caisse des Dépôts et Consignations
COB Commission des Opérations de Bourse (Securities and Exchange Commission)
DGCP Direction Générale de la Comptabilité Publique (Directorate General for Public Accounting) (Ministry of Economy, Finance, and Industry)
DGI Direction Générale des Impôts (Directorate General for Taxes) (Ministry of Economy, Finance, and Industry)
Direction du Trésor (Treasury Directorate) (Ministry of Economy, Finance, and Industry)

Occupations, skills, continuing education, school-to-work transition
CEREQ Centre d’Études et de Recherches sur les Qualifications (Center for Study and Research on Occupational Skills)
DGEFP Délégation Générale à l’Emploi et à la Formation Professionnelle (General Delegation for Employment and Continuing Education) (Ministry of Social Affairs, Labor, and Solidarity)

Regional development
DATAR Délégation à l’Aménagement du Territoire et à l’Action Régionale (French Regional Development Agency) (Ministry of Civil Service, Central-Government Reform, and Regional Development)

Registered trade organizations
The trade organizations that conduct surveys on behalf of the government (essentially, production surveys) are also classified as “producer offices.”

Road safety
INRETS Institut National de Recherches sur les Transports et leur Sécurité (National Institute for Research on Means of Transportation and their Safety)

Social protection
ACOSS Agence Centrale des Organismes de Sécurité Sociale (Central Agency of Social-Security Organizations)
CANAM Caisse Nationale d’Assurance Maladie des Professions Indépendantes (National Sickness-Insurance Fund for the Self-Employed)
CNAF Caisse Nationale des Allocations Familiales (National Family-Benefits Fund)
CNAM-TS Caisse Nationale d’Assurance Maladie des Travailleurs Salarisés (National Sickness-Insurance Fund for Payroll Employees)
CNAV-TS Caisse Nationale d’Assurance Vieillesse des Travailleurs Salarisés (National Old-Age Pension Fund for Payroll Employees)
MSA Mutualité Sociale Agricole (Farmers’ Mutual Insurance)

Trade
CFCE Centre Français du Commerce Extérieur (French Center for Foreign Trade) (Ministry of Economy, Finance, and Industry)
DREE Direction des Relations Économiques Extérieures (Directorate of External Economic Relations) (Ministry of Economy, Finance, and Industry)
Official statistical system: number of persons employed at INSEE and in government ministries (January 1, 2001)

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<th>Regional and département facilities</th>
<th>Total</th>
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<td>INSEE + Ministries</td>
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Breakdown by ministry

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<td>of which: from INSEE</td>
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<td>Defense</td>
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<tr>
<td>Education and Research</td>
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<tr>
<td>Energy</td>
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<td>Environment</td>
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<td>Fisheries and Aquaculture</td>
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<td>131</td>
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<td>Industry [goods-producing]</td>
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<td>130</td>
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<td>All ministries</td>
<td>1,561</td>
<td>1,362</td>
<td>2,923</td>
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INSEE: Central facilities include the Head Office (with the GENES schools group), CEFIL, and the national computing centers (CNIs).
Justice: Paris and Nantes.
Agriculture: Central facilities are divided between Paris, Toulouse, and Beauvais. Staff not employed in central facilities are based at regional and département Directorates for Agriculture and Forestry (DRAFs and DDAFs).
Customs: Central-facilities staff include the approximately 150 employees of the National Directorate for Trade Statistics in Toulouse, and, in the “deconcentrated” facilities, the 180 employees of the Inter-Regional Data-Capture Centers in Lille, Lyon, Metz, Rouen, Sarcelles, and Toulouse plus about twenty persons assigned to the Inter-Regional Customs Directorates.
Industry: Central facilities are divided between Paris, Rocquencourt, and Caen.
European Community statistics at the dawn of the twenty-first century

New issues and new requirements

The Amsterdam Treaty, which was ratified in 1999, added Article 285 to the Treaty Establishing the European Community (EC). This new article deals specifically with statistics.

It spells out the procedures for adopting statistics-related EC instruments and the main ethical principles applying to statistics. European has thus become a vital dimension for statisticians, and the start of the new century marks the beginning of a new phase.

Two key changes have taken place. First, with the completion of Economic and Monetary Union, statistical information for EC authorities is now a key issue. Second, the institutional framework for adopting EC statistical instruments has become much more complex.

**EC statistics from the origins to the late 1990s**

Roughly speaking, the history of EC statistics breaks down into two periods. The first period lasted from the 1950s until the late 1980s. EC statistics mainly covered specific areas or sectors relating to the EC *acquis* of the time. First there were statistics on coal and steel. Then came statistics on foreign trade, energy, and—of course—agriculture. The statistics were highly detailed and produced according to a set timetable. But the deadlines for compiling statistics were fairly long. The chief quality being sought was data comparability, which required standardization of concepts and data-collection methods. The same period saw the introduction of elements of a statistical infrastructure, such as registers and classifications.

This pattern was broken in the late 1980s–early 1990s. First, statistics started to play a greater role in decisions that have financial consequences. Two examples are the creation of a “fourth resource” for the EC budget that is based on GDP (Gross Domestic Product), and the eligibility of Member States for money from “structural funds” (regional and social funds). Second, and more important, the operational functions of statistics were greatly extended in the run-up to Economic and Monetary Union (EMU) and in the economic governance arrangements linked to EMU, such as the Maastricht criteria and the Stability and Growth Pact.

Several examples illustrate this phenomenon. Two very important Regulations adopted in 1979 and 1996 harmonized the methods used to compile national accounts. These measures were obviously aimed at preventing doubts about the fair picture presented by national accounts of countries applying for entry to EMU. In the same spirit, a Regulation enacted in 1995 instituted a “harmonised index of consumer prices” (HICP). Two other Regulations were aimed at providing detailed and harmonized data on output on an annual and a quarterly basis. They are the 1997 Regulation on structural business statistics and the 1998 Regulation on short-term statistics. This system is soon to be completed by the adoption of a Regulation on the publication of full quarterly accounts for the general-government sector.

All in all, by the late 1990s, two sets of economic agents—general government and businesses—were
subject to harmonized and relatively detailed statistical tracking in Europe. The extension of European statistical coverage into new areas was the logical consequence of two major advances in European integration during the decade: for businesses, the introduction of the single market; for governments, EMU.

Until now, the European statistical system has operated on the basis of the broad principle that Eurostat centralizes, aggregates, and publishes European indices constructed from national indices. The latter are, with a few exceptions, the sole responsibility of the Member States. Harmonization efforts have focused almost exclusively on the statistics produced and, more particularly, on definitions, coverage, and frequency. This approach—based on the subsidiarity principle—has two major consequences. First, national statistical institutes (NSIs) have full control over their data-collection procedures. In most cases, they may rely on national surveys and on administrative records. This virtually rules out the use of a survey designed from the outset as a “European survey.” Second, the publication of an aggregated European index requires waiting for the latest available national data.1 Except in rare cases, the Regulations do not allow for differentiated treatment of Member States. When it comes to providing statistical information, smaller countries are subject to the same requirements as larger countries. This means that, in some cases, a sample of Luxembourg households has to be one-third the size of the German sample in order to be relevant.

Implementing EMU: a greater need for statistical information

The implementation of Economic and Monetary Union (EMU) in spring 1999 had major consequences for European statistics. The European Central Bank (ECB) became a genuinely federal institution that acts on its own to set monetary policy for the euro area as a whole. To accomplish its tasks, it needs a series of macroeconomic indices compiled several times a year to track growth, prices, government finances, and labor-market conditions. The French authorities were quick to perceive the need to respond to these requirements. In June 1998, the French Finance Minister, Dominique Strauss-Kahn, sent his colleagues on the Council of Economics and Finance Ministers (ECOFIN) a “memorandum” on the statistical needs to be met in order to provide the ECB with tools for tracking economic developments. INSEE played an active role in drafting the memorandum, which led to the preparation of an “Action Plan on EMU Statistical Requirements.” The Plan has two parts. The first is a broad-based document applying to the European Union as a whole. It sets the objectives to be reached in important areas such as quarterly accounts, government finances, and labor markets, and calls for the adoption of new European Regulations. The second part gives detailed lists of the actions to be accomplished under the plan in each Member State. The Economic and Financial Committee draws up periodic progress reports. These provide a very blunt description of the situation in Member States and are sometimes severely critical. The reports are then submitted to ECOFIN for approval, which ensures that they receive a political endorsement and fairly widespread publicity. The fourth progress report was finalized in October 2001 and the fifth report was released in late 2002.

For the French official statistical system, the main requirements under the Action Plan with regard to data quantity are as follows:

- Fuller information on the national accounts is needed, along with quarterly financial and non-financial statistics for general government. The quarterly statistics need to be comprehensive, which means including net borrowing and net lending. This will require a much fuller coverage of local-government accounts and social-security accounts on a sub-annual basis.

- A continuous labor-force survey is needed, with the first results to be sent in early 2003, and the Regulation on the labor-cost index needs to be implemented.

- Several new short-term statistical series need to be compiled on businesses, particularly on new orders and actual import prices. We can see that, in several areas, the adoption of the new Regulations is taken for granted. This obviously limits the maneuvering room for the technical working groups in charge of drafting the Regulations.

Need for timelier information

EMU implementation has consequences for the quantity and frequency of statistical information needed by the ECB, but it also impacts the timeliness requirements for the data used to track economic developments. As we have seen, the present functioning of the European statistical system entails publication lags for aggregated European indices, which thus come too late to be of much use for steering the economy. The ECOFIN Action Plan calls for a series of measures to improve the timeliness of information. For example, the Plan calls for the release of the labor-cost index 75 days after the end of the reference period and the release of the industrial production index within 45 days. Thanks to recent progress, France now meets both requirements.

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1. This is particularly the case when the data come from large countries with a major impact on the compilation and interpretation of the European index. It is not always the case when the late data comers are the data from smaller countries.
Given the circumstances, the Swedish NSI proposed in late 2000 that a working group should make a fact-finding trip to the United States and draft a comparative report on the U.S. and European statistical systems. The report was completed in summer 2001 and submitted to the Directors General of the NSIs (DGINSs) at the meeting of the Statistical Programme Committee (SPC) in September 2001. The feature of the American system highlighted in the report is the speed of publication of statistical economic indicators. U.S. law requires the statistics-producing departments to publish the indices no later than twenty-two business days after the end of the reference period. This is usually accomplished by sacrificing the comprehensiveness of temporal coverage. For example, the quarterly accounts really cover only the first two months of each quarter. Furthermore, the U.S. often publishes three figures for a single index. The first is the “advanced” (or “preliminary”) indicator, published within the very short time lag mentioned above. It is followed a month later by the “revised” figure and, another month later, by the “final” figure. This creates a steady stream of copious statistical information that gives rise to much analysis and conjecture.

Despite some reservations about the quality of certain American indicators, the report clearly held up the U.S. as the model or “standard” to be emulated for timeliness. The report also contained a recommendation for the DGINSs. It suggested that they should undertake to match the American timeliness standard by the end of 2006 for a dozen economic variables. The SPC rejected this objective, which is much more ambitious than the one set by the ECOFIN Action Plan. However, the SPC did decide to set up a “high-level” working group to examine the matter. The group is to be chaired by the Director General of Eurostat. The group was asked to present operational drafts—in effect, an “Action Plan”—at the SPC meetings in May and September 2002. Interestingly, the working group also includes “users.” In reality, the only user present is the ECB, as if European statistics were a monopsony.

INSEE’s position on this issue can be summed up in two principles: (1) if an index is deemed to be inaccurate at present, we should concentrate on making it more relevant, before attempting to shorten publication lags; (2) if an index is deemed to be accurate, we should try to shorten publication lags, but not if it means sacrificing the quality of the indicator. INSEE is therefore clearly opposed to the “globalization” approach that emerged in the September 2001 report with a general commitment to match the U.S. standard. We also object to the ever more prevailing tendency to regard timeliness as the quality criterion that overrides all others.2 However, we favor a “qualitative” improvement in the information supplied to the ECB. Labor-market statistics, in particular, need improving. INSEE feels that progress should and could be made on timeliness, but that it should be planned on the basis of (1) a rigorous analysis of the current situation and (2) a very close look at the trade-offs between quality and speed, and the additional burden that timelier publication will place on respondents.

INSEE also stressed that America’s economic statistics have been designed to meet the needs of the federal government only. The needs of individual states are almost entirely overlooked. There is no reason to end up with the same situation in Europe. The EU Member States are individually responsible for fiscal policy, including those aspects that are subject to the constraints of the Stability and Growth Pact. National governments are also responsible for virtually all social policy. Rather than moving toward a potential separation between “European” and “national” statistical series, we should strive for congruence between European and national needs. On the one hand, new European requirements should have a positive impact on our statistical production—while improving the information provided to national decision-makers and users. On the other hand, European requirements will be best met if we maintain the quality of national statistical series. We cannot rule out the risk that some surveys will eventually be designed from the outset as “European” surveys. Such surveys may be primarily, or even exclusively, aimed at meeting European needs and the NSIs might have very little say about the methodology used.

Several of our partners share these concerns. But the pressure from the ECB, which needs timelier indices, is very strong. Eurostat and certain NSIs are applying the same pressures. This means the working group is under severe constraints and its conclusions will have a major impact on the French statistical system.

All the same, the process could offer an opportunity to make some real progress, particularly with regard to quarterly accounts (with timelier provision of data and a more comprehensive presentation of economic agents’ accounts) and labor-market statistics. The need to shorten publication lags has given rise to innovative solutions. For instance, the NSIs agreed that it was possible to produce preliminary national sub-indices for retail sales. These indices would not be relevant at the national level, but they would make it possible to cut the lag for producing the aggregated European index from the current fifty days to thirty. INSEE wholeheartedly approved this approach, on two

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2. It is generally agreed that the quality criteria for statistics are relevance, accuracy, availability, timeliness, comparability, and coherence. Yet, there is a highly significant tendency to pare the list down to “timeliness and other quality-related aspects.” This common abridgment clearly shows the dominance of the “timeliness” aspect, which is presented as a pre-eminent criterion that counts as equal in much importance as to all of the others combined.
conditions: (1) the provisional national sub-indices are not published; (2) the subsidiarity principle applies to the methods used to compile the sub-indices. As a general rule, INSEE’s work in economic research, analysis, and forecasting has given it the expertise it needs to develop substitute indices in some cases. These provide timelier information of satisfactory quality about a variable. Another innovative possibility for achieving significant progress on timeliness is to allow the provision of more aggregated preliminary data. It is a pity that this avenue has not been explored sufficiently and that the new requirements simply demand earlier publication of the same information, which sometimes involves very fine levels of disaggregated detail.

This creates two types of risks.

First, the demand for shorter publication lags can raise feasibility problems, if it turns out to be incompatible with current data-collection procedures. This is the case with the industrial production index, for example. INSEE used to publish the index about 50 days after the end of the reference period. It then managed to shorten the lag to 45 days. To meet the ECB’s demand for a 30-day lag, INSEE would have to give up its current data-collection method based on industry surveys and replace it with a centralized data-collection system. More generally, the use of administrative data sources often entails longer production lags than the use of surveys to collect data. A timeliness gain of a few days is thus a useful objective that can help overcome specific dysfunctions. But a gain of a couple of weeks would entail a complete overhaul of the data-collection system and create an additional workload for statisticians and respondents.

Second, shortening publication lags raises issues about the appropriateness of the proposed changes. As noted earlier, speed of publication in the U.S. has been achieved in many cases by sacrificing comprehensive temporal coverage. The data for the end of the reference period is either “made up” or even omitted altogether. We are in fact dealing with a question of semantics. Eurostat’s original plans called for shortening the publication lags of European price indices, for example, by “modifying data-collection methods.” In actual fact, this would involve either a shift in the price collection period so that, for instance, the month of “November” would run from 20 October to 19 November, or else price collection would cover only part of the month, say, from the 1st to the 20th. The first solution does not produce any real improvement in data timeliness; the second solution would reduce the quality of the index, which would no longer reflect (1) changes in the prices of some products within the month or (2) specific events such as sales.

The new social-statistics project and the growing demand for “structural indices”

Two other developments need to be mentioned before concluding this section on statistical production.

Major work will be undertaken on social statistics in the coming years, regardless of how closely linked—or, sometimes, how distantly connected—they are to economic statistics on the labor market. The five-year statistics program for 2003-2007 calls for a coherent strategy that will provide a complete set of indices covering all social issues. One of the first steps is likely to be a draft Regulation on statistics on household income and living conditions. The Council began examining drafts in early 2002. This ambitious project calls for a panel survey of households. Unsurprisingly, the main problem that arose in the survey design was the harmonization of the questions and concepts to ensure the comparability of responses. The technical working group did not always provide solutions for this problem. No solution has been found for the “gross income” variable. This appears to be a simple notion, but there are almost as many definitions for it as there are Member States.

More generally, the extension of European statistics to social data involves areas that are mainly governed by national policy. Therefore, the concepts used reflect institutional, administrative, tax, and other structures, which vary greatly from one Member State to the next. They also reflect the dominant data-collection methods, which rely on administrative data sources in many countries. This takes us into areas where the production of harmonized data would, in some cases, be an unrealistic aim. It also raises the familiar dilemma of either (1) working toward harmonization, despite the problems, which means no longer relying on administrative data sources, or else (2) continuing to use such sources because they provide an overall answer to the questions asked, even though this means sacrificing the comparability of results.

The Lisbon summit of Heads of State and Government in March 2000 asked the Commission to come up with a set of “structural indices.” The ever-longer list of indices covers such familiar economic indicators as the GFCF/GDP (gross fixed capital formation/gross domestic product) ratio, as well as some more elusive aggregates such as the numbers of long-term unemployed finding jobs, continuing education, wage differentials between men and women, or the growing use of the Internet. Specific problems with data availability can arise, and data harmonization cannot always be ensured. For the time being, this project does not involve publishing a ranking of Member States. There are also certain sectors where the demand for “structural” indices is very strong, particularly in the goods-producing industries. There is also a rising demand for statistics
European Community statistics at the dawn of the twenty-first century

This requires us to have a degree of familiarity with some legal notions and at least a rough understanding of several institutional mechanisms. We shall deal here with only two key mechanisms: the “codecision” and “comitology” procedures. The distinction between the two is a practical one. The codecision procedure applies to the adoption of “basic acts”; comitology concerns the adoption of “implementation acts.”

For the sake of simplicity, we shall say at this point that a “basic act” is a measure that regulates a statistical issue for the first time. In statistics, this means “Regulations” or “Decisions” in nearly every case. Regulations apply directly in all the Member States, without requiring a national act to “transpose” them into national law, and they are binding in their entirety. Decisions are binding in their entirety upon those to whom they are addressed. This means that there is no difference between Regulations and Decisions when the Decisions apply to all Member States. It has become common practice, however, to use the term “Decision” for measures that are binding in their entirety and that apply to all Member States, but for a limited time. For example, the EC Statistics Programme for 1998-2002 was covered by a “Decision,” and not by a “Regulation.” The Commission is the source of all basic acts. European law makes no provision for Parliament to put forward “Proposals for draft Regulations.” Eurostat—which is a Directorate General of the Commission—usually initiates examination of Commission drafts on statistical matters. Eurostat calls meetings of its “technical” working bodies. When these bodies include representatives of all 15 Member States, they are called “working groups”; when they include representatives from only some of the Member States, they are called “task forces.” When Eurostat deems that the technical examination of the draft has made sufficient progress, it submits it to the SPC, which is made up of the DGINSs, or their representatives, and chaired by Eurostat’s Director General. In this case, the SPC does not vote on the proposed act. It merely gives an opinion. It should be pointed out that the SPC’s work has been prepared by a restricted group of seven members called the “Partnership Group” since the end of 1999.

Consultation with the SPC is a legal requirement, but the SPC’s opinion is not binding on Eurostat. Experience has shown that a majority of Member States have to be highly critical about the same points before Eurostat deems that a draft needs more work. If this happens, the draft is sent back to the technical working group for amendment and submission to another meeting of the SPC for its opinion. In many cases, criticisms made by SPC members are merely noted in the minutes and do not result in any substantial amendments to the proposed measures. The next step is “inter-service” consultations with other Directorates General, after which Eurostat submits its draft to the college of twenty Commissioners for approval. At this point, the draft officially becomes a “Commission Draft” and is sent to the European Parliament and the Council for adoption. This is the start of the “codecision” procedure.

...to the “codecision” procedure

Until spring 1999, the procedure for adopting EC Acts relating to statistics was fairly streamlined. The Council acted alone and a simple
The Council is a party to the process, which means that three institutions are actually involved. The Commission also retains its right of initiative throughout the discussions. It can withdraw or amend its drafts at any time. And it rules on the amendments put forward by the EP. The amendments that it rejects can be included in the instrument only if the Council approves them unanimously. In this case, a qualified majority is no longer sufficient. The box on page 46 contains a detailed description of the codecision procedure.

The recent application of the codecision procedure for statistical matters means that not many examples are available. Nonetheless, we can try to draw some lessons from recent experience.

First, it is noteworthy that Members of the European Parliament (MEPs) are truly interested in statistical matters, despite the often highly technical nature of the issues at stake. All of the drafts have been revised and there have been many proposed amendments. This has substantially lengthened the procedures for adopting standards-related instruments. Before the implementation of the codecision procedure, it was possible to adopt an important measure such as the Regulation on short-term business statistics during the six months of the British Presidency in the first half of 1998. Today, it would be unthinkable to act with such speed. It now takes about eighteen months to deal with “standard” issues. A draft Regulation on waste-management statistics, first put forward in early 1999, was still in the “first reading” stage at the Council and the EP in January 2002.

The long and complex codecision procedure could result in legislative logjams. Yet statisticians who are examining proposed measures in several areas—particularly those contained in the ECOFIN “Action Plan”—at the request of national political authorities are required to produce results. During the preliminary examination stages (say the first-reading stage, for the sake of simplicity) we still have enough maneuvering room.8 But this changes if there is a risk of a logjam (during the second-reading stage, for instance) and if the act is adopted after making substantial concessions to the EP, with no regard for the implementation problems posed by some of the EP’s amendments.

While the discussions in the Council’s working group are generally aimed at streamlining regulations and making them more flexible, the EP’s natural tendency seems to be to make them more restrictive, regardless of the requirements set out in the Commission’s original draft. This problem can be exacerbated by procedural issues. In many cases, the EP waits until the Council (actually the Council’s working group) has completed its preliminary examination of the draft before making its own decision. As a result, the EP has two versions to work with: the Commission’s original draft and the version amended by the Council’s working group. Now, as we have just said, the EP often makes the Commission’s original draft more restrictive. Under these circumstances, the draft becomes a compromise measure that goes further than the Council would like but not as far as the EP would like. In the simplest case, Parliament may also consider that the Commission’s draft is perfectly satisfactory, except for a few minor amendments. This means that the amendments put forward by the Council are not acceptable. As the discussions continue, the Council may find itself squaring off against two institutions: the EP and the Commission.

4. The number of votes granted to Member States depends on their relative size, with extra weighting for the countries with the smallest populations. France, Germany and the United Kingdom have 10 votes each. Spain has 8 votes, while Belgium, the Netherlands, Portugal and Greece have 5 votes each. Austria and Sweden have 4 votes each. Finland, Ireland and Denmark have 3 votes each and Luxembourg has 2 votes.

5. As noted in the box p. 45, INSEE takes part in the Council’s working groups on statistics. INSEE has a fair degree of freedom in these venues to defend what it deems to be the right technical positions. But our chances of being heeded obviously diminish as the process takes a more political turn.
Players and institutions

The Council of the European Union: This is the Council of Ministers with responsibility for the matters on the agenda. The vast majority of statistical matters are the responsibility of the ECOFIN Council, which is made up of the European Union Economy and Finance Ministers. The Presidency of the Council is held by each Member State in turn for six months. The Council mainly acts as a co-legislator with the European Parliament. The “Council working groups” prepare the Council’s work in the preliminary stage. INSEE participates in the working groups dealing with statistical matters. In the second stage, a “Permanent Representatives Committee” (COREPER) assists the Council. The members of this Committee are the Member States’ ambassadors to the Union institutions. Some of the Council formations are also assisted by specialized committees. This is the case of the ECOFIN Council, which is assisted by the Economic and Financial Committee (EFC), made up of representatives from Treasury directorates and central banks.

The European Parliament: The EP has 626 Members (including 87 from France) who are elected for five years. The preliminary examination of draft legislation is conferred to a “rapporteur,” who examines the draft and liaises with the Commission and the Council. The rapporteur prepares a draft position and submits it first to one of the specialized commissions of the EP. This commission finalizes the position draft, which is then submitted to a plenary session of the EP.

The Statistical Programme Committee: The Statistical Programme Committee is made up of the Director General of Eurostat, the DGINSs—or their representatives—from the Member States, and the DGINSs from three other countries in the EEA (European Economic Area). These countries are Iceland, Liechtenstein, and Norway, which have a say on all matters but cannot vote. The SPC meets four times a year in March, May, September, and November. Its meetings are open to “observers” from the ECB, OECD, IMF, etc., who can take part in the discussions. The SPC is involved in the three types of procedures described in the body of the text, i.e., advisory, management, and regulatory committee procedures.

The “Partnership Group”: This group has seven members: a chairperson, the DGINSs from the Member State that has just held the Presidency of the Council, the Member State currently holding the Presidency, and the two Member States to follow, the DG of Eurostat and a DGINS from one of the three other EEA countries. Paul Champsaur, Director General of INSEE (France), was elected to chair the Group in September 2001. The Group meets three times a year in February, April, and October, between the SPC meetings. Its task is to prepare the SPC meetings. It has no decision-making power. However, its role as a “board” in charge of preparing SPC decisions is bound to increase with the future enlargement of the European Union.

The Committee on Monetary, Financial, and Balance of Payments Statistics: This committee is involved only in advisory committee procedures. The Commission consults the CMFB on all drafts of measures that fall within its scope of responsibility. It is made up of equal numbers of statisticians (from NSIs and Eurostat) and representatives from national central banks and the ECB.
Codecision Procedures

Codecision procedures are very complex. They have led to the development of practices and case law. This presentation will be restricted to the main provisions. The three possible situations, ranked by increasing complexity, are as follows:

**Situation 1: the draft is adopted after the first reading**

The Commission sends a draft to the Council and Parliament. Parliament sends its opinion, with or without proposed amendments. If there are no amendments, or if the Council accepts all of the amendments, the Council may adopt the instrument by a qualified majority. It should be noted that the provision concerning “all amendments” is very restrictive. It only takes the rejection of one amendment to prevent the adoption of the instrument. It goes without saying that there is no such thing as “conditional approval.” In other words, the Council does not have the power to modify amendments. It can only accept them or reject them. Thus the use of the procedure described in Situation 1 is necessarily limited. It applies in a matter that is important enough to warrant the codecision procedure, but toward which the two institutions concerned (the Council and Parliament) have a remarkably simple attitude. Either Parliament does not put forward any amendments and the Council approves the Commission’s draft, or Parliament puts forward amendments and the Council adopts every single one. It should also be noted that if the Council approves the parliamentary amendments, which are then rejected by the Commission, the Council’s approval must then be voted unanimously; a qualified majority is no longer sufficient.

There is some degree of flexibility however, since the first-reading stage is not subject to time limits. The various institutions can use this lack of a time constraint to prevent the second-reading stage from getting under way. A “trilogue” can be initiated between the Council, Parliament, and the Commission, with the support of the Presidency and the General Secretariat of the Council. This can provide an opportunity for “informal” attempts to reach an agreement. But the process is still a long one.

**Situation 2: the draft is adopted after the second reading**

If the Council does not approve all of the parliamentary amendments (or does not approve a draft that Parliament has not amended), it adopts a “common position” by a qualified majority. This is the Council’s position, which may or may not incorporate some of the parliamentary amendments, with or without modifications. The “common position” is a positive legal instrument that is published in the Official Journal of the European Communities. It marks the start of the second-reading stage. This stage can last for up to eight months. Within four months, Parliament can either abstain from a response on this “common position” or it can adopt it after the second reading. In both cases, the Council adopts the draft outright. Parliament may also reject the “common position” after the second reading by an absolute majority, in which case the instrument is not adopted. Parliament may also amend the “common position.” If so, the Council has four months in which to approve all the amendments by a qualified majority, or by a unanimous vote, if the amendments have been rejected by the Commission. In this case the instrument is adopted. Otherwise, a Conciliation Committee must be convened (see below).

We have just mentioned four options for Parliament: failure to respond to the common position, outright adoption, rejection, or amendment(s). The two most common outcomes are obviously the first and the last: Parliament may adopt the common position because it feels that, even though not all of its amendments from the first-reading stage have been taken into account, the instrument still reflects the key points it made; or Parliament may amend the common position because it feels that the Council has not given due consideration to the points it made.

**Situation 3: the draft is adopted after a conciliation stage**

A “Conciliation Committee” is convened if an agreement still cannot be reached between the Council and Parliament. Recall that this is a situation where: (1) the Council has not accepted all of the parliamentary amendments from the first reading and has come up with its own “common position”; (2) Parliament has neither rejected the “common position” nor approved it as is; instead it has put forward amendments after the second reading; (3) the Council has not accepted all of the parliamentary amendments.

The Conciliation Committee is convened and meets within six weeks. The Committee is made up of 12 members of Parliament and 12 members of the Council. It examines the “common position” together with the parliamentary amendments. If the Conciliation Committee can find a workable compromise, it comes up with a “joint draft,” which it then sends to Parliament and the Council. Parliament can adopt it by an absolute majority and the Council can adopt it by a qualified majority. If the Conciliation Committee fails to reach a compromise, or if—a more unlikely situation—Parliament and/or the Council reject the Committee’s “joint draft,” the instrument is not approved.

The Treaty of Amsterdam introduced a major innovation with respect to the Maastricht Treaty. The Maastricht Treaty stipulated that the Council could adopt its “common position” if the Conciliation Committee failed to come up with a “joint draft” and Parliament could prevent this only by means of a blocking resolution requiring an absolute majority of its members. The Treaty of Amsterdam eliminated this arrangement, which called for a “third reading” of the draft by Parliament. This has obviously made it more important for the Council to reach a compromise with Parliament.
group. The codecision procedure has made this type of process much more difficult. If the EP sticks to the Commission’s original draft, the Member States in the minority now need the active support of the others. The majority’s mere lack of strong feelings about an issue is no longer enough.

**Shifting boundaries between basic acts and implementation acts**

Article 202 of the Treaty stipulates that the Council shall “confer on the Commission, in the acts which the Council adopts, powers for the implementation of the rules which the Council lays down.” In other words, the Council, as the legislator for the basic acts that it adopts, leaves it up to the Commission to determine certain enforcement procedures for the basic acts via the implementation acts.

What exactly is an implementation act? Two things are clear. First, as noted earlier, a measure dealing with a specific statistical matter at EC level for the first time must be covered by a basic act. Second, the procedures for adopting basic acts and the procedures for adopting implementation acts are very different. Other than that, the dividing line between the two types of act does not follow any precise standards. Indeed, this issue is one of the most important in the discussions during the examination of a basic act. The following questions may come up during the discussions:

- How detailed should the basic Regulation be and, consequently, which matters should be dealt with by the implementing Regulations?

- Which legal procedure should be used to amend the Regulation? Does a new Regulation need to be adopted or will a new implementing Regulation suffice?

- There are two types of procedures for adopting implementing instruments (see below): which one should be used?

There are no standard answers to these questions. For example, some basic statistical Regulations are genuine “Framework Regulations” that lay down the broad principles and rely on implementing measures for the bulk of their content. This is the case of the Regulation on the HICP. Other measures, such as the basic Regulations on business statistics, go into much greater detail. On the whole, basic Regulations relating to statistics currently adopted or being examined (1) tend to go into great detail, (2) provide for amendment via the adoption of a new basic act and (3) provide, in the vast majority of cases, for the “regulatory committee” procedure (see below) to be used for adopting implementing Regulations.

**Adopting implementing regulations or the “comitology” rules**

“Comitology” refers to the legal procedures for adopting implementing instruments. There are vast numbers of such instruments, since it is estimated that each basic act gives rise to an average of four or five implementation acts. Statistical measures are in line with this average. Comitology rules spell out a simplified adoption procedure for implementing instruments. The Commission drafts a “Commission Regulation,”6 which is adopted with the “assistance” of a specialized committee and according to the procedures described below. The specialized committee for statistics is the SPC.

The first stage of the examination of an implementing measure is the same as for a basic act, i.e., the technical groups headed by Eurostat discuss the proposed measure. When Eurostat deems that the draft is ready, it is placed on the agenda of the next SPC committee, which is asked to vote on the measure. The weighting of the DGINSs’ votes is the same as the weighting of the votes on the Council.

Two procedures can be used: the “management committee” procedure and the “regulatory committee” procedure. Under the management committee procedure, the draft Regulation presented by Eurostat is adopted and implemented directly, unless the SPC votes against the draft by a qualified majority. Under these rules, an abstention is counted as a vote in favor of the draft (since it is not a vote against it) and thus drafts have every chance of being adopted. It only takes 26 votes in favor and/or abstentions out of 87 votes for a draft to be adopted.

Under the regulatory committee rules, the SPC has to vote in favor of the draft by a qualified majority in order for it to be adopted and implemented directly. Under these rules, an abstention is counted as a vote against the draft (since it is not a vote in favor of it) and thus it is relatively easy for Member States to stop a draft from being adopted. It only takes 26 votes against and/or abstentions out of 87 votes for a draft to be rejected. The two procedures are mirror images of each other. The choice of one or the other depends, as we have said, on the results of the discussions on this point during the examination of the basic act. It is easy to see why the Commission naturally prefers management committee procedures and why Member States prefer regulatory committee procedures.

However, even though the SPC votes, it does not decide. In legal terms, its vote is considered to be the (quantified) expression of an opinion and not a decision-making act. If the SPC votes in favor of the draft put forward by the Commission, then the Commission implements it immediately. On the other hand, a negative vote by the SPC does not spell the end of the process. It means that the Commission is legally required to submit its draft to

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6. Whereas basic acts are “Parliament and Council Regulations.”
the Council. The reasoning behind this arrangement is as follows. At the outset, the Council stipulates in the basic act that it confers on the Commission the task of drafting implementing Regulations with the “assistance” of a specialized committee made up of representatives from all Member States. If the Commission and the Committee cannot reach an agreement, then the Council takes the matter in hand and conducts its own review of the disputed draft using a simplified comitology procedure.

How does the Council do this? It has very little legal maneuvering room. First, it has only three months to reach a decision. In practice, this leaves time for only one meeting on the subject. More important, the Council needs to obtain a qualified majority if it wants to reject the Commission’s draft. This is a very severe constraint. Under the “regulatory committee” rules, Member States could prevent the immediate adoption of a measure at an SPC meeting by garnering a simple “blocking minority” of at least 26 votes. Now they have to win a qualified majority over to their point of view. This is virtually impossible, as INSEE found in June 1998, with regard to the measures concerning the HICP. In fact, the SPC’s rejection of an implementing measure and the subsequent resubmission of the measure to the Council can wrest only minor concessions from the Commission. These are the concessions that are likely to be supported by a vast majority of the Member States, despite their lingering divisions on the key issues.

As we have just seen, the adoption of implementation acts involves at least three bodies: the Commission, the specialized committee (SPC), and—possibly—the Council, if the Commission’s draft is not in line with the opinion issued by the Committee. But this does not mean that the EP has no say in comitology procedures.

It must be remembered that the EP keeps an eye on drafts before the process starts. As noted earlier, the discussions on the basic act cover many issues, including those that have a direct impact on the comitology procedure. More specifically, the debate determines what will be contained in the basic act itself and what will be covered by implementing Regulations. Under these circumstances, the EP usually makes sure that only limited areas are covered by the comitology procedure. Its concern is obviously to avoid losing its say by allowing implementing instruments to deal with substantive matters. The EP tends to favor the “management committee” procedure, which, as we have seen, severely restricts the specialized committees’ scope for action. The EP shares the Commission’s point of view on the issue.

This prior consultation has been reinforced by the ex post facto consultation provided for in the new comitology rules adopted in June 1999. Once a basic act has been adopted, the Commission has an obligation to keep the EP regularly informed of the committees’ activities. The EP is notified when a vote on a draft implementing Regulation is placed on the agenda of an SPC meeting and provided with the text of the draft concerned. The EP may also deliver a reasoned resolution stating that the planned implementing measure “exceeds the implementing powers provided for in the basic act.” The planned measures will therefore require the adoption of a new basic act using the codecision procedure. Legally, the Commission is not totally bound by this resolution. It may respond in several ways: (1) it can accept the resolution and prepare a draft of a basic act; (2) it can present an amended version of the implementing Regulation; (3) it can continue the procedure without heeding the EP’s resolution. The third possibility seems very unlikely to be used in practice. The EP thus has a real say in the process.

Two important points need to be kept in mind. First, the Commission initiates the adoption of EC acts, and it is very hard to resist its initiatives at any stage in the process. Second, political considerations—which obviously played a role in debates about statistics before the implementation of the codecision procedure—have taken on much greater importance.

As a result, the very first step in the process is a crucial one. This consists in the examination of a draft by the working group, before it is submitted to the SPC. The expert attending the working-group meetings must not hesitate to alert his or her colleagues and supervisors about any defects or feasibility problems in the planned drafts. The expert should also have a firm grasp of the other NSIs’ positions.

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