

**DECISION NO 3 OF THE STANDING SECTION OF TERRITORIAL BASE STATISTICS****CREATION OF AN INDICATOR SYSTEM TO MONITOR THE CONTEXT IN WHICH PUBLIC POLICIES EVOLVE**

Whereas Deliberation No 309 of the *Conselho Superior de Estatística* (Statistical Council) (hereinafter referred to as the Council), approved by the *Secção Permanente de Estatísticas de Base Territorial* (Standing Section of Territorial Base Statistics) on 21 April 2006, which decided on the creation of a territorial base indicator system to monitor and evaluate the regional impact of public policies, and the restricted session approved in that context;

Whereas, within the scope of the Business Plan of Statistics Portugal and of other entities intervening in national statistical production in 2007, the:

*“development of a Territorial Base Indicator System in the thematic section of the Council, which proves to meet the statistical information requirements of general government entities, namely within the scope of the Quadro de Referência Estratégico Nacional 2007-2013 (Portuguese acronym: QREN) (National Strategic Reference Framework 2007-2013), in line with other indicator systems associated with relevant supra-regional strategic and operational instruments”,*

is mentioned as one of the key national statistical actions to be implemented in 2007;

Whereas the 1<sup>st</sup> Recommendation of the restricted session and the full compliance with its mandate defined by the Standing Section, and considering that the objectives underlying its setting up have been met;

**The Standing Section of Territorial Base Statistics decided**, at its meeting of 3 July 2007 and within the scope of its powers, **to approve the Activity Report produced by the restricted session - “Indicator system to monitor the context in which public policies evolve”** (in annex to this Decision and forming an integral part thereof) with stress on the committed participation of the entities involved in the different stages of the process and on the quality of the final integration work undertaken by Statistics Portugal.

The Section also highlights that the approval of this version of the indicator system is no obstacle to future changes towards a better coverage in terms of information and/or territorial breakdown of existing indicators.

In the context of the approval of the **“Indicator system to monitor the context in which public policies evolve”** the Section recommends:

1. The **necessary collaboration and cooperation** with Statistics Portugal of all the entities mentioned in Annex I to the document, with a view to implementing the recommendations submitted, in order to adjust statistical production to the information required to monitor public policies broken down by territory.

2. That, considering that a large share of information is not presently covered by the *Sistema Estatístico Nacional* (National Statistical System), ***the possibility of making resources available be evaluated, within the scope of the QREN, namely through technical support.***

As regards the monitoring of proposals by the Council, Statistics Portugal shall submit to the Standing Section of Territorial Base Statistics the following documents:

- **by the end of June 2008** a progress report on the availability of information listed in the Indicator System (Annex I to the Report);
- **by the end of the 1<sup>st</sup> quarter of 2009** a document assessing the degree of feasibility/ implementation of the "Recommendations" submitted in the Report.

Lisbon, 9 July 2007

The Chairman of the Section, *José Cadima Ribeiro*

The Secretary of the Statistical Council, *Maria da Graça Fernandes Caeiro Bento*

**Excerpt of the Report of the restricted session**

**Framework**

---

The *Conselho Superior de Estatística* (Statistical Council) (hereinafter referred to as the Council), through its Deliberation No 286 of 15 February 2005 created the *Secção Permanente de Estatísticas de Base Territorial* (Portuguese acronym: SPEBT) (Standing Section of Territorial Base Statistics), to monitor regional and local statistics. At the 1<sup>st</sup> meeting of 8 July 2005 it discussed and approved the business plan, which envisaged meetings in restricted sessions for analysing issues whose nature and scope clearly fall within the scope of action of some of the entities represented in the SPEBT.

SPEBT would therefore be the appropriate forum to identify territorial information requirements and to assign the respective priority levels. The need to evaluate available statistical information and to identify information gaps was reflected in a survey to the entities represented in the SPEBT and to other entities whose potential contribution to the development of this system was deemed to be pertinent. The results of this survey were presented at the 2<sup>nd</sup> meeting of the SPEBT on 5 April 2006 and focused namely on the need to strengthen the dissemination of summary information for the preparation of diagnosis and indicator systems to monitor public policies broken down by territory.

Against this background, in the 2<sup>nd</sup> meeting of the SPEBT, Deliberation No 309 of the Council approved a restricted session for the creation of a territorial base indicator system to monitor and evaluate the development of the regional impacts of public policies.

The mandate assigned to the restricted session of the SPEBT-Statistical Council includes:

1. To devise and propose a statistical indicator system able to meet the requirements in terms of monitoring and evaluating the regional impacts of public policies, without neglecting the national sectoral guidelines in this field, in particular:

- a) to evaluate the performance and to measure the contribution of territories to the implementation of national strategic priorities;
- b) to meet the needs of the *Comissões de Coordenação e Desenvolvimento Regional* (Regional Development Coordination Commissions), namely within the scope of the QREN 2007-2013.

2. To set out the means by which statistical information is made available, enabling its wide dissemination and permanent update.

The Resolution of the Council of Ministers No 25/2006 of 16 February (Official Gazette No 50/2006, Series I-B of 10 March) established the QREN, whose purposes and operational structure are in line with the strategic guidelines underlying the European cohesion policy. The performance of Portuguese regions must contribute to strengthen economic, social and territorial cohesion at regional, national and European level.

As strategic documents within the scope of public intervention, the QREN and the Operational Programmes (documents converging with the other national strategic documents, namely the National Action Programme for Growth and Employment 2005/2008 and the Technological Plan) raise growing concern as regards regional statistical information. The role of the National Statistical System is thereby strengthened when meeting the statistical requirements of the Regional Development Coordination Commissions and the Regional Governments of Azores and Madeira.

(...)

#### **Proposal for an indicator system to monitor the context in which public policies evolve**

The proposal submitted by Statistics Portugal gathers the selected indicators into five groups based on national strategic priorities defined by the QREN. Each group, in turn, is sub-divided into sub-groups that refer to the five major data domains associated with strategic priorities. The breakdown into sub-groups in the indicator structure, according to the table below, was deemed to be fundamental to the readability of the indicator system.

**Table 1 – Structure of the indicator system proposed**

<b>G1 – Qualification of the Portuguese people</b>	<b>G2 – Sustained growth</b>	<b>G3 – Social cohesion</b>	<b>G4 – Qualification of the territory and cities</b>	<b>G5 – Governance efficiency</b>
QUALIFICATION OF THE POPULATION	ECONOMIC PERFORMANCE	LIVING STANDARDS	CONNECTIVITY	PUBLIC FINANCE
ADVANCED AND SCIENTIFIC KNOWLEDGE	COMPETITIVENESS	EMPLOYMENT AND UNEMPLOYMENT	TERRITORY INFRASTRUCTURE	MODERNISATION OF PUBLIC INSTITUTIONS
INFORMATION SOCIETY	PRODUCTIVITY AND QUALIFICATION IN EMPLOYMENT	EMPLOYABILITY AND ACCESS TO THE LABOUR MARKET	URBAN PLANNING AND REHABILITATION	E-GOVERNMENT
CULTURE	PATTERN OF ECONOMIC SPECIALISATION	INCIDENCE OF POVERTY	NATURAL AND TECHNOLOGICAL RISK MANAGEMENT	SOCIAL AND COLLECTIVE SYSTEMS
	INNOVATION AND TECHNOLOGICAL DEVELOPMENT	EQUAL OPPORTUNITIES AND INCLUSIVE CITIZENSHIP	NATURAL HERITAGE, ENVIRONMENT AND ENERGY	STATE-CITIZEN RELATIONSHIP
	ENTREPRENEURSHIP	INTEGRATION OF IMMIGRANTS	REGIONAL DEVELOPMENT ASYMMETRIES	ECONOMIC REGULATION
		GENDER EQUALITY		

In the wake of the discussion period in January 2007 and of comments on the possible creation of an additional group with “mass” indicators that are relevant for the five groups or, in alternative, of a sub-group within each group with the relevant mass indicators, the entities meeting in restricted session of the SPEBT decided, by majority of the votes, that an autonomous sixth group should be created for mass indicators.

Entities had also been asked to identify indicators which, due to their nature, display cyclical fluctuations and should therefore be made available as quinquennial averages. Only two indicators were identified by one entity and information from regional accounts by another entity. The availability of information on an annual basis was seen as fully satisfying the statistical requirements of the group of entities, without prejudice to the calculation of quinquennial averages, whenever these are deemed to be more appropriate.

Also, it was decided to include in the metadata associated with each indicator a forecast of the time elapsed, in general, from the reference date up to the moment the information is made available. Overall, this gap does not exceed two years, except in some one-off instances, namely as regards structural indicators. Moreover, some data have irregular release dates, in particular regional and national accounts data.

The tables in Annex 1 present the indicators proposed and the respective associated metadata: the identification on whether it is a structural indicator of the European Commission, a description of the indicator where appropriate, the measuring unit, the geographical breakdown, the latest time period available, the time gap from the moment the information is made available up to the respective reference date, the frequency of the information and its availability (or absence) within the scope of the National Statistical System.

### **Dissemination of the indicator system to monitor the context in which public policies evolve**

---

The mandate assigned to the restricted session of the SPEBT in point 2 consists in "setting out the means by which statistical information is made available, enabling its wide dissemination and permanent update".

Although the indicator system includes particularly relevant information for the activities of entities represented in the SPEBT, this system is also an instrument to foster more active citizenship, as it makes it possible to monitor the development of the country in information fields deemed relevant for the context in which public policies evolve.

It was therefore decided to identify two types of addressees of the information to be incorporated in the indicator system: entities represented in the SPEBT and the general public. For the entities represented in the SPEBT, a worksheet file shall be designed, allowing for a more user-friendly utilisation of data. For most users, information on the territory profile is forecast to be uploaded in the new Statistics Portugal's website, with a view to the wide dissemination of information defined in the mandate of the restricted session. The Statistics Portugal's website will therefore act as a single channel for the wide dissemination of the statistical information of this indicator system.

It should be noted that the file to be used by entities represented in the SPEBT may contain more information than that available to the general public. In particular, in the cases where statistical reliability

criteria prevent the wide dissemination of data, Statistics Portugal may come to agree to their restrict dissemination, provided that they are accompanied by the respective change coefficients, that shall be requested to the Statistical Methodology Department of Statistics Portugal. This option implies that entities represented in the SPEBT are acquainted with the limitations associated with this information. Simultaneously, data with lower reliability levels shall only be used for internal studies of the entities that receive it and shall not be disseminated.

## Final notes

---

The present proposal of an indicator system to monitor the context in which public policies evolve was the result of a concertation procedure of information requirements guided by different interpretation sensitivities as regards the priorities established for the development of the country through territorial base statistics.

In addition to the directly involved entities represented in the restricted session of the SPEBT, the design of this indicator system benefited from indirect contributions of other entities that had been involved as key players in the implementation of sectoral policies or as producers of statistical information. Against this background, stress should be laid on the role played by the Working Group QREN in the adjustment process between information requirements indicated by the different entities represented in the SPEBT and the version of the Operational Programmes submitted to the European Commission.

The final version of the proposal for an indicator system reflects a convergence process of statistical requirements adjusted to the availability of information. In this vein, the indicator system is not an accurate reply to all information requirements expressed during the process. Among the reasons for the possible limitations of the indicator system, the following are worthy of note:

- the identification of the statistical requirements corresponding to rather recent policy fields, the information systems of which are still under development (e.g. RNCCI - *Rede Nacional de Cuidados Continuados Integrados* (National network of integrated care) and SCE - *Sistema Nacional de Certificação Energética e da Qualidade do Ar Interior nos Edifícios* (National System of Energy Certification and Indoor Air Quality in Buildings));
- the need to privilege regional information, even though in the "Governance efficiency" group, due to the nature of this priority, a high number of national indicators has been maintained;
- non-confirmation of the availability of information currently produced outside the scope of the National Statistical System.

Finally, it is important to mention that the development of these indicator systems, chiefly focused on information required to monitor the territorial context in which public policies evolve, is also an evaluation exercise of territorial base statistical information produced by the National Statistical System. In this context, it is essential to stress that the approval of this version of the indicator system does not prevent it from undergoing changes towards a better coverage in terms of information and/or territorial breakdown of the existing indicators.

## Recommendations

---

As a follow-up to the works developed, this point lists the recommendations that the entities represented in the restricted session of the SPEBT-Statistical Council have deemed appropriate to send to the National Statistical System, with a view to adjusting statistical production to the information required to monitor the context in which public policies evolve, from a territorial base perspective.

Where the implementation of these recommendations requires additional resources, these shall be provided to Statistics Portugal and to the entities with delegated powers within the scope of available Community funds, namely through Technical Assistance to the QREN. As the proposed recommendations translate into results, these shall be reflected in the indicator system proposed by the restricted session.

### **(i) Recommendation related to the geographical structure of statistical production**

The difficulty in conciliating the new NUTS geography (NUTS 2002) with the different policy instruments in force is noticeable. The geographical structure corresponding to NUTS 2002 is the basis for the operation of interventions financed by Structural Funds. However, the territorial organisation of central government services and the incidence of regionally differentiated public policies are in line with the configuration of NUTS in force up to 2002 (NUTS 1989, defined by Decree-Law No 46/89 of 15 February, and by the amendments introduced by Decree-Law No 317/99 of 11 August, which transfers the Gavião Municipality from NUTS 2 Lisboa e Vale do Tejo to NUTS 2 Alentejo). In this context, the *Programa de Reestruturação da Administração Central do Estado* (Restructuring Programme for the State's Central Administration) determines a standardisation of the territorial organisation of the central government services that, in the case of planning, strategic coordination and economic, social and environmental development functions, is reflected in this delimitation of NUTS.

Mention should also be made in this respect to the document of Statistics Portugal "*Nova Estrutura Geográfica da Nomenclatura de Unidades Territoriais para Fins Estatísticos - Impactos na Actividade Estatística*" (New geographical structure of the Nomenclature of Territorial Units for Statistical Purposes – impact on statistical activity) (DOCT/1116/CSE/PCD), submitted to the Council. It lists the information to be made available in NUTS 89 up to 2008, taking as reference the statistical requirements for interim evaluations of the Community Support Framework III (CSF III) and ex-post evaluation. Deliberation No 233 of the Council recommends to Statistics Portugal and to the entities with delegated powers:

- that the continued availability of statistically relevant information be ensured, at the present NUTS 2 level, for the purpose of managing the Regional Operational Programmes of the CSF, in particular the respective regulatory evaluation processes (...)
- It is therefore recommended that, as long as there is no coincidence among NUTS 2 geography of reference for the purposes of structural funds and planning, strategic coordination and economic, social and environmental development functions in central government, the National Statistical System continue to produce and disseminate statistical information according to the previous NUTS 2 outline, in parallel with information according to the 2002 geography of NUTS 2.

- It is also recommended that, where applicable, statistical information made available be broken down at the level of NUTS 3, with a view to better monitoring intra-regional differences at the level of the impacts of public policies in the context of regional development. In effect, the focus shall be on reinforced information produced at least at the level of NUTS 3, taking due account of the high intra-regional economic and social heterogeneity.

***(ii) Recommendations regarding issues presently not covered by the National Statistical System***

As regards statistical information as a whole deemed to be relevant but not made available by the National Statistical System, stress is especially laid on aspects related to the accessibility to collective equipment and to day-to-day mobility.

In terms of the accessibility to collective equipment, the document "*Relatório da 3ª reunião da Sessão Restrita de 6 de Dezembro de 06*" (Report of the 3<sup>rd</sup> meeting of the restricted session of 6 December 2006), made available by CIRCA, mentions that the State Secretariat of Spatial Planning sponsored a working group, with the participation of the Directorate-General of Spatial Planning and Urban Development, the Portuguese Geographical Institute, the Directorate-General of Lisbon Municipalities, the CSF III Observatory and Statistics Portugal, with a view to geo-referencing collective equipment. The decision on the development of this project, which was submitted to the State Secretariat of Spatial Planning in January 2007, will give rise to a set of information that may be used for statistical purposes. This project, however, does not allow for a single response to the equipment accessibility issue. For that purpose, information on the transport network must be incorporated.

The same applies at the level of connectivity across major urban centres. Within this scope, cooperation with the Portuguese Geographical Institute shall be evaluated and/or collaboration between Statistics Portugal/National Statistical System and other entities producing information or research shall be reinforced. Advantage should be taken of these developments, so as to meet this statistical requirement (for instance, *REFER* (the Portuguese Railway System) and *Estradas de Portugal* (the Portuguese Roads Institute)).

- It is therefore recommended that the National Statistical System incorporates for statistical purposes information to be produced within the scope of the GEOEQUIP project.
- It is also recommended that the National Statistical System makes available indicators of accessibility to social equipment networks and urban centres, in close cooperation with transport sector entities.

As regards day-to-day mobility, it is important to mention the pertinence of indicators allowing for the evaluation of the importance of commuting, in segments such as duration and type of transport, namely by measuring traffic congestion and the degree of public transport use in large urban centres (whose effects on the citizens' living standards and on productivity should not be disregarded). Similarly to developments in other countries, indicators such as "Average duration of commuting in metropolitan areas and urban centres with more than 100,000 inhabitants" should be made available. A number of studies have made reference to this indicator as a relevant factor for living standards and for the overall efficiency of the economy.

- Within this framework, it was suggested to launch a statistical operation, as a follow-up to the Survey to Resident Population Mobility - 2000 (Norte region) and to the Survey to Mobility in the Lisboa Metropolitan Area - 1997, evaluating the type of commuting (type of transport, duration of the journey) and its reason (business, study, pleasure, access to other collective equipment).

In addition to issues related to accessibility and mobility, other specific issues were also identified, presently not covered by the National Statistical System. Worthy of note among these is the characterisation of the immigrants' process of integration in the Portuguese society (household and labour market segments) and the range of problems related to the quality and efficiency of public services, and their perception by enterprises and citizens.

- In this context, it is suggested that Statistics Portugal/National Statistical System reinforce their cooperation with other entities (namely the *Alto Comissariado para a Imigração e Minorias Étnicas* (High Commissioner for Immigration and Ethnic Minorities) and the *Unidade de Coordenação da Modernização Administrativa* (Administrative Modernisation Coordination Unit)) that may contribute to meeting these statistical requirements.

One of the comments to the proposal of an indicator system submitted by Statistics Portugal at the 3<sup>rd</sup> meeting of the restricted session of the SPEBT referred to the reduced number of environmental indicators considered. With a view to overcoming this difficulty, account is now taken of some indicators, which make it possible to gauge the air quality (in particular greenhouse gas emission), the green structure, the use of renewable energies, the risk level at the coastal strip, and the importance of the territory assigned to environmentally protected areas. The fact that these indicators are produced outside the sphere of operation of the National Statistical System makes the adoption of a regional geographical breakdown unsuitable for some indicators. In other cases, it raises doubts as to the timeliness and reliability of the information.

- In view of the above, it is recommended that Statistics Portugal and the different public entities in the environmental area reinforce their cooperation in terms of statistical production activities, with the purpose of widening the environmental fields covered by the National Statistical System.

It is also important to stress the excessive association between urban statistics and census data (with decennial frequency) which precludes the appropriate monitoring of urban dynamics and regional asymmetries.

- It is therefore recommended that the urban statistics system be reinforced, namely the adequacy of territorial limits to the different city-monitoring domains and a more frequent dissemination of data than on a decennial basis.

Considering the relevance of issues related to poverty and living standards, it was deemed appropriate to reinforce the number of indicators able to characterise these problems.

- In this context, it is recommended that indicators be calculated from the Survey on Living Standards and Income, namely concerning absolute poverty and deprivation of essential living conditions.

***(iii) Recommendations relating to the possible enlargement of the geographical representativeness of statistical operations developed by Statistics Portugal***

In this field two statistical operations were identified, with high potential to monitor the socio-economic development processes, on a regional basis: the Employment Survey and the Survey on Living Standards and Income.

The Employment Survey is the reference statistical operation to households for the regional characterisation of population in the inter-survey period, namely at the level of population educational and training. In this context, indicators which would make it possible to evaluate "Long-life learning" and "Early school leaving", i.e. structural indicators, were deemed to be indispensable. However, the statistical reliability of these indicators is not ensured for all NUTS 2 regions, in particular the Autonomous Regions.

The Survey on Living Standards and Income, a statistical operation providing a sample that is not representative at regional level, makes it possible to collect some of the so-called Laeken indicators (which in some cases assume the nature of structural indicators): this is the case of the poverty risk rates (before and after social transfers, in elderly population, children, employed population), the share of the population with an income below a certain threshold and the degree of unequal income distribution, considered instrumental to characterise regional social cohesion. In turn, this statistical operation makes it possible to fill in inter-censuses gaps in the characterisation of accommodation conditions.

- It is therefore recommended that the statistical reliability of these two survey operations be raised, through sample strengthening or statistical methodologies that contribute to reaching representativeness at the level of NUTS 3 in the case of the Employment Survey, and at the level of NUTS 2 (NUTS 1989 and NUTS 2002) in the case of the Survey on Living Standards and Income.

***(iv) Recommendations relative to the time lags in statistical information***

Some statistical indicators can only be made available with a three-year time lag, which makes statistical data virtually irrelevant when monitoring and potentially adjusting public policies.

- It is therefore recommended that the possibility be considered of decreasing the time lag of the availability of statistical information to periods close to one year. As an alternative, Statistics Portugal should consider the possibility of making available preliminary information, should the first option prove unfeasible.