

# Annual Report

## 2019

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## ABBREVIATIONS

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BOP	Balance of Payments
BR	Business Register
CAPI	Computer Assisted Personal Interview
CATI	Computer Assisted Telephone Interview
CBM	Central Bank of Malta
CFMS	Corporate Financial Management System
CLV	Chain Linked Volumes
COFOG	Classification of the Functions of Government
COSM	National Committee on Statistical Matters
CREI	Commercial Real Estate Indicators
CWPS	Council Working Party on Statistics
DGINS	Directors General of the National Statistical Institutes
DHIR	Directorate for Health Information and Research
DPIA	Data Protection Impact Assessment
DSDs	Data Structure Definitions
ECB	European Central Bank
EDP	Excessive Deficit Procedure
EGR	EuroGroup Register
EGSS	Environmental Goods and Services Sector
EHIS	European Health Information Survey
EIEG	European Institute for Gender Equality
ELT	English Language Teaching
EPEA	Environmental Protection Expenditure account
ESRB	European Systemic Risk Board
ESA 2010	European System of Accounts: 2010
ESS	European Statistical System
ESSC	European Statistical System Committee
ESSPROS	European System of Integrated Social Protection Statistics
EURODAC	European Dactyloscopy Office
FADN	Farm Accountancy Data Network
FDI	Foreign Direct Investment
FAO	Food and Agriculture Organisation

FOI	Freedom of Information
FRIBS	Framework Regulation on Integrated Business Statistics
GDP	Gross Domestic Product
GESMES	Generic Statistical Message
GIS	Geographical Information System
GNI	Gross National Income
GREVIO	Group of Experts on Action against Violence against Women and Domestic Violence
HBS	Household Budgetary Survey
HICP	Harmonised Index of Consumer Prices
HPI	House Price Index
ICT	Information and Communication Technology
IDPC	Information and Data Protection Commissioner
IESS	Integrated European Social Statistics
IFATS	Inward Foreign Affiliates Statistics
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
JVS	Job Vacancies Survey
LCI	Labour Cost Index
LFS	Labour Force Survey
LMU	Labour Market Unit
MA	Managing Authority
MDE	Micro-Data Exchange
MIP	Macro Imbalances Procedure
MOU	Memorandum of Understanding
MSA	Malta Statistical Authority
MUR	Monthly Unemployment Rate
NACE	Statistical classification of economic activities in the European Community
NCFHE	National Commission for Further and Higher Education
NSO	National Statistics Office
OFATS	Outward Foreign Affiliates Statistics
OOH	Owner Occupied Housing
PEEI	Principal European Economic Indicators
PPI	Property Price Index
PPP	Purchasing Power Parity

PYP	Previous Year's Prices
RPI	Retail Price Index
R&D	Research and Development
SBS	Structural Business Statistics
SDG	Sustainable Development Goals
SDI	Sustainable Development Indicators
SDMX	Statistical Data and Metadata Exchange
SES	Structure of Earnings Survey
SILC	Survey on Income and Living Conditions
SIMS	Single Integrated Metadata Structure
SPE	Special Purpose Entities
SPPI	Services Producer Price Indices
SPSA	Statistical Production Service Architecture
STS	Short-term Statistics
SUIOT	Supply and Use Input Output Tables
TEC	Trade by Economic Characteristics
TIC	Trade by Invoicing Currency
TIFD	Tax Index of Financial Data
TSA	Tourism Satellite Account
UOE data collection	Carried out jointly by UNESCO, OECD and Eurostat
VAT	Value Added Tax





05 June 2020

The Chairman  
Malta Statistics Authority

In accordance with the provisions of subsection 5(g) of the Malta Statistics Authority Act XXIV of 2000, I hereby submit to you this report on the operations of the National Statistics Office for the year ended 31 December 2019.

A handwritten signature in blue ink, appearing to read 'E. Caruana', is positioned above the name and title of the signatory.

Etienne Caruana  
Director General



## **MISSION STATEMENT**

“Produce high-quality statistics and analysis for better decision making in Malta.”

## **CORE VALUES**

- |               |  |
|---------------|--|
| Independence  | Produce statistics and analysis that are free from external influence.   |
| Objectivity   | Present a true and factual picture of economic and social spheres through our statistics.  |
| Dependability | Commit ourselves to produce quality statistics and nurture our reliability by delivering on expectations of the public sector, the business community and civil society. |
| Honesty       | Stand firm by what is right, being truthful, open, clear and coherent.   |



## **INTRODUCTION BY THE DIRECTOR GENERAL**

In 2019, the National Statistics Office continued to take forward its role as Malta's national statistical institute. The Office's brief is to collect, produce and publish official statistics on the economy, business population and society at various levels of detail but with consistent accuracy. As the executive arm of the Malta Statistics Authority, the Office endeavours to maintain the overall quality of official statistics which serve the public good, while taking note of and safeguarding the interests of policy makers, researchers and users in general.

## **OVERVIEW**

In terms of visible output, the Office published 209 news releases and five publications. The publications showcase the domains which they encompass in more detail than the format of a news release allows, and aim to kindle the interest of a non-technical user. The publications issued in 2019 were:

- Key Figures for Malta – Visuals and Words – 2019;
- Transport Statistics – 2018;
- Social Protection – 2016;
- Regional Statistics MALTA – 2019 Edition;
- Self-employment – 2017.

These publications are fully available on the NSO website: [www.nso.gov.mt](http://www.nso.gov.mt). Regarding other output, the NSO continued to regularly effect transmissions of harmonised statistics on many domains to Eurostat. Furthermore, the Office continued in its role of active member of the European Statistical System (ESS) through participation in working groups, task forces and expert groups which form part of EU structures, as well as those organised by international organisations.

## **Information Security**

The Office has always put the confidentiality of its respondents, be they institutions or individuals, at the top of its priorities. Nonetheless in 2018, the Office felt the need to take this commitment a step further, thus it embarked on a project which in 2019 saw NSO achieve ISO Certification. This recognition further strengthens NSO's reputation by assuring respondents and stakeholders that the information provided is being managed according to the highest standards and used strictly for the purpose of official statistics.

## **A Development Training Project for the NSO**

In 2019 the Office benefited from funds under the European Structural and Investment Fund (ESF.04.077) thanks to which NSO employees received training in five different subjects and at different levels depending on their academic level. Special training was also offered in International, Legal and Institutional Affairs, Human Resources, Finance and Administration, Globalisation, Census Management and Dissemination. The Office also partnered with the Central Statistics Office of the Republic of Ireland who agreed to offer such specialised training.

## **Cooperation with Stakeholders**

The Office continued to cultivate a close collaboration with its stakeholders, which it put into practice through a process of drafting and signing Memoranda of Understanding to document the obligations of the parties concerned and to lay down procedures. At the same time, the Office continues to collaborate with other national entities such as the Central Bank of Malta and the Economic Policy Division by carrying out data collection necessary to support policy making.

## **Organisational Changes**

The NSO is an organisation in constant evolution and this is also reflected in its organisational setup. New personnel were engaged, while staff movements and progressions were effected aimed at putting the right people in the right places. During 2019, two directors were appointed to head the Economic

Statistics and Social Statistics directorates. New Heads of Unit were appointed for the Structural Business Statistics, Communication and Dissemination, Tourism and Education, and Data Management units, while the Special Projects and Sustainable Development Unit was founded in the second half of the year. This new unit is tasked with the assessment of data gaps and subsequent measurement of Sustainable Development Indicators as set out in the United Nations (UN) Sustainable Development Goals strategy endorsed by UN members in 2015.

### **Improvement in Data Collection**

While the Office continues to administrate a multitude of surveys both among individuals and enterprises, since the establishment of the Data Management Unit the Office has also been investing heavily in modernising its methods of data collection. At present, more and more surveys are carried out via Computer Assisted Telephone Interviewing (CATI) or Computer Assisted Personal Interviews (CAPI). For instance, NSO's long established TOURSTAT survey which has been running since 2001 as a paper questionnaire, in 2019 started operating as a CAPI survey. Processes are also at an advanced stage to start conducting the Labour Force Survey in CAPI manner. This is expected to be finalised by 2020.

### **International Cooperation**

As a member of the European Statistics System, the Office maintains an active participation in several European fora especially in thematic Eurostat Working Groups and Task Forces. Furthermore, the Office hosted three study visits for members of National Statistical Institutes located in EU candidate countries. In these events the Office shared its knowledge about Tourism Statistics, Labour Force Survey and the Survey on Income and Living Conditions. Knowledge sharing is an opportunity for growth as much for the trainee as it is for the trainer and the Office hopes to do more of this work in the coming years.

### **CONCLUSION**

I would like to conclude this introduction by thanking the Malta Statistics Authority Board, particularly the Chairman, Professor Albert Leone Ganado and the Deputy Chairman, Dr Aaron G. Grech for the support, availability and practical advice given to the Office in carrying out its operations. Additionally, my appreciation is due to senior management, managerial and staff members who have adopted the holistic vision of improving NSO's products and services and who set about their daily tasks and problem solving to turn the vision into output. Ultimately, my sincere thanks and appreciation go to our valued stakeholders: the respondents, households, individuals and businesses; and our partners and data providers, for their important contributions to NSO's statistical work. Their cooperation is essential to continuing the development of NSO's role as Malta's national statistical institute on the national, European Union and international stage.

**Unit Name:** National Accounts

**Directorate:** Economics Statistics

## INTRODUCTION

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The Unit's main responsibility is the annual and quarterly compilation of gross domestic product and gross national income; supply, use and input-output tables; non-financial sector accounts and non-financial assets in terms of Regulation (EU) No 549/2013<sup>1</sup>.

## MAIN OBJECTIVES FOR 2019

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1. Compilation of annual and quarterly gross domestic product and gross national income;
2. Compilation of annual and quarterly non-financial sector accounts;
3. Compilation of the GNI quality report and questionnaire;
4. Compilation of the value added tax (VAT) weighted average rate and compensation tables;
5. Compilation of the purchasing power parity questionnaires for rents, VAT and GDP weights;
6. Compilation of the 2019 quality exercise for national and regional accounts;
7. Preparation for publication of a benchmark revision.

## WORK CARRIED OUT AND ACHIEVEMENTS

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### **Compilation of Annual and Quarterly Gross Domestic Product and Gross National Income:**

In the year under review, the Unit published the four news releases related to GDP, which is required within 70 days following the end of the quarter.

Quarterly GDP compilation of adjusted and unadjusted series for the production of the output, expenditure and income approaches involves the analysis of various internal and external datasets. Several large enterprises are also surveyed on a quarterly basis by the Unit. Important internal data sources include; public finance, short-term, international trade in goods, inbound and outbound tourism, balance of payments statistics and HICP. Some important external sources include employment data from Jobsplus and information on the financial sector from the Central Bank of Malta.

The compilation of annual GDP is generally more detailed and is based on annual NSO surveys e.g. aquaculture, private and church schools, and other administrative sources, namely financial statements. The National Accounts unit also conducts an annual survey for English Language Schools.

One of the most important internal data sources is the structural business surveys (SBS). This annual survey is the basic data source for a considerable number of industries covering approximately 58.6 per cent of gross value added in 2019. During 2019, the Unit analysed the results for 2016<sup>2</sup> and 2017.

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<sup>1</sup> Regulation (EU) No. 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts.

<sup>2</sup> The Structural Business Survey of 2016 was re-compiled following its official transmission to Eurostat in June 2018. Administrative sources which were not available prior June 2016 were integrated and thus the National Accounts unit postponed its analysis to 2019 when this information was integrated in SBS 2016.

The compilation of the investment matrix, which is an industry by product matrix, is partly based on SBS but also on an extensive data collection exercise performed internally by the National Accounts unit. The data collection is intended to further split the product breakdown provided in SBS and to collect data for a number of industries which are not covered by other NSO surveys, namely, the Financial and insurance activities, Human health and social work activities, Arts, entertainment and recreation and Other service activities. During 2019, the investment matrices of 2016 and 2017 were completed.

#### **Compilation of Annual and Quarterly Non-Financial Sector Accounts:**

Malta is obliged to compile quarterly non-financial accounts by institutional sector for the total economy, the general government sector and the rest of the world sector within 85 days following the end of the quarter. The Unit submitted the data as per the established deadline and ensured cross-domain consistency between the main aggregates and public finance statistics.

The annual non-financial accounts by institutional sector were submitted to Eurostat in January 2020. Again, the Unit ensured cross-domain consistency between main aggregates and public finance statistics.

With the aim of dedicating a team to institutional sector accounts, two new statisticians were assigned the task for the compilation of annual and quarterly non-financial sector accounts. Between September and December 2019 these statisticians were coached to handle the function of coordinators regarding the annual compilation.

#### **Compilation of the Gross National Income Quality Report and Questionnaire:**

Gross National Income (GNI) data used for own resource purposes is governed by Regulation (EU) No. 2019/516<sup>3</sup>. This lays down the definition and calculation of GNI and the provisions for supply of the data and additional information by Member States to the Commission. The GNI Regulation also establishes the procedures to facilitate the verification and, where necessary, the improvement of the comparability, reliability and exhaustiveness of Member States' estimates of GNI.

Together with a report on the quality of GNI, each Member State returns an annual questionnaire to the Commission (Eurostat) before 1 October. The questionnaire includes the Member State's GNI for the preceding year and any changes made to the figures for previous years. These annual GNI returns are checked by Eurostat officials and are then formally presented for examination to the GNI Expert Group, which is composed of representatives of the Member States and chaired by Eurostat, at its late November meeting (the Expert Group generally meets two times per year). The GNI Expert Group adopts a formal opinion on the appropriateness of the data as a basis for the determination of GNI-based budget contributions.

#### **Compilation of the Weighted Average Rate and Compensation Tables:**

The Value Added Tax (VAT)-based own resource is a source of EU revenue based on the proportion of VAT levied in each Member State. Since VAT rates and exemptions vary from country to country, a formula called "the harmonised VAT base" is devised, upon which the EU charge is levied. The harmonised VAT base is calculated by dividing the total annual net VAT revenue collected by the Member State in question by the weighted average rate of VAT, which is further adjusted with negative or positive compensation to obtain the harmonised VAT base. The Unit provides the weighted average rate and part of the compensations to the Ministry for Finance and Financial Services every year.

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<sup>3</sup> Regulation (EU) No 2019/516 of the European Parliament and of the Council of 19 March 2019 on the harmonisation of gross national income (GNI) at market prices (GNI Regulation).

### **Compilation of the Purchasing Power Parity Questionnaires for Rents, Value Added tax and GDP weights:**

Every year, the Unit compiles the questionnaires in respect of purchasing power parity for rents, value added tax (VAT) and GDP weights. This information is required in terms of Regulation (EC) No. 1445/2007<sup>4</sup>.

### **Compilation of the 2019 Quality Exercise for National and Regional Accounts:**

Pursuant to Article 4(2) of Regulation (EU) No. 549/2013, Member States must provide the Commission (Eurostat) with a report on the quality of the data on national and regional accounts. In accordance with Article 4(3), the modalities, structure, periodicity and assessment indicators of the quality reports were defined by means of *Commission Implementing Regulation (EU) 2016/2304*<sup>5</sup>. Eurostat pre-fills the national quality reports with quantitative information and general comments pertaining to each section and makes them available to Member States by 15 February. Member States are invited to review the quantitative data, insert their own comments and additional information as necessary, and provide the information for the qualitative indicators by 31 May.

### **Preparation for Publication of a Benchmark Revision:**

Considerable work was carried out towards the publication of a benchmark revision for reference years 1995 to the second quarter of 2019, which is planned for the second half of 2020. As recommended by Eurostat, the benchmark revision is being coordinated with the Balance of Payments unit. Linked to this benchmark revision are the Unit's plans to submit for the first time GDP from the output approach in chain-linked volumes (CLV) and the supply, use and input-output tables (SUIOT) for 2013 and 2014. These two projects were covered by Grant Agreement No. 04121.2016.003-2016.355. Additionally, the Unit's plans are to include in the benchmark revision: the HBS 2015 results, ESA 1995 reservations, and action points relating to the first ESA 2010 verification cycle.

## **OTHER PROJECTS**

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### **Eurostat visit to Malta on 15 April 2019:**

The objective of the mission was to discuss strategic issues in National Accounts. The most important issues discussed were the organisational structure of the Unit within the NSO, the national accounts work programme for 2019 and beyond, and the national accounts revision programme. Eurostat was updated on the following:

- GNI own resources: inventory, reservations;
- Derogations for the ESA 2010 data transmission programme and compliance issues;
- Supply/Use tables;
- Quality reports: Eurostat recommendations based on 2017 data, draft report for 2018 date;
- Drafting and publication of national revision policy for national accounts;
- Benchmark revision.

### **Visit to Malta on the Quality of Macroeconomic Imbalances Procedure Statistics on 16-17 April 2019:**

The mission took place in the context of the memorandum of understanding between Eurostat and the European Central Bank (ECB) on the quality assurance of statistics underlying the Macroeconomic Imbalances Procedure (MIP). The Unit collaborated with the Balance of Payments and Public Finance Units, as well as the Central Bank of Malta (CBM) in the preparations for this visit. These involved the pre-filling of a comprehensive questionnaire. During the two-day visit, discussions focused on the

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<sup>4</sup> Regulation (EC) No. 1445/2007 of the European Parliament and of the Council of 11 December 2007 establishing common rules for the provision of basic information on purchasing power parities and for their calculation and dissemination.

<sup>5</sup> Issued on 19 December 2016.

institutional and compilation issues related to the relevant data, Balance of Payments-Rest of the World consistency, Balance of Payments/International Investment Position data quality and compilation issues, as well as financial accounts. As a follow-up, Eurostat and the ECB made 21 recommendations. Of these, one relates to the vertical discrepancies between annual non-financial sector accounts and the financial sector accounts compiled by the CBM, and directly addresses national accounts. There are other recommendations which will indirectly affect national accounts, the most important of which relate to alignment to the Harmonised European Revision Policy for the Economics Directorate within the NSO and the CBM.

### **Grant agreements**

Over the past three years, the Unit worked on Grant Agreement No. 04121.2015.002- 2015.173 on the implementation of SDMX for the national accounts transmission programme. The project involved collaboration with the IT Systems unit. SDMX is a standard designed to describe statistical data and to normalise data exchange. The national accounts part project was finalised in 2018, such that the transmission tables for the third quarter of 2018 were submitted using the new software. The final report was submitted in May 2019.

The Unit was awarded Grant Agreement No. 04121.2016.003-2016.355 in August 2016, with the final deadline in August 2019. This agreement covers two projects:

- The production of annual and quarterly gross value added at basic prices in previous year's prices (PYP) and chain linked volumes (CLV) to satisfy temporary derogations currently in place for the transmission of ESA2010 Questionnaire 0101 - Gross value added at basic prices and gross domestic product at market prices (Table 101) and ESA2010 Questionnaire 0301- Output (Table 301); and
- Software for the compilation of supply, use and input-output tables (SUIOT) in current and previous year's prices.

The structure for the compilation of gross value added in chain-linked volumes by industry was in place by 2018. During 2019, further improvements were made relating to the compilation of taxes and subsidies on products in Previous Year's Prices (PYP) and Chain Linked Volumes (CLV). Most importantly, a new methodology was developed to balance GDP in PYP between the output and expenditure approach.

During 2019, training sessions were held to involve all the national accounts team in the balancing process of supply and use tables (SUT) 2015. This task had been previously performed by two coordinators and the Head of Unit.

The work relating to these grants will be published in the upcoming benchmark revision.

**Unit Name:** Public Finance

**Directorate:** Economics Statistics

## **INTRODUCTION**

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The Public Finance Unit is responsible for the compilation and dissemination of statistics related to the Government Finance Statistics (GFS), with the highlight being the compilation of Malta's General Government fiscal balance (surplus/deficit) and debt levels, as established by the Maastricht Criteria. The Unit compiles the annual and quarterly non-financial account, financial account and debt of the General Government Sector in line with the ESA 2010 requirements. Other important domains within the Unit are the compilation of the Social Protection Account and the Research and Development for the Government and Higher Education sectors.

## **MAIN OBJECTIVES FOR 2019**

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1. Compilation of Malta's Excessive Deficit Procedure (EDP) and notification system (Regulation (EU) No 479/2009);
2. Implementation of SDMX and DSDs in National Accounts according to ESA2010;
3. Provision of data input to the National Accounts Unit;
4. Compilation of tables in line with the ESA Transmission Programme (Regulation (EU) No 549/2013<sup>6</sup>);
5. Submission of deliverables in line with Council Directive (EU) No 85/2011<sup>7</sup>;
6. Participation in Eurostat ad-hoc and obligatory questionnaires;
7. Provide assistance to the Ministry of Finance;
8. Compilation of the GROSS ESSPROCS, NET ESSPROS and pension beneficiaries (Regulation (EU) No 458/2007<sup>8</sup>);
9. Compilation of the Accrued-to-date pension liabilities data (Regulation (EU) No 549/2013<sup>1</sup>);
10. Publication of news releases;
11. Publication of the annual publication 'Social Protection in Malta';
12. Compilation of the R&D activity for the government and higher education sectors;
13. Maintenance and updating of the public corporations' database;
14. Maintenance of national tax database available on Directorate General Taxation and Customs Union (DG TAXUD) website;
15. Work on the three open ESA2010 derogations.

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<sup>6</sup> Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union.

<sup>7</sup> Council Directive 2011/85/EU of 8 November 2011 on requirements for budgetary frameworks of the Member States.

<sup>8</sup> Regulation (EC) No 458/2007 of the European Parliament and of the Council of 25 April 2007 on the European system of integrated social protection statistics (ESSPROS).

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Compilation of Malta's Excessive Deficit Procedure (EDP) and Notification System:**

This entails the compilation of the general government deficit / surplus and debt aggregate data, including the relevant questionnaires related to the EDP notification. The revision of past years' data may also be carried out as necessary. In either circumstance this was undertaken in line with the European methodologies: ESA2010 and the latest edition of the Manual on Government Deficit and Debt.

Aside from the transmission of data, Eurostat carry out EDP dialogue visits every two years. The scope of these visits is to ensure that the provisions of Eurostat's Manual are duly implemented in the Maltese Excessive Deficit Procedure (EDP) notification and Government Finance Statistics (GFS) data system. During 2019, the unit worked hard to address as many core action points as possible from the 2018 Eurostat EDP visit. Two core action points that were concluded were the reclassification and rerouting inside the government accounts, of the Public Private Partnership (PPP) health care agreement and the affordable housing projects, respectively.

### **Implementation of SDMX and DSDs in National Accounts According to ESA 2010:**

This project which was funded by a Eurostat grant required the development of a new IT system for the non-financial accounts of the general government sector. This project was positively concluded in 2019, thus meeting the grant application's requirements.

### **Provision of Data Input to the National Accounts Unit:**

The unit is responsible for estimating the general government sector's contribution to GDP including value added, final consumption expenditure, taxes and subsidies, gross fixed capital formation and employment figures.

### **Public Finance Transmission Programme:**

Throughout the year the unit fulfilled the following transmission programme: T0200 – Main aggregates of general government sector; T0900 – Detailed taxes and social contributions; T1100 – Expenditure of general government sector by COFOG; T2500 – Quarterly non-financial accounts for general government sector; T2700 – Quarterly financial accounts for general government sector; T2800 – Quarterly debt for general government sector; T0600 – Annual financial accounts for total economy (transactions); T0700 – Annual financial accounts for total economy (stocks) and Quarterly seasonal adjusted data.

### **News Releases and Publication:**

The Public Finance Unit is responsible for the following news releases on a monthly, quarterly or annual basis. This information is made freely available to users on the NSO website according to a pre-defined calendar of news releases:

- Monthly government finance;
- Quarterly accounts for general government sector;
- Government balance and debt under the Maastricht Treaty;
- Structure of government debt;
- Expenditure of the general government sector by function;
- Tax revenues;
- R&D in Malta;
- Quarterly social security benefits.

Following the publication of the International Monetary Fund (IMF) Fiscal Transparency Mission to Malta report and recommendations, the Unit published the other economic flows in the excel version of the news release Quarterly Accounts of General Government.

The annual publication entitled 'Social Protection 2016 (reference years 2012-2016)' was published in July 2019. A new format was implemented this year which merged two pre-existing publications into one. In this new format the data was presented in a new format in accordance with the ESSPROS functions.

**Council Directive 85/2011 Deliverables:**

These deliverables included: Monthly central government data and quarterly general government data, Government guarantees, Stock of non-performing loans, Public private partnerships, Participation of government in the capital of public and private corporations, Liabilities of public corporations.

**Eurostat ad-hoc and obligatory Questionnaires:**

Compilation of all the methodological and fact-finding questionnaires, the questionnaire on structure of debt and the questionnaire on government-controlled entities that are classified outside the General Government sector.

**Assistance to the Ministry of Finance:**

Such assistance was provided in preparation for ESA2010 fiscal projections and in the course of meetings with Director General Economic and Financial Affairs (DG ECFIN), the International Monetary Fund (IMF) and other credit rating agencies. The Unit's assistance included the provision of technical assistance and methodological advice in relation to the classification of government decisions which may impact the general government deficit and debt figures and the active participation of the unit in the International Public Sector Accounting Standards (IPSAS) Project Board, Corporate Financial Management System (CFMS) Implementation Project Board and the National Committee on Statistical Matters (COSM).

**Compilation of the European System of Integrated Social Protection Statistics (ESSPROS) Modules - GROSS ESSPROS, NET ESSPROS and Pension Beneficiaries:**

This work consisted of data compilation for t-1 year and t-2 years, validation and data transmission. Furthermore, the unit was also required to maintain the new IT system for the compilation of the ESSPROS statistics, including the migration of the back data into the system. In addition, the unit pursued a new data collection on early estimates for ESSPROS main indicators.

**Compilation of the R&D Activity for the Government and Higher Education Sectors:**

This task called for the collection and transmission of R&D and Government Budget Allocation for R&D (GBARD) data. Maintain the R&D IT system and prepare the annual R&D questionnaire to cater for the new requirements of the Frascati Manual 2015. In the process, the cooperation with Malta Council for Science and Technology (MCST) was sought.

**Unit Name:** Balance of Payments

**Directorate:** Economics Statistics

## **INTRODUCTION**

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The Balance of Payment Unit is responsible for the collection and reporting of the international accounts for the Maltese economy. Such accounts summarise the economic relationships between residents and non-residents of that economy.

## **MAIN OBJECTIVES FOR 2019**

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1. Meet Eurostat and ECB requirements to the highest quality standards and in a timely manner;
2. Reduce the discrepancies between Balance of Payments and National Accounts Data;
3. Address the five Action Points described in the National Accounts Project Timeline;
4. Implement INFOSTAT to replace the existing IT tool. INFOSTAT will enable Balance of Payments data for Malta to be fully compliant with EU regulations and eliminate manual adjustments currently carried out to convert from BPM5 methodology to BPM6;
5. Monitor and assess the target population for the compilation of the balance of payments to ensure proper coverage;
6. Address the problem of item and unit non-response (also through the computation of probabilistic weights) and unavailability of administrative data;
7. Focus on ways how repetitive tasks can be carried out more efficiently;
8. In the absence of data on geographical breakdown, an annual survey was sent to a sample of 1501 Special Purpose entities (SPE), to be able to derive an estimate for country allocation.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **INFOSTAT:**

The INFOSTAT IT solution is an integrated database. That is, most of the statistical processes, mainly related to the financial sector, for which the Central Bank of Malta (CBM) is responsible were implemented in INFOSTAT. The CBM and NSO agreed to use the INFOSTAT platform to develop the BOP/ International Investment Position (IIP) process and this will replace the current Direct Reporting system.

The INFOSTAT project was ongoing during 2019 whereby a series of tests were carried out and several issues were identified and consequently resolved following collaboration with the CBM. The whole process from data collection, production, imputations, estimations and migration to the final statement was tested. Moreover, the mapping between the data collected and the final output in the BOP/IIP statement was undertaken, completed and subsequently tested.

In addition, efforts to migrate past data from the current system to INFOSTAT started and discussions took place with the CBM to identify the amendments required for such mapping to be successful. Full implementation of INFOSTAT is expected by 2020.

**Benchmark Revision and Discrepancies between Balance of Payments and National Accounts:**

A number of revisions were implemented during the course of 2019, in collaboration with the National Accounts Unit, for the forthcoming publication of the benchmark revision. Discussions were ongoing between both Units.

**Eurostat Macro Imbalances Procedure/ European Central Bank Mission:**

Eurostat and the European Central Bank (ECB) carried out a Macro Imbalances Procedure (MIP) mission in April 2019. This required substantial preparation which included regular meetings with the CBM. A number of recommendations were drawn-up by Eurostat and ECB which will be addressed in the coming years.

**Revisions to Address Possible Under-Reporting:**

To address biases associated with under-reporting and non-response, an exercise was carried out whereby estimates for companies with long periods of non-response were revisited using their financial statements to base these estimates on actual data. Additionally, the BOP companies register was reviewed and companies which were listed as struck off on the Malta Business Register were amended accordingly.

**Compilation of Gaming Sector Data:**

Data for the remote gaming sector was extracted from the financial statements for each of the 262 companies in the sample for the year 2016, and compilation for 2017 has commenced for around 50 companies. Moreover, when collection for 2016 was completed, the weights provided by the Methodology and Quality Unit for the sample were applied.

Following consultation with the ECB and Eurostat, deposits held by remote gaming companies on behalf of their clients were reclassified as trade payables rather than deposit liabilities. This change was applied to remote gaming data from 2004 onwards.

The NSO collaborated with the Malta Gaming Authority (MGA) in an exercise to assess the effect of globalisation on the gaming sector. This exercise entailed evaluation of the individual companies to confirm their involvement with the local economy.

**Special Purpose Entities and Geographical Breakdown Survey:**

A survey was carried out among 1,500 Special Purpose Entities to obtain detailed geographical information on financial transactions. This exercise was recommended by Eurostat and the ECB during their MIP mission. The sample was generated by the Methodology and Quality Unit and a simplified survey was sent with the sole intention of complementing administrative data and obtaining geographical information. Responses started being received by the end of 2019 and are expected to continue into 2020. Further collaboration with the Business Statistics Directorate will be required given the findings.

Additionally, the methodology used for defining SPEs was reviewed and the identified changes were examined for their impact on the final data. This was carried out following a recommendation by Eurostat and the ECB to harmonise the treatment of SPEs between BOP and the financial accounts for the rest of the world. This exercise was carried out jointly with CBM.

**Monthly, Quarterly and Annual Data Transmissions:**

All submissions to Eurostat, ECB and IMF as per (EC) regulation No 184/2005<sup>9</sup> were sent on time, the majority of which were transmitted ahead of the deadline, and these included:

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<sup>9</sup> Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment.

- Monthly Balance of Payments data to Eurostat and ECB;
- Quarterly Balance of Payments to Eurostat, ECB and IMF;
- Quarterly International Investment Position to Eurostat, ECB and IMF;
- Annual Foreign Direct Investment to Eurostat;
- Annual International Trade in Services Statistics to Eurostat;
- Annual Coordinated Direct Investment Survey to IMF;
- Annual Coordinated Portfolio Investment Survey to IMF.

Malta was not fully compliant with the requirements of (EC) regulation No 184/2005 since certain datasets namely the revaluations account, the split between listed and unlisted equity and data by currency could not be derived from the current IT system. These will be available once the new system INFOSTAT is implemented.

#### **News Releases:**

The Unit published the following News Releases during 2019 all of which were punctual:

- Quarterly Balance of Payments;
- Annual International Investment Position;
- Bi-Annual Foreign Direct Investment.

#### **Annual Questionnaire to Non-financial Corporations:**

The annual questionnaires were sent to around 700 non-financial entities including companies in wholesale and retail trade, manufacturing, non-financial service providers, resident and non-resident airlines, resident and non-resident shipping lines, and ship building companies (excluding the remote gaming companies). Responses were received and assistance was provided to respondents when required. Input and analysis of the replies is work in progress.

#### **Re-invested Earnings and Dividends Exercise:**

Administrative data was analysed for BOP purposes to evaluate statistics on re-invested earnings and dividends paid abroad. Data for companies which showed high discrepancies in the amount of re-invested earnings and dividends reported in BOP were examined further and adjustments were carried out where necessary.

#### **Participation in Meetings and Task Forces:**

The Head of Unit participated in the following meetings and task forces held abroad:

- Globalisation training at the Irish Statistical Institute;
- Balance of Payments Working Group in Luxembourg;
- Foreign Direct Investment Task Force in Luxembourg;
- Shipping Task Force in Norway.

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## **OTHER PROJECTS**

#### **Pilot Project on Foreign Direct Investment:**

The Unit carried out an EU funded pilot project on the extended measures of Foreign Direct Investment (FDI). This involved the collection of FDI by the ultimate investor, the ultimate host and the collection of Greenfield Investment. This project was completed in the year of this report. The EGR was found to be a very good source of information to identify the country of the ultimate investor of a locally registered company. This information is readily available in the EGR. The Business Registers Unit assisted the Unit in the use of the EGR for this project. It was concluded that compiling FDI by the ultimate investor is possible since data is available through the EGR, however it proved to be more difficult to compile it by the ultimate host.

**Unit Name:** International Trade

**Directorate:** Economics Statistics

## INTRODUCTION

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The International Trade Unit is primarily responsible for the monthly collection, analysis, compilation, dissemination and transmission of international trade in goods statistics. Data is collected from two main sources: The Supplementary Declaration System (Intrastat) covering trade in goods between EU Member States, and the Customs Electronic System covering Extra-EU trade of goods (Extrastat).

## MAIN OBJECTIVES FOR 2019

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The main objectives of this Unit for 2019 were mostly based on regulatory requirements for both Intra-EU (covering regulations: (EC) No 638/2004<sup>10</sup>, (EC) No 222/2009<sup>11</sup>, (EU) No 1093/2013<sup>12</sup>, (EU) No 659/2014<sup>13</sup>, (EC) No 1982/2004, (EC) No 1915/2005<sup>14</sup>, (EU) No 91/2010<sup>15</sup>, (EU) No 96/2010<sup>16</sup> and (EU) No 1093/2013) and Extra-EU (following regulations: (EC) No 471/2009<sup>17</sup>, (EU) No 1724/2016<sup>18</sup>, (EU) No 2119/2016, (EU) No 113/2010<sup>19</sup>, (EU) No 2016/2119<sup>20</sup>, (EU) No 92/2010<sup>21</sup> and (EU) 2016/1253<sup>22</sup>) Trade in Goods.

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<sup>10</sup> Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004 on Community statistics relating to the trading of goods between Member States and repealing Council Regulation (EEC) No 3330/91.

<sup>11</sup> Regulation (EC) No 222/2009 of the European Parliament and of the Council of 11 March 2009 amending Regulation (EC) No 638/2004 on Community statistics relating to the trading of goods between Member States.

<sup>12</sup> Commission Regulation (EU) No 1093/2013 of 4 November 2013 amending Regulation (EC) No 638/2004 of the European Parliament and of the Council and Commission Regulation (EC) No 1982/2004 as regards the simplification within the Intrastat system and the collection of Intrastat information.

<sup>13</sup> Regulation (EU) No 659/2014 of the European Parliament and of the Council of 15 May 2014 amending Regulation (EC) No 638/2004 on Community statistics relating to trading of goods between Member States as regards conferring delegated and implementing powers on the Commission for the adoption of certain measures, the communication of information by the customs administration, the exchange of confidential data between Member States and the definition of statistical value.

<sup>14</sup> Commission Regulation (EC) No 1982/2004 of 18 November 2004 implementing Regulation (EC) No 638/2004 of the European Parliament and of the Council on Community statistics relating to the trading of goods between Member States and repealing Commission Regulations (EC) No 1901/2000 and (EEC) No 3590/92.

<sup>15</sup> Commission Regulation (EU) No 91/2010 of 2 February 2010 amending Regulation (EC) No 1982/2004 implementing Regulation (EC) No 638/2004 of the European Parliament and of the Council on Community statistics relating to the trading of goods between Member States, as regards the list of goods excluded from statistics, the communication of information by the tax administration and quality assessment.

<sup>16</sup> Commission Regulation (EU) No 96/2010 of 4 February 2010 amending Regulation (EC) No 1982/2004 implementing Regulation (EC) No 638/2004 of the European Parliament and of the Council on Community statistics relating to the trading of goods between Member States, as regards the simplification threshold, trade by business characteristics, specific goods and movements and nature of transaction codes.

<sup>17</sup> Regulation (EC) No 471/2009 of the European Parliament and of the Council of 6 May 2009 on Community statistics relating to external trade with non-member countries and repealing Council Regulation (EC) No 1172/95.

<sup>18</sup> Regulation (EU) 2016/1724 of the European Parliament and of the Council of 14 September 2016 amending Regulation (EC) No 471/2009 on Community statistics relating to external trade with non-member countries as regards conferring of delegated and implementing powers upon the Commission for the adoption of certain measures

<sup>19</sup> Commission Regulation (EU) No 113/2010 of 9 February 2010 implementing Regulation (EC) No 471/2009 of the European Parliament and of the Council on Community statistics relating to external trade with non-member countries, as regards trade coverage, definition of the data, compilation of statistics on trade by business characteristics and by invoicing currency, and specific goods or movements

<sup>20</sup> Commission Regulation (EU) 2016/2119 of 2 December 2016 amending Regulation (EC) No 471/2009 of the European Parliament and of the Council and Commission Regulation (EU) No 113/2010 as regards the adaptation of the list of customs procedures and the definition of the data

<sup>21</sup> Commission Regulation (EU) No 92/2010 of 2 February 2010 implementing Regulation (EC) No 471/2009 of the European Parliament and of the Council on Community statistics relating to external trade with non-member countries, as regards data exchange between customs authorities and national statistical authorities, compilation of statistics and quality assessment

<sup>22</sup> Commission Implementing Regulation (EU) 2016/1253 of 29 July 2016 amending Regulation (EU) No 92/2010 as regards the data exchange between customs authorities and national statistical authorities and the compilation of statistics

These being:

1. Monthly production of International Trade in Goods Statistics for transmission to Eurostat and News Release;
2. Production of Trade by Invoicing Currency Module (TIC);
3. Production of Trade by Economic Characteristics (TEC) covering two reference years;
4. Production of UN COMTRADE statistics;
5. Participation in Micro Data Exchange (MDE) Task Force and MDE Confidentiality Task Force.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Monthly International Trade in Goods Statistics:**

Work carried out with respect to the monthly international trade in goods statistics was aimed to tackle quality and coverage issues, as well as to prepare the statistical platform and processes to address future regulatory changes foreseen with the adoption of the Framework Regulation Integrating Business Statistics (FRIBS) in the coming years.

During this year, the current data collection systems for Intra-EU statistics was enhanced to address new and different requirements brought about by the Framework Regulation on Business Statistics (FRIBS) such that the system will be ready and fully compliant when the regulation comes into force. In addition, preparation and testing on the system was conducted to adapt to the changes that will be brought about by BREXIT.

With respect to Extra-EU statistics, the Unit collaborated with the Customs Department to improve timeliness of monthly data. By working with MITA, the Unit managed to extract monthly Extra-EU trade data in a secure and readily available environment.

The Unit developed further its processes to improve efficiency and hence timeliness through automation which significantly minimised manual interventions for data extraction and reporting. Included in this automation update, enhanced quality checking, vetting methods and validation procedures were included to reduce potential errors and warnings on data. On-the-job training was required to the staff of the Unit during the implementation process.

Enhancements in the analysis and compilation of data pertaining to the “Fuel and Energy” sector were also made, whereby traders and warehousing businesses were contacted directly on a monthly basis to ensure coverage and timeliness of data. These enhancements proved essential in the timely transmission of monthly international trade in goods data to Eurostat and timely issue of the monthly national news release.

Further enhancements to the monthly international trade in goods statistics were made with respect to the inclusion of adjustments and estimates. Adjustments for non-response and for coherence with other main statistical sources (e.g. Aquaculture Survey) were developed to be included in the respective time period. In addition, estimates for below-threshold traders (i.e. traders exempted from submitting Intra-EU declarations) were developed through a combination of VAT Register data and Extra-EU trade data.

Throughout the year, the Unit participated fully in all International Trade in Goods Working Groups, Steering Groups and Task Forces to be up to date on important issues and changes foreseen in this area of Statistics. Participation at this level is foreseen to continue in the following year.

The Unit plans to work on finalising the testing and implementation of the above-mentioned updates on the online Intrastat system to become fully compliant with the future FRIBS implementation. Furthermore, the developed adjustments and estimations methods will start to be included in the first month of the following reference year to become fully compliant with Eurostat's quality requirements.

#### **Trade by Invoicing Currency Module:**

Work carried out for the Trade by Invoicing (TIC) module included the analysis, compilation and submission of the mandatory required data for 2019 (reference period was 2018). Enhancements made in respect to this module included the design and implementation of an efficient automation process. Furthermore, additional validation checks to ensure quality and data correctness were also added to this process.

#### **Trade by Economic Characteristics Modules:**

The Trade by Economic Characteristics (TEC) module was the area of trade statistics that incurred most work done and enhancements. Two TEC module submissions for reference years 2018 and 2019 were made to Eurostat.

An entire new automated process was developed, whereby all mandatory tables under the TEC module are generated and compiled in the desired structure. These tables were later validated on a specific validation platform to ensure data correctness within the table and across all the tables. This new automated process also enhanced linking with the Business Register. The final step of the TEC modules included active confidentiality suppressions, which the Unit worked in tandem with the Methodology and Quality Unit to provide correct and comprehensive confidentiality flagging throughout all tables.

#### **Production of United Nations Commercial Trade (UN COMTRADE) statistics:**

For the first time, the Unit took part in the submission of the annual UN COMTRADE statistics. The data compilation for this statistics branch follows closely the compilation of that required by Eurostat. However, proper comparison of the Eurostat and UN methodologies were made to ensure proper and correct metadata reporting. Since this data will be requested on an annual basis, an automated process to compile the required data in the requested format was developed.

## **OTHER PROJECTS**

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#### **Micro-Data Exchange:**

This year, the Unit had one major project, that of the Micro-Data Exchange (MDE). This project came about due to the new FRIBS regulation, whereby all Member States were required to share Intra-EU Export micro-data. This project called for NSO to become ISO-certified, sign a Multilateral Agreement with Eurostat and develop a transmission and receipt of micro-data platform.

With respect to this project, the Unit participated in two Task Forces at Eurostat level. The first Task Force is the joint MDE Task Force, the aim being to discuss and address data and IT requirements that will set-up, operate and conduct the micro-data exchange. The second MDE Task Force, in which the Unit participates voluntarily, addressed confidentiality of micro-data exchange among Member States. This is important for the Unit as it receives considerable data due to Malta's relatively small trade economy.

In preparation for the MDE project, the NSO became ISO-secure certified and signed a Multilateral Agreement with Eurostat to start receiving MDE data. The Unit also finalised the development of an automated data process, which will prepare, compile and validate the mandatory MDE data transmission. Currently, the Unit is carrying out tests on the transmission of MDE data with Eurostat. The receipt of such data will be tested, upon which the Unit can start planning the analysis stage.

**Unit Name:** Price Statistics

**Directorate:** Economics Statistics

## **INTRODUCTION**

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The Price Statistics Unit is mainly responsible for the compilation of the Harmonised Index of Consumer Prices, the Retail Price Index, Purchasing Power Parities and Property statistics.

## **MAIN OBJECTIVES FOR 2019**

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1. Compilation of the Retail Price Index (RPI) and the Harmonized Index of Consumer Prices (HICP)<sup>23</sup>;
2. Compilation of Property statistics, including: The House Price Index (HPI), the Owner-Occupied Housing (OOH) Index and Property Price Index (PPI);
3. Completion of Purchasing Power Parities (PPP) survey;
4. Compilation of the European Systemic Risk Board (ESRBs) indicators on commercial property;
5. Computation of Rental Indicators.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Compilation of the Retail Price Index and Harmonised Index of Consumer Price Statistics:**

This process mainly entails monthly price collection, checks, validation and compilation of indices. Price collection is carried out by (i) carrying out field price collection from outlets, (ii) obtaining price data from websites, (iii) via calls or (iv) by conducting surveys. These two indices are published nationally via news releases. The HICP indices are also transmitted to Eurostat. Prior to publication of the RPI news release, indices are presented to the Retail Price Advisory board.

Together with the actual HICPs, the Prices Statistics Unit also transmits to Eurostat the HICP Flash Estimates (HICP-FE) and HICP Constant Taxes (HICP-CT). The updates of the HICP Administered Prices (HICP-AP) and HICP Weights are carried out each year.

In tandem with the HICP statistics, the Unit also maintains the HICP inventory which is annually updated to provide necessary explanation and information on the process implemented during the compilation of the index.

### **Access to scanner data:**

Data is being provided on a monthly basis by various supermarkets. Price observations for those products in the basket of goods and services are retrieved from the datasets provided. These observations are retrieved by linking with GTIN/barcode number. Price readings from scanner data are integrated in the calculation of the RPI and HICP indices

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<sup>23</sup> Regulation (EU) 2016/792 of the European Parliament and of the Council of 11 May 2016 on harmonised indices of consumer prices and the house price index, and repealing Council Regulation (EC) No 2494/95.

**Property Statistics:**

The House Price Index (HPI), Owner Occupied Housing (OOH) and House Sales Indicators are compiled and sent to Eurostat on a quarterly basis. These indices can be accessed from Eurostat's database. The HPI and OOH weights are updated once a year, prior to the compilation of quarter 1 data.

The Property Price Index (PPI) is published via a news release once a year. The PPI presents indices and relative price movements related to three property types: apartments, maisonettes and terraced houses. Data is obtained from a relevant administrative source. Data consists of all sale transactions recorded upon signing of contract. These indices are based on the observed median price.

**Purchasing Power Parities:**

This is an ongoing project, which consists of obtaining data and price readings for different surveys, analysis and validation of price data. The surveys in question are: (i) two Consumer Goods surveys, (ii) the Estate Agencies Rent Survey, (iii) the Construction survey, (iv) an Equipment Goods survey, (v) a Hospital Price Survey. Survey data is combined with other PPP input data (including GDP expenditure Weights, Tips, VAT).

**European Systemic Risk Board:**

The ESRB is a collective term used for commercial property indicators, namely the property price index, rental index and rental yield index. However, the focus is on rental and rental yield indices. During 2019, the Unit worked on identifying potential data sources and on obtaining data to be used in the compilation of these indicators.

**Estimation of Prices for both Social and Market Rents:**

Market rents are based on data obtained from real estate agents. Integration of market rent prices based on real estate agents started from January 2019.

**OTHER PROJECTS**

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**Transmission of HICP Data to Eurostat in SDMX Form:**

This conversion was implemented to the following datasets: HICP, HICP-FE, HICP-CT and HICP-AP. This exercise required setting datasets according to Eurostat's format and uploading these datasets to test viability. In the past, HICP datasets were transferred via Edamis in text format. However as from 2020, these transmissions will be carried out in SDMX.

**Devising a Weighting Structure for Internet Purchases in the Compilation of HICP:**

The objective of this exercise is to construct a weighting structure which takes into consideration online purchases (cross-border) made via the internet. Weights for online purchases were devised using data collected through a CATI (Computer-Assisted Telephone Interviewing) survey. The aim of the survey was to devise a weighting structure split for both local and online purchases and to apply it products in the basket of goods and services. This weighting structure will serve as a base once online purchases are integrated in the HICP. A report describing the processes and methodologies used was presented to Eurostat.

**Development of a Sub-National Dimension of the HPI:**

A report on the compilation of the sub-indices of HPI was presented to Eurostat. This report highlighted the methodology used to calculate these indices at a regional level, split by urban and rural areas.

**Unit Name:** Structural Business Statistics

**Directorate:** Business Statistics

## **INTRODUCTION**

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The fundamental goals of the Structural Business Statistics unit are to draw a reliable picture of the structure of the domestic economy, performance and business behaviour and to transform such statistics into output that is relevant to users' needs, both external as well as within the organisation. An integral target of the SBS unit's work is to provide a reliable source of information for compiling a number of main economic indicators, while reducing the administrative burden on the target population and improving efficiency to ensure business process optimisation.

## **MAIN OBJECTIVES FOR 2019**

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1. To conduct the SBS Survey for reference year 2017 in accordance with Regulation (EC) No 295/2008<sup>24</sup>;
2. To carry out preliminary work on the compilation of SBS for reference year 2018;
3. To review SBS for reference year 2016 to integrate the data available from a new administrative data source and derive a revised set of results;
4. To conduct the Outward Foreign Affiliates Statistics (OFATS) Survey for reference year 2017 in accordance with Regulation (EC) No 716/2007<sup>25</sup>;
5. To compile Inward Foreign Affiliates Statistics (IFATS) using the SBS as its basis and supplement the results with data from various administrative data sources;
6. To ensure coherence between SBS and other statistical outputs;
7. To progress towards developing and implementing the statistical unit 'Enterprise';
8. To work towards operating without the use of paper questionnaires.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **SBS Survey 2017 and Revisions to SBS Survey 2016:**

Key tasks the Unit performs during the compilation of the SBS Survey include the vetting the questionnaires, estimating for item non-response and compiling the weighting structure of the sample. These steps are necessary to enable the SBS unit to carry out the all important tasks of data analyse and interpretation of results. In 2019 this process took place for the SBS 2017 and revised SBS 2016.

2019 marked a year in which SBS results were sent to Eurostat ahead of their deadline and all of the required metadata quality reports were also sent on time. The revision of SBS for reference year 2016 was also an important event as through such a review process, the SBS unit worked towards the development of a formal Quality Control Framework intended to secure the quality of SBS results during the analysis stage. This event set the tone for a Unit policy to revise each reference year 12 months

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<sup>24</sup> Regulation (EC) No 295/2008 of the European Parliament and of the Council of 11 March 2008 concerning structural business statistics.

<sup>25</sup> Regulation (EC) No 716/2007 of the European Parliament and of the Council of 20 June 2007 on Community statistics on the structure and activity of foreign affiliates.

after the transmission to Eurostat (also known as the SBS at t+30 months) aimed to increase the accuracy of the SBS results and the coherence between different domains at the NSO.

The SBS unit also continued the work on its mission to reduce response and administrative burden on the respondents and to enhance efficiency in the data collection and production processes. In 2019, the Unit developed a new short questionnaire targeting sole traders by replacing most of the required variables with administrative information. This process of simplification also aims to increase the response rate. The timeline for the data collection of the SBS was also altered to become synchronised with other fiscal commitments of mainstream enterprises.

The SBS unit was also a contributor to the EU-wide NACE Review Task Force. Proposals to the NACE review task force were submitted and discussed with the participating countries and with representatives from Eurostat.

#### **Compilation of OFATS Census and IFATS Statistics:**

The SBS unit also carried out the OFATS Census Survey as well as the compilation of IFATS statistics. Both sets of results were transmitted to Eurostat by the end of August as required by Regulation (EC) 716/2007. The methodology of IFATS was redrawn during 2019 resulting in a break in time-series for National data.

#### **Coherence Between SBS and Other Statistical Outputs:**

Several initiatives commenced during 2019, intended to ensure that the statistical output produced by the SBS unit is coherent with those of other domains. The coherence between the Eurogroups Register (EGR) and FATS as well as the output of SBS and Short-Term Statistics (STS) started during 2019. Plans are underway to extend such practices with other domains in 2020.

#### **Implementing the 'Enterprise' Statistical Unit:**

The project continued in 2019, with the design of a new questionnaire and the launch of a pilot project which was sent to the largest 20 enterprise groups in Malta and will continue in 2020. The Unit sought the services of a consultancy firm to assist in this project.

The SBS aims to build on this project in 2020 by continuing its work on the development of a country-specific algorithm for semi-automatic profiling and consolidation of the Enterprise units within small Enterprise Groups.

#### **Paperless Questionnaires:**

The Unit formulated a clear approach intended to move towards paperless operations. The initial step was to reduce the storage of paper questionnaires and subsequently commenced a project to scan all questionnaires to store and catalogue records electronically.

The project of 'paperless archiving' not only served as a means to free up space in the SBS office and create a better working environment, but also proved to be a way to speed up the process of searching for questionnaires and a way to enhance the information security of SBS data.

#### **Participation in Eurostat Working Groups and Workshops:**

During the year, the Unit participated in the Structural Business Statistics Working Group, the Foreign Affiliate Statistics Working Group as well as three separate workshops on Structural Business Statistics, the implementation of the 'Enterprise' statistical unit and the use of administrative data in business statistics.

## **OTHER PROJECTS**

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### **Methodological Developments:**

During the year, the Unit implemented a new data extraction method to populate the SBS transmission tables used to submit data to Eurostat. This method had an impact on the SBS at NACE Group and Class levels and is documented in the memo titled 'Methodological modifications in transmitting SBS data'.

A new methodology for IFATS was also conceived in 2019. The method is documented in the memo 'Methodological changes in IFATS' and puts forward two action points: One related to the elimination of the cut-off thresholds and the other related to the proper national representation of the Ultimate Controlling Institutional unit (UCIs).

Both of these methodological enhancements will provide more accurate results to the users and more consistency from one year to the next.

**Unit Name:** Business Register

**Directorate:** Business Statistics

## INTRODUCTION

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The Unit is responsible for the Business Register (BR). The Register provides an exhaustive list of registered legal units in Malta and is the main statistical database used in sample survey designs. The BR has various linkages with national administrative data sources and is important to produce business and economic statistics. Business demographic data is taken directly from the BR population and transmitted to Eurostat. The Unit is also responsible for gathering and compiling R&D business statistics and Business Innovation Statistics.

## MAIN OBJECTIVES FOR 2019

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1. Managing the Business Register (BR) (**Regulation** (EC) No 177/2008<sup>26</sup>);
2. Computing Business Demography Statistics (Regulation (EC) No 295/2008<sup>27</sup>);
3. Maintaining the EuroGroup Register (EGR) (**Regulation** (EC) No 177/2008);
4. Computing Business Research and Development (R&D) Statistics (Regulation (EU) No 995/2012<sup>28</sup>);
5. Computing Business Innovation Statistics (Regulation (EU) No 995/2012).

## WORK CARRIED OUT AND ACHIEVEMENTS

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### **Managing the Business Register and Computing Business Demography Information:**

The Business Register (BR) provides an exhaustive list of all registered legal units in Malta, and is the main statistical database used for sampling frames in business surveys. The BR has various linkages with national administrative data sources and is pivotal for producing business and economic statistics. Business demographic data is taken directly from the BR population and transmitted to Eurostat. During 2019, the Unit began submitting data on the new registrations and bankruptcies of enterprises. These will become mandatory with the implementation of the Eurostat Framework Regulation Integrating Business Statistics (FRIBS – Regulation (EU) No 2019/2152<sup>29</sup>) in reference year 2021.

The Unit continued maintaining specific enterprise characteristics, such as the legal form, economic activity (NACE), employment and turnover.

Updates in the BR are ongoing throughout the year. These include updates on the births and deaths of the enterprises, based on new registrations, reactivations and de-registrations of the legal units, NACE

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<sup>26</sup> REGULATION (EC) No 177/2008 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 February 2008 establishing a common framework for business registers for statistical purposes and repealing Council Regulation (EEC) No 2186/93.

<sup>27</sup> Council Regulation (EEC) No 696/93 of 15 March 1993 on the statistical units for the observation and analysis of the production system in the community.

<sup>28</sup> REGULATION (EU) No 995/2012 of 26 October 2012 laying down detailed rule for the implementation of Decision No 1608/2003/EC of the European Parliament and of the council concerning the production and development of community statistics on science and technology.

<sup>29</sup> Regulation (EU) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics.

classification, employment and turnover. These updates are carried out by making use of a combination of administrative sources and other internal surveys.

The NACE classification is updated annually through feedback provided by business surveys mainly Short-Term Statistics (STS) and Structural Business Surveys (SBS). Ongoing information will also be provided by other surveys directed to businesses. The BR unit makes the necessary checks through the financial statements and memorandum and articles, together with consistency checks across units prior updating major companies.

Employment updates are done annually through links with Jobsplus and the Job Vacancy Survey, these eventually will be finalised at a later stage with financial statements and the SBS, the main NSO business survey.

#### **Maintaining the EuroGroup Register:**

The EuroGroup Register (EGR) is a build-up of Groups of Companies Register at European Level. Eurostat through all Member States data files build up an annual European Groups Register. The EGR cycle is continuing to evolve and being used as the backbone register for the European Statistical Business Registers (ESBRs) project, including European profiling and the globalisation concept. The Unit participated actively in the EGR task force, to be fully abreast with the ongoing developments. The EGR is also being used as the backbone for other statistical domains including the FATS population.

#### **Business Innovation Survey:**

The Business Innovation Survey 2018 is the first Innovation Survey after the review of the Oslo Manual 2018 edition 4. The said manual is the recommendations manual for Business Innovation compiled by OECD and Eurostat. It is carried out biennially covering the three year period, 2016-2018. The 2018 survey is based on a new structure of innovation types. Whereas before innovation was classified along 'product', 'process', 'marketing' and 'organisational' innovations, there are now only two classes, 'product' and 'business process' innovation. All types of innovation are now treated in a similar manner and the distinction between technical innovative and non-technical innovative is eliminated.

The Innovation Survey 2018 was launched in the first quarter of 2019. This survey covered enterprises employing 10 or more persons, covering several sectors, including the service industries. Approximately 2,400 enterprises were surveyed.

The CIS 2018 data collection was financed by a European grant as it is now in conformity with the new Oslo Manual. Through this funding, the Unit increased the amount of direct chasing among enterprises, thanks to which survey response rate reached 73 per cent. Also, the funding covered a new IT application for the data collection and reporting of data.

#### **Research and Development Surveys:**

The Business Research and Development (R&D) survey collects data on research carried out by the private sector. R&D comprise creative and systematic work undertaken to increase the stock of knowledge – including knowledge of humankind, culture and society – and to devise new applications of available intelligence.

The R&D survey is carried out on a yearly basis and results from it are among the EU 2020 target indicators. The population is maintained yearly, based on relevant data sources. Consistency checks across the Innovation and R&D surveys are carried out. The R&D 2017 was finalized and transmitted to Eurostat by end June 2019, subsequently R&D 2018 data collection was launched.

## OTHER PROJECTS

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### **Enterprise versus Legal Unit Definitions:**

During the year, the Unit worked closely with the Structural Business Statistics (SBS) unit on the implementation of the 'Enterprise' definition<sup>30</sup>. As part of the ESF development training programme for NSO, the BR and SBS units were involved in a training program focused on the understanding and practical implementation of the 'Enterprise' definition.

Currently the compilation of business units is mostly based on the 'Legal unit'. The situation shall move towards 'Enterprise' unit in line with Council Regulation (EEC) No 696/93<sup>31</sup>. This will impact the distribution of economic activity across industries. Full implementation is targeted for reference year 2021.

### **Local Units:**

Due to the lack of administrative data, the Unit launched a project in 2019 aimed to capture the number of local units by geographical local (Local Administrative Unit 2) through a new question included in the Innovation Survey. The BR unit will be compiling the initial base for the local unit register. This will eventually be followed up by a dedicated survey to confirm the exact location of the branches (local units), including the number of employees and economic activity (NACE). This is intended to fulfil statistical obligations in Regulation (EC) No 177/2008<sup>32</sup> and Council Regulation (EEC) No 2186/93<sup>33</sup>.

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<sup>30</sup> The enterprise is an organisational market-oriented unit which benefits from a sufficient degree of autonomy in decision-making. An enterprise carries out one or more activities at one or more locations. Meaningful data for statistics can be provided for this unit.

The enterprise can correspond either to:

- a single legal unit not controlled by any other legal entity = independent legal unit, or
- an enterprise group as a set of legal units under common control, or
- an autonomous part of an enterprise group.

<sup>31</sup> Council Regulation (EEC) No 696/93 of 15 March 1993 on the statistical units for the observation and analysis of the production system in the Community.

<sup>32</sup> Regulation (EC) No 177/2008 of the European Parliament and of the Council of 20 February 2008 establishing a common framework for business registers for statistical purposes and repealing Council Regulation (EEC) No 2186/93.

<sup>33</sup> Council Regulation (EEC) No 2186/93 of 22 July 1993 on Community coordination in drawing up business registers for statistical purposes.

**Unit Name:** Short-term Statistics

**Directorate:** Business Statistics

## INTRODUCTION

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The Short-term Statistics (STS) unit is responsible for the production of several early indicators that illustrate the most recent evolution of the Maltese economy in the domains of industry, construction, wholesale and retail trade and services. The indicators within the Unit's remit are production, producer prices, turnover, employment, hours worked, wages and salaries and building permits. Construction starts and vacancy rates are two new indicators that are currently in progress. Data is published in the form of indices and produced in unadjusted, working day adjusted and seasonally adjusted formats.

## MAIN OBJECTIVES FOR 2019

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1. News releases and Eurostat transmissions (Regulation EC (No) 1165/98<sup>34</sup> as amended by Regulation EC (No) 1158/2005<sup>35</sup>);
2. Services Producer Price Indices (SPPIs);
3. Commercial Real Estate Indicators (CREI).

## WORK CARRIED OUT AND ACHIEVEMENTS

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### **News Releases and Eurostat Transmissions:**

During 2019, the Unit published 32 News Releases. Monthly News Releases were issued for the Index of Industrial Production and the Industrial Producer Price Index while quarterly News Releases were published for Industrial and Services Indicators. Quarterly News Releases included the indices for turnover, employment, hours worked and wages.

A total of 88 data transmissions to Eurostat were also carried out, all within the stipulated deadlines and in SDMX format. Monthly and quarterly transmissions were sent on the industrial producer prices, construction costs, services producer prices, industrial production, construction production, wholesale and retail trade deflated turnover, turnover for all domains except construction, employment, hours worked and wages for all domains, building permits and import prices.

Each News Release or Eurostat transmission goes through several phases namely, data collection, data vetting, index compilation, data quality reports, seasonal adjustment and data dissemination. During these processes the Unit meets various challenges related to index compilation, quality issues, births and deaths of enterprises, economically fast changing sectors, seasonal adjustments and system efficiency.

The Unit experiences monthly deadlines alongside quarterly ones. Over a two-week period, the Unit produces two News Releases and completes nine Eurostat transmissions. Timeliness is very important for STS and this requires high efficiency in the data collection and production systems.

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<sup>34</sup> Council Regulation (EC) No 1165/98 of 19 May 1998 concerning short-term statistics.

<sup>35</sup> Regulation (EC) No 1158/2005 of the European Parliament and of the Council of 6 July 2005 amending Council Regulation (EC) No 1165/98 concerning short-term statistics.

**Services Producer Price Indices:**

During 2019, an ambitious plan to meet the SPPI's regulation was drawn-up and shared with Eurostat. All the milestones planned to be completed in 2019 were met except for some non-respondents. A new SPPI for accountancy and legal activities was produced and sent to Eurostat, while the SPPI for the postal and courier activities was almost completed.

Apart from being important measures of inflation in the services sector, the services producer prices are also used as deflators in the calculation of GDP and will be used for a new short-term statistics volume indicator – Index of Services Production.

**Commercial Real Estate Indicators:**

The unit also contributes in to two CREIs, namely: construction starts and vacancy rates. The former measures the square metres of new commercial building projects begun during the reference period. The latter refers to the surface area available for rent relative to the total surface area.

Work on the construction starts variable is advanced and the vacancy rates variable improved considerably. An interim report was submitted to the European Systemic Risk Board (ESRB) after various meetings with stakeholders.

The Unit continued to work on the grant project covering the commercial vacancy rates data required by the ESRB. The grant is being done jointly with the Price Statistics unit covering other variables.

The grant objectives focus on the need to survey whether any vacancy rates data is currently available and what can be done to obtain such data. The analysis shows that there is absolutely no data available for such indicator and it was decided to obtain primary data by adding questions to the annual ICT survey. Data from this survey were also received and analysed and more questions were added to the most recent survey.

The Unit also participated in Eurostat's STS CREI Task Force and presented Malta's work on the construction starts variable. With regards to the vacancy rates indicator, the best source are currently the added questions in the ICT survey. In 2019, various other questions were added so that the requirements laid down in ESRB regulation are met.

**Construction Building Permits System Efficiency:**

Thanks to the cooperation of the Planning Authority, the data processing and compilation system of the building permits indicators became much more efficient.

**Calculation of New Quality Performance Indicators:**

The metadata was updated with the calculation of the Mean Revision and Mean Absolute Revision for all Principal European Economic Indicators (PEEIs) published by the Unit.

**OTHER PROJECTS**

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**STS-SBS Data Cohesion Task Force:**

An internal Task Force between the Unit and the Structural Business Statistics unit was planned to address data cohesion. Work began in late 2019 and will continue during 2020.

Cohesion across the SBS and the STS data will be analysed in detail for any discrepancies. This is a major exercise tackling divergencies between the monthly/quarterly statistics and annual statistics which are also a major source of input to the calculation of the GDP.

**Unit Name:** Environment, Transport and Agriculture Statistics

**Directorate:** Business Statistics

## INTRODUCTION

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The Unit is responsible for the collection, compilation and dissemination of data relating to: Water, waste, environmental accounting, transport, land, fruit and vegetables, animals and animal products, fish landings and aquaculture. Datasets are regularly maintained and updated to comply with the Unit's reporting obligations to Eurostat, as specified in the relevant directives and regulations. The data is also utilised to fulfil national requirements.

## MAIN OBJECTIVES FOR 2019

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### Environment:

1. Compile a complete time series for monetary modules and material flow accounts;
2. Production and publication of waste (Regulation (EU) No 849/2010<sup>36</sup>) and water statistics.

### Transport:

1. Production and publication of motor vehicles and traffic accidents statistics, together with detailed data on different modes of transport;
2. Consultation with Transport Malta regarding the compilation of maritime statistics based on register data and in accordance with the Directive 2009/42/EC<sup>37</sup>;
3. Enhance the quality and relevance of Transport Statistics, through more effective presentation and dissemination.

### Agriculture and Fisheries:

1. Preparations for Census of Agriculture 2020 according to Regulation (EU) No 2018/1091<sup>38</sup>;
2. Running the annual survey related to Plant Protection Products placed on the market and also the Pesticides Use Survey that is carried out every five years. Both are compiled according to Regulation (EU) No 1185/2009<sup>39</sup>;
3. Carry out the Farm Accountancy Data Network (FADN) survey for the reference year 2018, validate and transmit data to the Commission's Directorate-General for Agriculture and Rural Development (DG AGRI). This survey is based on Commission Implementing Regulation (EU) 2015/220<sup>40</sup> laying down rules for the application of Council Regulation (EC) No 1217/2009<sup>41</sup>. This survey is carried out on behalf of the Agriculture and Rural Payment Agency (ARPA) according to an agreement between the two authorities;

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<sup>36</sup> Commission Regulation (EU) No 849/2010 of 27 September 2010 amending Regulation (EC) No 2150/2002 of the European Parliament and of the Council on waste statistics.

<sup>37</sup> Directive 2009/42/EC of the European Parliament and of the Council of 6 May 2009 on statistical returns in respect of carriage of goods and passengers by sea.

<sup>38</sup> Regulation (EU) 2018/1091 of the European Parliament and of the Council of 18 July 2018 on integrated farm statistics and repealing Regulations (EC) No 1166/2008 and (EU) No 1337/2011.

<sup>39</sup> Regulation (EC) No 1185/2009 of the European Parliament and of the Council of 25 November 2009 concerning statistics on pesticides.

<sup>40</sup> Commission Implementing Regulation (EU) 2015/220 of 3 February 2015 laying down rules for the application of Council Regulation (EC) No 1217/2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Union.

<sup>41</sup> Council Regulation (EC) No 1217/2009 of 30 November 2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Community.

4. Finalise the validation of the Farm Accountancy Data Network (FADN) Survey for reference year 2017;
5. Production and publication of agriculture statistics including the livestock and meat statistics (Regulation (EC) No 1165/2008<sup>42</sup>), crop statistics (Regulation (EC) No 543/2009<sup>43</sup>) and Economic accounts for agriculture (Regulation (EC) No 138/2004<sup>44</sup>);
6. Production and publication of Fishery catches (Regulation (EC) No 216/2009<sup>45</sup>) and landings (Regulation (EC) No 1921/2006<sup>46</sup>) and Aquaculture Statistics (Regulation (EC) No 762/2008<sup>47</sup>);
7. Start planning for the collection of new Agriculture Statistics to be in line with the requirements of the future Framework Regulation: Statistics on Agricultural Input/ Output (SAIO).

## WORK CARRIED OUT AND ACHIEVEMENTS

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### Environment:

#### Environmental Accounts:

Environmental accounts present environmental information in a way that is fully compatible with the national accounts. The environmental data is presented against a detailed breakdown by the economic activities. Such accounts are organised in two groups:

- Monetary environmental accounts: include transactions related to the environment which are not shown separately in national accounts (e.g. investments in cleaner production technologies, environmental taxes) and goods and services produced specifically to protect the environment (e.g. waste management activities) or to prevent the depletion of the stock of natural resources (e.g. solar panels);
- Physical environmental accounts: refer to the material that flows through the economy. These accounts include both the economy's needs and the resulting residuals, such as emissions.

During 2019, the monetary modules: Environmental taxes, Environment Protection Expenditure Accounts (EPEA), Environmental Goods and Services Sector accounts (EGSS) and Environmental Subsidies and Similar Transfers were compiled using data provided by the Public Finance, National Accounts and Structural Business Statistics units. The corresponding quality reports were compiled and transmitted to Eurostat.

Apart from these, the Unit also compiled the physical module related to Material Flow Accounts (MFA). For the first time the quality report for these set of accounts was compiled and transmitted by means of the ESS Metadata handler.

#### Production and Publication of Waste and Water Statistics:

For the domain related to waste, the Unit continued the compilation and reporting of waste generation and treatment statistics. Data up to 2017 featured in the annual news release related to Solid Waste Management in February. For Municipal waste two news releases were published: data for 2017 in February and data for 2018 in December. For the latter, we have managed for the first time to publish

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<sup>42</sup> Regulation (EC) No 1165/2008 of the European Parliament and of the Council of 19 November 2008 concerning livestock and meat statistics and repealing Council Directives 93/23/EEC, 93/24/EEC.

<sup>43</sup> Regulation (EC) No 543/2009 of the European Parliament and of the Council of 18 June 2009 concerning crop statistics and repealing Council Regulations (EEC) No 837/90 and (EEC) No 959/93.

<sup>44</sup> Regulation (EC) No 138/2004 of the European Parliament and of the Council of 5 December 2003 on the economic accounts for agriculture in the Community.

<sup>45</sup> Regulation (EC) No 216/2009 of the European Parliament and of the Council of 11 March 2009 on the submission of nominal catch statistics by Member States fishing in certain areas other than those of the North Atlantic.

<sup>46</sup> Regulation (EC) No 1921/2006 of the European Parliament and of the Council of 18 December 2006 on the submission of statistical data on landings of fishery products in Member States and repealing Council Regulation (EEC) No 1382/91.

<sup>47</sup> Regulation (EC) No 762/2008 of the European Parliament and of the Council of 9 July 2008 on the submission by Member States of statistics on aquaculture and repealing Council Regulation (EC) No 788/96.

the data 12 months after the end of the reference year, thus achieving better timeliness. Data for Municipal waste up to 2018 was also reported to Eurostat in November.

In relation to the water statistics, the Unit kept updating the wastewater statistics together with the water production statistics and consumption with 2018 data. The first survey on private reverse osmosis plants, mainly covering hotels that own such installations, was carried out. During the year, both FAO Aquastat questionnaire and the OECD/Eurostat Joint Questionnaire on Inland Waters were compiled and transmitted accordingly. The latter reporting was for the first time enhanced by an ESQRS quality report that was likewise transmitted to Eurostat. The data reported through these questionnaires provide a comprehensive picture of the water resources and uses at the national level. The FAO questionnaire is more focused on the agricultural sector. Both waste and water related indicators were compiled for the Urban Audit 2018 reporting which is co-ordinated by the Regional, Geospatial, Energy and Transport Statistics unit.

The Unit also updated the climate statistics databases with monthly and daily data based on information received from the Malta International Airport Meteorological Office.

In 2019, the Unit conducted the minerals production survey amongst all the quarries in the Maltese Islands. This is done to obtain information on the annual extraction and production of this natural mineral resource in the Maltese Islands for the previous two years. The results from this survey are used primarily in the compilation of the Economy-wide Material Flow Accounts.

#### **Transport:**

##### **Compilation of Maritime Statistics:**

During the first half of 2019, the Unit had consulted the Ports and Yachting Directorate within Transport Malta regarding the compilation of the maritime statistics based on register data to address inherent shortcomings related to cargo statistics. After a physical meeting and follow ups through email, we have been informed that Transport Malta had received a technical proposal to address the matter from their application developer. This will be followed in 2020.

##### **Production and Publication of Transport Statistics:**

The Unit continued with the production, compilation and dissemination of the motor vehicles and traffic accidents statistics, together with detailed data on different modes of transport. An annual publication for the reference year 2017 was published while work was finalised for the reference year 2018.

#### **Agriculture:**

##### **Production and Publication of Agriculture Statistics and the Economic Accounts for Agriculture:**

During the year, the Unit compiled monthly and annual data on crop production, livestock, animal products, and agricultural prices. Such data was transmitted to Eurostat in accordance with the respective EU Regulation. These statistics were also used in the compilation of the Economic Accounts of Agriculture.

The Economic Accounts assess the economic situation of agricultural holdings together with the Income Index exercise that provides an estimate of the economic scenario of 2019 were compiled. An annual news release was published in September and data was also transmitted to Eurostat. In relation to this, quarterly data on subsidies paid to the farmers was also collected from the Agriculture and Rural Payments Agency (ARPA).

**Sales of Plant Protection Products:**

In 2019, a survey was done amongst the authorised importers/distributors of the plant protection products. In this survey, the amount of plant protection products by an active substance placed on the market during reference year 2018 was collected.

The aggregated data was validated, flagged for confidentiality and transmitted to Eurostat together with the quality report. The data was included in the Malta in figures publication.

**Pesticides Use Survey:**

In September 2019, a survey regarding the use of plant protection products for crop year 2018/2019 was launched. A total of 411 farmers were interviewed by 10 interviewers. For such a survey, a data entry system with embedded validations was created in house so that the interviewer inputted the data directly. Such a system helped the Unit to reduce the time needed for the data entry and focus more on the data validation.

**Fisheries and Aquaculture Statistics:**

The Unit continued with the production and publication of Fish catches and landings together with the Aquaculture Statistics. For the latter, an annual survey was carried out amongst the fish farm operators in which data on the production and the expenses incurred for the reference year 2018 was collected. The results were published in the annual News Release for the Aquaculture domain. Annual data related to fish landings and aquaculture was also transmitted to Eurostat.

**OTHER PROJECTS**

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**Agricultural Census 2020**

The Unit has commenced the preparations for the Census of Agriculture 2020 by submitting a report with the plan together with the foreseen requirements. The Unit also applied for a Eurostat grant to request for financial support for this project. During the year, the Unit consulted with the Rural Development Directorate within the Ministry for Environment, Sustainable Development and Climate Change (MESDC) to seek their commitment (resources) for the Census itself. Besides, it was decided that the office will participate in the Agri Fair, organised by the Ministry for the Environment, Climate Change and Planning that will be held in 2020.

**Farm Accountancy Data Network (FADN) Survey**

A survey was conducted between June and August 2019 to analyse the structural and commercial characteristics of the agricultural holdings for the reference year 2018. This survey was carried out in accordance with the co-operation agreement between NSO and the Agriculture and Rural Payment Agency (ARPA). In relation to this survey, the validation of the data for reference year 2017 was completed.

**Unit Name:** Energy, Regional and Geospatial

**Directorate:** Business Statistics

## INTRODUCTION

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The Unit's remit comprises the collection and production of energy, regional and geospatial statistics. In 2019, statistical output was published in scheduled news releases, publication, miscellaneous statistical requests and periodical Eurostat transmissions. Most regional assignments were interlinked with national statistics and were collaborated on with other technical units within the NSO. The Unit continued to be NSO's national and international focal point in areas directly related to energy, regional and geospatial statistics.

## MAIN OBJECTIVES FOR 2019

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1. Establish priorities and objectives for several different domains at regional level;
2. Further the development of Regional statistics (NUTS 3 and LAU) and Geospatial Statistics within NSO – Regulation (EC) No 1059/2003<sup>48</sup>, Regulation (EU) No 2019/1130<sup>49</sup>, Commission Delegated Regulation No 2019/1755<sup>50</sup>, and Regulation (EC) No 549/2013<sup>51</sup> );
  - Geographical Information Systems (GIS);
  - Geocoded Business Register;
  - TERCET;
  - INSPIRE Directive;
  - SIntegraM.
3. Lead the Realistic Building Defined Street layer (ReBuDS) Project, the objective of which is to create a spatial layer based on the location of buildings and street network;
4. Manage the production and compilation of Energy Statistics at a national level – Regulation (EC) No 1099/2008<sup>52</sup> and Regulation (EU) No 2016/81952<sup>53</sup>;
5. Produce news releases, publications and contribute information to online databases.

## WORK CARRIED OUT AND ACHIEVEMENTS

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### **Establish Priorities and Objectives for the Regional Dimension of Different Statistical Domains:**

These domains include:

- Gross Value Added;
- Labour Market Statistics and Urban Audit 2017-2018 data;
- Transport Statistics;

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<sup>48</sup> Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS).

<sup>49</sup> Commission Implementing Regulation (EU) 2019/1130 of 2 July 2019 on the uniform conditions for the harmonised application of territorial typologies pursuant to Regulation (EC) No 1059/2003 of the European Parliament and of the Council.

<sup>50</sup> Commission Delegated Regulation 2019/1755 of 8 August 2019 amending the Annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS).

<sup>51</sup> Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union.

<sup>52</sup> Regulation (EC) No 1099/2008 of the European Parliament and of the Council of 22 October 2008 on energy statistics.

<sup>53</sup> Regulation (EU) 2016/1952 of the European Parliament and of the Council of 26 October 2016 on European statistics on natural gas and electricity prices and repealing Directive 2008/92/EC.

- Energy Statistics;
- Geographical Information Systems (GIS), Geocoded Business Register, Geocoded Buildings Register, TERCET, INSPIRE Directive, SIntegraM and Urban Audit.

#### **Further the Development of Regional and Geospatial Statistics within NSO:**

During 2019, cooperation and joint initiatives with NSO counterpart units were sought to fully support the functions and objectives of the Unit and NSO. This related mostly to the compilation and publication of regional statistics for various domains including population, SILC, social protection, education, labour market, transport, tourism and environment. To this end, the Unit ensured the better utilisation and value-maximisation of data with respect to NUTS 3, LAU 1 and LAU 2 level statistics. This data was mainly published in the Regional Statistics MALTA 2019 edition publication.

The Unit has also embarked on a joint initiative with two other units namely the Business Registers and the Population and Migration Statistics units to geocode the business, population and buildings registers. This will develop further the integration and relevance of key statistics namely: demography (population and households), education, labour market, tourism, transport and economy. The Unit also prepared and submitted the application form, in collaboration with the Population, Migration and Crime unit, to participate in the grant - "Population and housing census: geo-referenced data". All the input related to GIS was coordinated by the ERG unit. This grant was awarded in July 2019. The grant involves the creation of a point address layer which is based on the actual location of buildings. Work involves the acquiring of actual coordinates of all buildings having utility services and the street layer showing all polylines across the island.

#### **Geospatial Statistics:**

The Unit continued to strengthen its competence in the field of Geographical Information System (GIS) and assumed responsibility for all output of geospatial statistics produced and published by NSO. The production of geospatial statistics covered an array of socio-economic and environmental domains, feature different territorial levels, namely LAU 1 (six districts), LAU 2 (68 localities) and statistical grids of 1 km<sup>2</sup> and 0.25 km<sup>2</sup> grid cells; respectively. In fact, several units within NSO made use of spatial mapping in their news releases and publications. Comprehensive technical assistance and support on regional classifications in view of the implementing regulation of the TERCET which regards the territorial typologies. The Unit is a partner in the SIntegraM Project - Developing Spatial Data Integration for the Maltese Islands led by the Planning Authority (PA). NSO is benefitting from various deliverables from this project, including the SpatialTRAIN scholarship scheme - intended to further enhance spatial data and intelligence in Malta.

The development of GIS infrastructure and intelligence has contributed towards the creation of a centre of excellence for the NSO regarding geospatial statistics. New output within the Unit was produced and the Unit assisted multiple units within NSO as they have apprehended the growing importance of spatial mapping of the data.

#### **Regional Statistics:**

In the area of regional statistics, data for reference year 2018 was compiled and submitted as part of the Eurostat Grant: Data collection for sub-national statistics (mainly cities): 2017-2018 (also referred to as Urban Audit Report) with the support of various production units and external stakeholders. Finalised work related to reconstruction of regional employment estimates NACE A\*10/11 (NUTS 3) by place of work and residence for reference years 2016, 2017 and 2018 by sex. Published regional Gross Value Added (GVA) at basic prices NACE A\*10/11 (NUTS 3) and regional Gross Domestic Product (GDP) at market prices (NUTS 3) estimates for the time period 2013-2018. Updated Eurostat Transmission Table 1200: Regional Gross Value Added at basics prices (NUTS 3) by industry NACE A\*10/11 and corresponding regional statistics for employment in persons by place of work (NUTS 3) by industry NACE A\*10/11 for timeseries 2000-2017.

Published thematic news releases related to sea transport between Malta and Gozo. Presentations on regional statistics were delivered during the Gozo Regional Committee meeting of the 26<sup>th</sup> of September and the MCESD meeting of the 7<sup>th</sup> of October. Attended national and international meetings and conferences related to Regional and Geospatial Statistics.

### **Work with Production Units on Measures Aimed at Improving Efficiency and Timeliness in the Production and Dissemination of Official Regional and Geospatial Statistics:**

Technical improvements in collaboration with the Business Registers unit were undertaken in relation to the establishment of the Local Unit (LU) of the enterprises and the business address of each enterprise, to ensure a holistic approach that promotes consistency and value maximisation across NSO.

### **ReBuDS Project:**

The Realistic Building Defined Street (ReBuDS) layer's objective is to create a spatial layer based on the location of buildings and street network. Through various GI applications and functions, a point-based address spatial layer is being finalised. Each point will have attribute fields including the official street name and CDB code. Through such identifiers, matching of numerous address-based databases can be geocoded.

Considerable amount of resources is still being dedicated to this project; including the verification and standardisation of street names; corroboration and confirmation of points location also through the use of R software; and effective coverage of the whole building and street database, including new streets and locations. Currently, the Unit is working on the geocoding of the Business Register and the Population Register. All work is essential to meet the requirements related to the 2021 Population and Housing Census, which stipulates the production of various 1km<sup>2</sup> grids. Such efforts are also incorporated in the Population and Housing Census: geo-referenced data grant.

When this project is finalized, the geo-coding of street-based registers of NSO will be undertaken. This project is crucial in meeting the requirements related to the 2021 Population and Housing Census, which stipulates the production of various 1km<sup>2</sup> grids. In addition, this project will develop further the integration and relevance of key statistical domains.

### **Production and Compilation of Energy Statistics:**

During the year, the Unit maintained and developed relationship with key stakeholders (data sources) mainly - Regulator of Energy and Water Services (REWS), the Energy and Water Agency (EWA), the Ministry for Energy and Water Management, EneMalta, Water Services Corporation and ARMS to improve Energy Statistics – from national to geospatial statistics. Fulfilled Eurostat obligations related to monthly, bi-annual and annual questionnaires and other questionnaires of United Nations and EurObserv. Developed the necessary competence and capacity building within the Unit by attending an ESTP course on energy statistics. Addressed the pending infringement related to Energy Statistics regulations, namely PEFA. The first estimates for the reference year 2017 were submitted, however, further improvements will be undertaken. Compiled and published the news release encompassing "Renewable Energy from Photovoltaic Panels (PVs)", providing a detailed representation of PV installations, mWh and mWp by sector, across NUTS 3, LAU 1 and LAU 2 levels.

Geospatial statistics were based on single-point data. Transformed completely the Electricity Generation News Release and gave it a new dimension which provides further information to the user in line with the energy data transmitted to Eurostat. To this end, the name of the news release was also changed to Electricity Supply.

The complete transformation of the Electricity Generation News Release from the renaming of the news release, Electricity Supply, to the compilation and dissemination of new detailed tables on the different components of electricity supply which previously were not disseminated locally, featured prominently in the media. As a result, media capture and users' feedback improved significantly.

Attended national and international meetings and conferences related to Energy Statistics.

**News Releases, Publications and Other Online databases:**

These Include:

**Publication:**

- Regional Statistics MALTA | 2019 edition (produced annually).

The compilation and dissemination of "Regional Statistics MALTA 2019 edition" provided a comprehensive coverage of the regional dimensions of MALTA for various domains. This compendium of regional statistics which also included geospatial statistics proved valuable for policymakers and stakeholders of the region of Gozo. To this end, the Unit was invited to deliver presentations based on this publication during the Gozo Regional Committee meeting of the 26<sup>th</sup> of September and the Malta Council for Economic and Social Development (MCESD) meeting of the 7<sup>th</sup> of October.

**News Releases:**

- Sea Transport Statistics between Malta and Gozo 2019Q1 – 2019Q3 (quarterly);
- Renewable Energy from Photovoltaic Panels (PVs): 2018 (annually);
- Electricity Supply: 2018 (annual);
- Regional Labour Supply by place of residence and work: 2018 (annually);
- Regional Gross Domestic Product: 2018 (annually).

**Web-based contributions:**

- INSPIRE 18 datasets and shapefiles;
- STATAMaps and Stat DB.

**Unit Name:** Living Conditions and Culture

**Directorate:** Social Statistics

## **INTRODUCTION**

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The Living Conditions and Culture Statistics Unit is responsible for the provision of statistics on the living conditions and well-being of Maltese households. These include variables such as household income distribution, housing conditions, material deprivation and the rate of people that are at-risk-of-poverty. These variables are sourced from the European Statistics on Income and Living Conditions survey (EU-SILC).

The other area for which the Unit is responsible is Culture Statistics. In addition to surveys that are commissioned by the local entities, the Unit is also responsible for several community culture statistics surveys, such as Cinema, Band Club, Theatre, Museum and Library Statistics.

## **MAIN OBJECTIVES FOR 2019**

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**Survey on Income and Living Conditions** (European Regulation (EU) No. 1177/2003<sup>54</sup>):

1. Analysis of EU-SILC 2018;
2. Transmission of EU-SILC 2018 cross-sectional and longitudinal datasets;
3. Publication of results from EU-SILC 2018;
4. Work on the launch of EU-SILC 2019 data collection;
5. Revision of weights for EU-SILC datasets (2013-2017) due to the revisions in the population figures.

**Culture Statistics:**

6. Collection and publication of Cinema Statistics 2018;
7. Publication of Library Statistics 2018;
8. Analysis of the Survey on Creative Participation in Arts, Media and Heritage.

**Voluntary Organisations Survey:**

9. Analysis of data from the Voluntary Organisations Survey, and work on its publication.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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**Survey on Income and Living Conditions (EU-SILC) Survey:**

One of the main objectives for the Unit in 2019 was to improve timeliness and thus manage to finalise data analysis and then publish the results of EU-SILC 2018 earlier than in the previous years. This objective is considered very important for the Unit since, according to the new Regulation (EU) 2019/1700 which established a common framework for European statistics relating to persons and

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<sup>54</sup> Regulation (EC) No 1177/2003 of the European Parliament and of the Council of 16 June 2003 concerning Community statistics on income and living conditions (EU-SILC)

households, based on data at individual level collected from samples, EU-SILC data is to be collected, analysed and transmitted to Eurostat in the same year.

During the year under review, the Unit improved its weighting system on the basis of a revision in population statistics. These revised weights were applied on the EU-SILC datasets for the years 2013-2017. The Unit published revised results for 2013-2017 during 2019 as well as several news releases portraying the outcome of EU-SILC for 2018.

With reference to the transmission and release of results from EU-SILC 2018, the Unit was able to transmit cross-sectional data containing all non-income variables by the end of February 2019. The Unit also re-transmitted all the cross-sectional datasets to Eurostat for the years 2013 until 2017 with the revised weights matching the new population updates. The full EU-SILC datasets for 2018, including household income variables, were transmitted by the end of May, a month earlier than the previous year.

Three news releases were published based on the outcome of EU-SILC survey 2018. These were:

1. EU-SILC 2018: Estimates of Material Deprivation and Housing Problems;
2. EU-SILC 2018: Salient Indicators;
3. EU-SIC 2018: Main Dwellings.

The Unit also published a complete time series with the new revised population weights for the main indicators from EU-SILC covering the years 2013 to 2017.

In 2019, NSO also launched the EU-SILC 2019 survey. In preparation, the Unit collaborated with the Data Management Unit, which carried out the fieldwork process. Work carried out by the Unit included updating of the questionnaire and interviewer manual, testing of the programme for data capturing, technical guidance during the data collection phase on specific variables and participating in the interviewers' briefings.

#### **Culture Statistics:**

As was the case in previous years, during 2019, the Unit ran the annual Cinemas Statistics survey and the collection of data among libraries. During this year, the Unit also worked on the theatres database, a task for which it collaborated closely with the Arts Council Malta. Furthermore, the Unit also reviewed the questionnaire, which will eventually be used for data collection in 2020. During 2019, the Unit published two culture statistics news releases, one on Cinema Statistics and one on Libraries.

#### **Survey on Creative Participation in Arts, Media and Heritage:**

This survey is a joint project between the National Statistics Office and the Arts Council Malta. Data collection on this survey took place during the last quarter of 2019, while data analysis had also started by the end of the year. Results will be published in 2020.

#### **Voluntary Organisations Survey:**

This survey was launched in December 2018 and covered a gross sample of 800 organisations. During 2019, the Unit finalised the data collection phase and carried out data analysis. Results from this survey are planned to be published during the second quarter of 2020.

## **OTHER PROJECTS**

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### **Valletta Participation Survey and Creative Participation in Arts, Media and Heritage Survey:**

In 2019, the Unit finalised the reporting for the last two waves of the Valletta Participation Survey which were carried out in May and November 2018. In total, the Unit prepared three reports for the Valletta 2018 Foundation - two of these reports gave an overview of the main results from the 2018 data collection, while the third report analysed the trends and outcomes, derived from previous surveys going back to 2014.

All the reports and results were delivered in a timely manner. In March 2019, the Foundation organised a conference and press event during which the salient results of these surveys were presented.

### **National Food Consumption Survey:**

The Unit continued to work with the Ministry of Health on the data from the 'National Food Consumption Survey', carried out by a directorate within the latter.

This work involved preliminary checks on the dataset provided by the directorate, recalculation of the weights, cleaning, imputations and production of the results. By end of the first quarter, most of the analysis was concluded and by the end of the second quarter the results, and the tables were presented to the directorate. Discussions are in progress on the joint publication of findings.

**Unit Name:** Labour Market and Information Society

**Directorate:** Social Statistics

## **INTRODUCTION**

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The Labour Market and Information Society Statistics Unit oversees the collection and publication of data concerning the world of work and Information and Communication Technologies (ICT). The statistics which are produced by this Unit are compiled using both administrative as well as survey data.

## **MAIN OBJECTIVES FOR 2019**

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### **Labour Market:**

1. Production of Labour Force Survey results on a quarterly basis (Regulation (EC) No 577/1998<sup>55</sup>);
2. Conducting a parallel run of the Labour Force Survey;
3. Production of monthly unemployment rates;
4. Collection and production of job vacancy statistics on a quarterly basis (Regulation (EC) No 453/2008<sup>56</sup>);
5. Production of labour cost indices on a quarterly basis (Regulation (EC) No 450/2003<sup>57</sup>);
6. Compilation of data on registered employment and registered unemployment on a monthly basis;
7. Compilation of accidents at work and fatalities at work on a biannual basis (Regulation (EU) No 349/2011<sup>58</sup>).

### **Information and Communication Technology:**

1. Carrying out the annual ICT enterprises survey (Regulation (EC) No 808/2004<sup>59</sup>);
2. Production of the annual ICT households survey (Regulation (EC) No 808/2004);
3. Analysis of three Audience Surveys;
4. Analysis of the Mobile Telephony Usage Survey.

### **Disability:**

1. Engagement in initial work to set up the collection of disability statistics.

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<sup>55</sup> Council Regulation (EC) No 577/98 of 9 March 1998 on the organisation of a labour force sample survey in the Community

<sup>56</sup> Regulation (EC) No 453/2008 of the European Parliament and of the Council of 23 April 2008 on quarterly statistics on Community job vacancies

<sup>57</sup> Regulation (EC) No 450/2003 of the European Parliament and of the Council of 27 February 2003 concerning the labour cost index

<sup>58</sup> Commission Regulation (EU) No 349/2011 of 11 April 2011 implementing Regulation (EC) No 1338/2008 of the European Parliament and of the Council on Community statistics on public health and health and safety at work, as regards statistics on accidents at work

<sup>59</sup> Regulation (EC) No 808/2004 of the European Parliament and of the Council of 21 April 2004 concerning Community statistics on the information society

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Labour Force Survey:**

During 2019, the Labour Market unit (LMU) analysed the results of the quarterly Labour Force Survey (LFS) and transmitted and disseminated the information at national and European level. In line with previous years, transmissions have taken place prior to the Regulation deadline.

The Unit also developed the LFS questionnaire and integrated the questions related to an ad-hoc module on accidents at work and work-related health problems which is to be covered during 2020. The questions of the module along with the explanatory notes were discussed with a number of users, namely the Occupational Health and Safety Authority and the Department of Social Security. These discussions took place during the third quarter of 2019 and further to the feedback and suggestions received the LMU was able to finalise the questionnaire for 2020. An EU grant was awarded to assist the NSO with the implementation of this module.

Work on a publication covering 2018 LFS ad hoc module results on the reconciliation between work and family life was finalised at the end of 2019. The publication is expected to be disseminated at a national level in the first or second quarter of 2020. A specific event involving main stakeholders who have this topic at heart will be invited to this activity. The implementation of this ad hoc module was partially financed through a Eurostat grant.

### **Labour Force Survey – Parallel run:**

Preparatory work related to the implementation of the new framework regulation concerning social statistics was also covered. The Unit was awarded a Eurostat grant to determine the break in series that will take place after the implementation of the Integrated European Social Statistics (IESS). During 2019, the Unit finalized the questionnaire to be used for the parallel run testing and in November 2019 the project went live.

Testing covers the flow charts that have been included in the LFS implementing act and is expected to run for a period of one year and a quarter. This extensive testing period is long enough to cover the full evolution of LFS panels since the LMU needs to test whether the new flow charts will have a different impact depending on the wave of the survey. A further aspect which is being tested over this period, is a change in the mode of data collection. In this regard, CAPI is being introduced as a new mode of data collection for the first panel. It is expected that paper questionnaires will be discontinued in 2021 and replaced by the new CAPI system.

### **Monthly Unemployment Rates:**

A by-product of the Labour Force Survey is the compilation of Monthly Unemployment Rates (MUR). Harmonized monthly unemployment rates have been worked out by Eurostat for a number of years and it is expected that the new IESS Framework Regulation will regularise the production of this indicator. To prepare for this new European requirement, the LMU set out to develop a methodology to be able to produce this indicator at a national level.

Two Eurostat grants were awarded over the period of 2015/2016 and 2018 with the intention of first studying the way this indicator was compiled from a quarterly LFS and to obtain expert assistance to determine the best approach to be applied for national data. During 2019 the LMU built on the work carried out in the previous years and was able to finetune and finalise the methodology to produce monthly unemployment rates.

The ultimate result of this work was the dissemination of the first news release on monthly unemployment rates at a national level. In April 2019, the LMU published the first MUR covering the

month of March. Since then, this news release has become part of the list of news releases being issued by this Unit. In addition, data is now being transmitted to Eurostat and is being integrated in the MUR release that is published at EU level.

#### **Labour Cost Index:**

Another LMU output which is regulated is the production of Labour Cost Indices (LCI). Transmission of this variable occurs on a quarterly basis. The main sources used for this indicator are national accounts data on employment and compensation of employees and Labour Force Survey estimates on hours worked. The information provided is used to compile hourly rates related to wages and salaries, other social contributions and total labour costs. The results are then transformed into chain linked indices and seasonally and calendar adjusted indices. During 2019, the LMU provided LCI data in line with EU deadlines.

During the third quarter the Unit enhanced the approach used for carrying out seasonal adjustments after receiving training on the use of Demetra. Through this training, the Unit was in a better position to interpret the results emerging from the adjustment of data and to modify the automatic models to yield better quality in the results obtained.

#### **Job Vacancy Survey:**

The Labour Market unit is also entrusted with the collection of data on job vacancies. This survey is carried out among enterprises employing one or more persons and is transmitted to Eurostat on a quarterly basis. During 2019, revisions to Job Vacancy Survey (JVS) data were carried out. Figures for the period 2010 to 2018 were reweighted to align answers to the target population of the survey. In addition, adjustments to the number of job vacancies were carried out to align information with a specific reference date in each quarter. This was done using both survey data as well as information provided by Jobsplus on registered job vacancies. Figures for units employing 1 or more person for the period 2017 onwards were also reweighted to align answers with the target population.

In June 2019 the LMU transmitted job vacancy statistics for units with 1 or more employees for the first time. Prior to this, the LMU only provided data for units employing 10 or more persons. Following the transmission of 1+ data, national JVS figures became completely in line with EU requirements. Job vacancy data is also seasonally adjusted and following the training which unit members received during the second quarter of 2019, it was possible to finetune the methodology being applied when adjusting this data.

#### **Structure of Earnings Survey:**

During the fourth quarter of 2019 the LMU kicked off the collection of the Structure of Earnings Survey (SES). The target population of this enterprise survey is units employing 10 or more persons and which are engaged in NACE activities B to S. For the second time the optional NACE O (Public administration and defence) is being covered in the national SES. Administrative information for most units operating in this NACE will be used to reduce the response burden. Data for this survey is expected to be transmitted to Eurostat by June 2020.

#### **Administrative Data on Employment, Unemployment and Accidents at Work:**

The LMU publishes administrative data related to employment, unemployment and accidents at work. The sources of the data are Jobsplus and the Department of Social Security and the Occupational Health and Safety Authority. All news release dates were met. During 2019, the LMU also issued a News Release related to Fatalities at work. This release provided a time series of fatalities from 2014 onwards.

### **ICT Enterprises and ICT Households Surveys:**

The ICT domain covers two surveys which are carried out on an annual basis, namely ICT Households and ICT Enterprises. The aim of the ICT usage in Households and by Individuals (ICT-HH) is to obtain relevant indicators on the use of information and communication technology by individuals, as well as the overall availability of computer and internet facilities in households. The scope is to measure progress in the relationship to the Digital Agenda for Europe and EU2020 targets.

ICT Households was conducted in collaboration with the Data Management Unit. Collection started on time however it was extended by over a month than was originally planned due to the low response rates achieved. The gross sample of 1,500 was supplemented by additional households to ensure that the absolute number of answers for this survey was reached.

The survey covers private households and includes questions intended to assess the digital skills of respondents, the products and services which they purchase online as well as the internet security procedures which they apply when using the internet. Respondents' ages vary between 16 and 74 and understandably the patterns seen are highly reliant on the age of respondents.

The Unit is also in charge of an enterprise survey on ICT usage and e-commerce, to obtain relevant indicators on the use of information and communication technology as well as e-commerce in enterprises. The results will measure progress in the digital agenda targets for EU2020. The target population is enterprises employing 10 or more persons, operating within industry and services sectors.

The collection of data on ICT enterprises was also delayed by two months and in fact collection started in April instead of in February. The main reason behind this delay was the absence of a sample of enterprises. In addition, collection was combined with another NSO-led survey on innovation. The delay in the collection along with the combination of a second enterprise survey contributed towards getting lower response rates compared to previous years.

The ICT Enterprises survey covered a variety of subjects including e-commerce, access and use of the internet by enterprises, use of social media by business units, as well as ICT security and the use of cloud computing services. In addition, the 2019 round of the survey included a number of questions related to rents paid by commercial outlets. The questions were intended to be used by the Business Statistics Directorate to obtain more information on the commercial real estate market.

Despite the delays mentioned for both ICT surveys, transmission of data was concluded on time for ICT Households. Data for ICT Enterprises was submitted with a delay of one week.

### **OTHER PROJECTS**

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#### **Disability Statistics:**

The NSO is embarking on a new area associated with the collection of disability statistics. At EU level, there is no working group on this topic. The NSO however is acknowledging the need for such data and during the fourth quarter of 2018, the Unit attended a meeting organised by the Washington Group on disability statistics, a United Nations city group established under the United Nations Statistical Commission, with the aim of addressing cross-national statistics on measuring disability.

During 2019 the LMU held meetings with the Commission for the Rights of Persons with Disability (CRPD) with the intention of obtaining information on this topic. In addition, initial work related to the linkage of CRPD data with other administrative information was done and results are expected to be disseminated nationally in 2020.

**Unit Name:** Population, Migration and Crime

**Directorate:** Social Statistics

## INTRODUCTION

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The Unit is responsible for the compilation of population, migration and crime statistics. The work of the Unit in the area of population statistics consists of the production of demographic statistics including statistics on population stocks, household estimates, migration flows, vital events, family formation and family dissolution. With regards to managed migration, the work of the Unit includes the production of statistics on asylum, international protection, residence permits, open centres, resettlement and repatriations. With regards to the production of crime statistics the Unit collects and submits data to various international entities. The Unit is also contributing to the production of statistics in connection with specific areas such as gender-based violence, money laundering and the financing of terrorism.

## MAIN OBJECTIVES FOR 2019

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1. Demographic and Migration Statistics (Regulation (EC) No 1260/2013<sup>60</sup>);
2. Maintenance and Updating of Population Register;
3. Asylum and Managed Migration Statistics (Regulation (EC) No 862/2007<sup>61</sup>);
4. Crime Statistics;
5. Census of Population and Housing 2021 (Census Act, Chapter 118 of the Laws of Malta; Regulation (EU) No 2017/543<sup>62</sup>; Regulation (EU) No 2017/712<sup>63</sup>; Regulation (EU) No 2017/881<sup>64</sup>; Regulation (EU) No 2018/1799<sup>65</sup>).

## WORK CARRIED OUT AND ACHIEVEMENTS

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### Demographic and Migration Statistics:

Work in this domain involves the collection and maintenance of administrative data for the compilation of population statistics, verification of quality and ensuring that the data provided is in line with international requirements.

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<sup>60</sup> Regulation (EU) No 1260/2013 of the European Parliament and of the Council of 20 November 2013 on European demographic statistics

<sup>61</sup> Regulation (EC) No 862/2007 of the European Parliament and of the Council of 11 July 2007 on Community statistics on migration and international protection and repealing Council Regulation (EEC) No 311/76 on the compilation of statistics on foreign workers

<sup>62</sup> Commission Implementing Regulation (EU) 2017/543 of 22 March 2017 laying down rules for the application of Regulation (EC) No 763/2008 of the European Parliament and of the Council on population and housing censuses as regards the technical specifications of the topics and of their breakdowns

<sup>63</sup> Commission Regulation (EU) 2017/712 of 20 April 2017 establishing the reference year and the programme of the statistical data and metadata for population and housing censuses provided for by Regulation (EC) No 763/2008 of the European Parliament and of the Council

<sup>64</sup> Commission Implementing Regulation (EU) 2017/881 of 23 May 2017 implementing Regulation (EC) No 763/2008 of the European Parliament and of the Council on population and housing censuses, as regards the modalities and structure of the quality reports and the technical format for data transmission, and amending Regulation (EU) No 1151/2010

<sup>65</sup> Commission Implementing Regulation (EU) 2018/1799 of 21 November 2018 on the establishment of a temporary direct statistical action for the dissemination of selected topics of the 2021 population and housing census geocoded to a 1 km 2 grid

## **Collaboration with stakeholders and Data Enhancements:**

### **Memorandums of Understanding (MOU):**

1. Agreement reached between NSO and Identity Malta for collection of annual statistics governing requests for data from Identity Malta (i.e. Public Registry, Expatriates Department and Acquisition of Citizenship);
2. The Unit held a meeting with the Directorate for Health Information and Research (DHIR) to discuss the fields and timeline for the annual collection of the National Obstetric Information System (NOIS) register for the compilation of birth statistics. The Unit also discussed with DHIR the compilation and submission of statistics on infant and perinatal mortality. An agreement was made for the collection time frames for 2019 data and an MOU was drafted to be signed in 2020.

### **Exploration of New Data Sources:**

The Unit met with representatives of the Law Courts with reference to the possibility of a new and more complete data provision with regards to data on separations, divorces and annulments. Following the meeting the Unit submitted a request to the family court for the provision of data related to divorces, annulments and separations. Once the data was received, a meeting was held with the family court to discuss the data provided. While the aim of this exercise was to see the potential of cross linking of the sources to produce such statistics, it was agreed that the limited information available and the quality of the data from the courts would not allow for such an exercise. The Unit will continue to monitor the situation for possible improvements in the data held by the court. Also, the Unit contacted representatives from the Curia to discuss the possible provision of data regarding registration of marriages within the Church.

### **Confidentiality Assessments:**

The Unit undertook an exercise to review all annual demography tables submitted to Eurostat with a view to assessing any potential confidentiality issues in the data tables. This was also done in light of discussions, currently ongoing within Eurostat, on the post-2021 Census strategy. Consultation was conducted with the Methodology and Quality Unit in charge of data confidentiality issues. Following feedback from Eurostat, it was established that the present submissions in the data table formats do not pose any confidentiality issues.

### **Maintenance and Updating of the Register on Persons and Households:**

The first update of the Persons and Households register as at end 2017 was finalised at the beginning of the year. Testing and benchmarking of the data extracted through this register was conducted against annual demographic estimates produced by the Unit. In February 2019 the updated register was provided to the Methodology and Quality Unit for to be used as the new sampling frame. Detailed process notes were produced to outline the procedure implemented. Once the end of year population was finalised for reference year 2018, work started on the update of the register as at end of 2018. This work commenced in October 2018 following the procedures outlined in the first round of the exercise. The target is to have the 2018 update of the register ready by February 2020 for circulation with the Methodology and Quality Unit.

The Unit is collaborating with the Energy, Regional and Geospatial Statistics on geospatial mapping of the register of persons and households maintained by NSO. The aim of the meeting was to share information on the development of the register and to understand the work carried out to date in the field of Geospatial Statistics. The collaboration between the two units was discussed with respect to the upcoming Census in 2021 as well as post-2021 demographic requirements which would be fulfilled through the eventual linking of the two sources.

**Asylum and Managed Migration Statistics:**

The Unit coordinated and supervised the work carried out by Government Entities for the compilation of residence permits statistics, statistics on international protection, forced returns and repatriations. This data was submitted to Eurostat on a regular basis.

**Collaboration with Stakeholders and Data Enhancements:****Amendment of Regulation 862/2007:**

The Unit in collaboration with the Unit for International Affairs, reviewed in detail the amendments proposed by the European Parliament for Regulation (EC) 862/2007 Community statistics on migration and international protection with periodic feedback requested to stakeholders based on the related progress. The amendment of the regulation envisions an increase in the data breakdown and addition of new data tables within the area of asylum and managed migration with a view of implementing the regulation as of reference year 2021.

**Data Enhancements:**

Several meetings were held with representatives from the Refugee Commission and the Ministry for Home Affairs, National Security and Law Enforcement (MHAS) regarding the new IT platform being used by the Commission. By February 2019, migration of data from the old server and testing of the new system was complete. Following the positive outcome of the testing, the old server previously hosted at NSO was decommissioned.

Meetings were held with the representatives from the new Dublin Office within the Refugee Commission as well as the European Dactyloscopy (EURODAC) Office (Police Headquarters) to discuss the Dublin Statistics submission for 2018 and its comparison with data submitted before the handover. Due to some discrepancies in the data following the handover to the new Dublin office, a meeting was held with representatives from entities within the MHAS, EURODAC and the Refugee Commission regarding the updating of Dublin Statistics for reference years 2008-2017. The stakeholders agreed to revise data fields that were readily available and indicate as 'not available' fields which required manual reviewing of files. The Unit submitted the available fields for 2017 to Eurostat in mid-April to have updated data available for the planned release in May 2019. The Unit is liaising with the EURODAC office to finalise any updates for the remainder of the series 2008-2016.

**Collaboration with Other Stakeholders:**

A meeting was held between the Unit and the Human Rights and Integration Office to assist with regards to the upcoming policy on integration. In addition, the possibility of further collaboration between the two offices was discussed.

A meeting was held with representatives from the United Nations High Commissioner for Refugees (UNHCR). The aim of the meeting was to discuss data availability from NSO to enhance data produced and published by UNHCR on asylum statistics.

**Dissemination of Results:**

The Unit produced and published the annual news release for World Refugee Day published on the 19th of June 2019.

**Crime Statistics:**

Compilation and submission of crime statistics including the annual Eurostat/UNSD questionnaire and ad-hoc requests.

**Work with the Commission on Gender Based Violence and Domestic Violence:**

As part of the ongoing collaboration with the Commission, meetings were held to discuss the work plan for the year. Apart from the annual work plan, the Commission approached the NSO to assist in the compilation and reporting with respect to the Group of Experts on Action against Violence against Women and Domestic Violence (GREVIO). In relation to the annual collection exercise, an updated template, a guideline document and a metadata document was prepared and provided to all relative stakeholders. The Unit collected the data from the sources as provided by the Commission and compiled the updated annual statistical tables for 2018 as stipulated by the contract.

Apart from the annual data collection the Unit also assisted in the collaboration with international organisations. A meeting was organised with the European Institute for Gender Equality (EIGE), the NSO, the Commission and with all data providers. The aim of the meeting was to continue to discuss recommendations made by EIGE in the area of administrative data collection on intimate partner violence.

**New Data Collection in the Area of Anti-Money Laundering and Financing of Terrorism (AML/FT):**

In collaboration with the Ministry for Finance and Financial Services and the National Coordinating Committee (NCC) on Combating Money Laundering and Funding of Terrorism, the Unit conducted preparatory work for the setting up of a system for the collection of statistics on money laundering and the financing of terrorism. This work followed up on a series of other meetings held with multiple stakeholders and the Ministry over several months throughout 2019. This data collection aims to satisfy the requirements set out by Article 44 of Directive (EU) 2018/843 as well as to fulfil broader national data requirements. The Unit received the full complement of tables submitted by Malta as part of the last MoneyVal exercise following approval from MFIN. The Unit continued with preparations for the collection of annual data by developing templates for based on the MoneyVal exercise and a draft guideline document containing methodological notes and definitions for stakeholders.

**Mapping of the International Classification of Crime Statistics (ICCS) to the National Police System (NPS):**

To enhance the crime statistics produced by the Unit, work was begun to attempt to map the international classification of crime statistics with the codes found within the national police system. The initial mapping to be done internally by the Unit is aimed at providing a framework for the police to build one. Once the initial phase of the mapping is complete, the Unit shall present it to the Police for their review. A final version to be endorsed by the police will then be used to classify statistics provided by the police for any annual submissions. The classification system will be revisited periodically to ensure that it remains up to date in view of any changes within the legal system. The aim in the future is to extend this classification to the entire criminal code so that it can be applied across other sources apart from the Police.

**New Framework Regulation for Population and Census Statistics Post-2021 Census:**

Eurostat is proposing a new framework regulation for the collection of demographic and census data tables. The new framework regulation aims to combine all data collection related to demographic and census statistics currently being covered by separate regulations. The regulation is being discussed at the Taskforce and Working Group level which was attended by representatives from the Unit. During these meetings the Unit highlighted Malta's concerns regarding the new requirements of the framework regulation and the new proposed definition for the population – mainly because the new requirements for annual collection are conditioned by the availability of a Population Register for the compilation of demographic and census statistics. Malta remains one of the few countries without a Population Register-based system for the compilation of such statistics. The framework regulation and implementing regulation are proposing the collection of data as from reference year 2024.

## OTHER PROJECTS

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### **Testing and Piloting Survey on Gender-Based Violence:**

In 2019, the grant funded project on “Testing and piloting of survey on Gender-Based Violence was completed. Analysis on the data collected as part of the project was compiled and a final report was submitted at the end of January as per the grant deadlines. The final implementation report, financial statement and request for payment was compiled and submitted to Eurostat in March, as per the deadline within the project timeline. In April, the Unit received notification of acceptance for final payment of the grant.

### **Improvement of the Quality of EU Census (2021 and post-2021):**

In 2019, the grant funded project “Improvement of the quality of EU census (2021 and post-2021)” was completed. In January the data collected through the online tool and post-evaluation surveys with respondents and non-respondents were analysed. In collaboration with the Data Capability Directorate the final methodological report for the project was compiled. It was submitted to Eurostat at the end of April, in line with the deadline stipulated by the grant agreement. The final implementation report, financial statement and request for payment was compiled and submitted to EUROSTAT in June, as per the deadline within the project timeline. In July, the Unit received notification of acceptance for final payment of the grant.

### **GREVIO Report**

As indicated previously, the Unit was approached by the Commission for Gender-Based Violence and Domestic Violence to provide services to coordinate and compile the report as part of the GREVIO exercise. To monitor the implementation of the Istanbul Convention in individual states, an international group of independent experts – Group of experts on action against violence against women and domestic violence (GREVIO) – was established, which is undertaking an initial evaluation of all States Parties, based on a comprehensive survey. Malta received the questionnaire from GREVIO in February 2019 with a deadline set for September 2019. The report has been compiled through cooperation with several ministries, governmental bodies and selected civil society institutions. The Unit began preparatory work related to the tasks to be conducted for the data collection for the GREVIO questionnaire in collaboration with the Commission This includes the drafting of a contract to cover the work. Nine meetings were held with relevant stakeholders to discuss their contribution with regards to the report. Relevant questions were circulated to each stakeholder prior to the meeting and were asked to provide their feedback during the meeting. Following the stakeholder meetings, the NSO will begin compiling the report in collaboration with the Commission. The detailed final report was reviewed and approved by the Commission and submitted in September as per the deadline outline by the expert group. A country evaluation exercise with on-site audit by the expert group is expected in 2020.

**Unit Name:** Tourism and Education

**Directorate:** Social Statistics

## **INTRODUCTION**

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The Tourism and Education Statistics Unit compiles information on these two domains both for national needs and for to meet requirements of EU statistical legislation. The tourism sector is measured from both the demand and supply side, making use of administrative and survey-based data. Education statistics, on the other hand, are collected in respect of all levels of the educational system and from all institutions offering formal education.

## **MAIN OBJECTIVES FOR 2019**

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### **Tourism:**

Tourism related statistics are processed in accordance with Regulation (EU) No 692/2011<sup>66</sup>. This regulation establishes the basis for information to be collected from collective accommodation establishments regarding the supply-side, and for survey-based data on the demand side. Apart from these, the Unit also carries out an inbound tourism survey which serves a very important national need.

1. Carry out the ongoing frontier survey TOURSTAT;
2. Carry out the collective accommodation census – ACCOMSTAT;
3. Carry out the National Tourism Survey;
4. Collect and compile information on cruise passenger traffic;
5. Publish information in the form of news releases, publications and contributions to the NSO database STATDB.

### **Education:**

Education statistics are processed in accordance with European Regulations (EC) No 452/2008<sup>67</sup> and (EU) No 912/2013<sup>68</sup>.

1. Collect information on student enrolments, graduates, credit mobility, education personnel and education expenditure;
2. Collect and release information on student absenteeism;
3. Collect data on the operation of childcare centres;
4. Collaborate with the ELT council on the collection and release of data concerning foreign students participating in English as a Foreign Language (TEFL) courses;
5. Publish data in the form of news releases and in the StatDB online database.

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<sup>66</sup> Regulation (EU) No 692/2011 of the European Parliament and of the Council of 6 July 2011 concerning European statistics on tourism and repealing Council Directive 95/57/EC.

<sup>67</sup> Regulation (EC) No 452/2008 of the European Parliament and of the Council of 23 April 2008 concerning the production and development of statistics on education and lifelong learning.

<sup>68</sup> Commission Regulation (EU) No 912/2013 of 23 September 2013 implementing Regulation (EC) No 452/2008 of the European Parliament and of the Council concerning the production and development of statistics on education and lifelong learning, as regards statistics on education and training systems.

## WORK CARRIED OUT AND ACHIEVEMENTS

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### **Tourism Statistics:**

The main functions performed by the Unit in this domain include data collection for its surveys, consistency checking and data analysis. The Unit performs these tasks in close collaboration with stakeholders and data suppliers, who offer valuable insights into this field. Furthermore, the Unit is responsible for the timely release of information to the public in the form of monthly, quarterly and annual news releases and for data transmissions to Eurostat.

### **TOURSTAT – Inbound and Outbound:**

The ongoing frontier survey known as TOURSTAT is carried out at the Malta International Airport following a well-established methodology. Tourist sea departures are collected through a regular survey conducted during three separate months at the Valletta Cruise Port.

The tasks broadly consist of:

- Assisting Tourstat interviewers carrying out the fieldwork process;
- Updating and maintaining the Tourstat database linked with the Tourstat IT application;
- Monitoring the response rate to ensure the quality of results;
- Applying validation checks on the data obtained;
- Conducting imputation and weighting of the data;
- Publishing results in the form of news releases and StatDB.

### **ACCOMSTAT:**

ACCOMSTAT consists of a monthly census among all collective accommodation establishments namely hotels, tourist villages, guesthouses and hostels. The main scope of this survey is to estimate the utilisation rate of bed-places of all active collective accommodation establishments in Malta and Gozo. Throughout the year, the response rate is closely monitored for each reference month and is measured for each stratum. Computer assisted web interview (CAWI) was utilised as the main means of data collection supplemented by post and email. Cross validations were applied to ensure consistency in the data and any cases of item non-response were imputed using longitudinal analysis. Ultimately data was published in a quarterly news release.

### **Cruise Passengers:**

On a monthly basis NSO uses administrative data supplied by Transport Malta to monitor cruise passenger traffic at a national level. In 2019, this data was published by NSO in a quarterly news release.

### **National Tourism:**

On a quarterly basis, the National Tourism Survey was conducted with the scope of measuring domestic and outbound tourism trips.

This task consisted in:

- Assisting interviewers with their queries, especially during the Computer Assisted Telephone Interviewing (CATI) sessions;
- Drafting a National Tourism statistics methodological manual to serve as a hands-on tool for interviewers;
- Analysis, assisting data cleaning, item non-response imputation, coding, data validations, outlier detection and calculation of grossing-up weights.

During 2019, national tourism results were also published by the Unit in the Regional Tourism Demand news release and sent to Eurostat.

**Tourism Satellite Account:**

The responsibility for the Tourism Satellite Account (TSA) shifted to the Tourism and Education Statistics Unit as from 2019. A statistician attended external training on the subject during the fourth quarter, to improve related knowledge such as understanding of the reconciliation of tourism demand and supply. Furthermore, employment in tourism industries, tourism gross fixed capital formation, tourism collective consumption and non-monetary indicators were debated.

**Education Statistics:**

Data collection for each sub-domain is collected through administrative sources and/or specifically designed questionnaires related to the respective sub-domain. The Unit is responsible for the design of such questionnaires and for the actual data collection.

In the course of the year, a close collaboration with stakeholders was maintained. Furthermore, an active cooperation with educational institutions was kept ensuring a successful data collection exercise.

As part of its work with stakeholders, the Unit finalised and/or updated Memoranda of Understanding (MOUs) with: The Archdiocese, the English Language Training (ELT) Council, the Ministry for Education and Employment (MEDE) and state educational institutions: Institute for Tourism Studies (ITS), Malta College for Art, Science and Technology (MCAST), University of Malta (UOM)). This work was carried out in close collaboration with the NSO's Legal Unit.

**Students Enrolments:**

- The Unit collected and processed data for students attending state, church and private institutions at all levels of education ranging from pre-primary to tertiary education and in accordance with Eurostat guidelines;
- Data on student enrolments, entrants, classes and languages was transmitted to Eurostat on an annual basis and a news release on post-secondary and tertiary student enrolments: 2016-2017 was also published.

**Graduates:**

- The Unit collected and processed data from state and private institutions at post-secondary and tertiary levels of education, while auxiliary data was utilised to derive attainment at lower education levels;
- Such data is also sent to Eurostat on an annual basis and results were published locally in a dedicated news release: Graduate Students: 2016-2017.

**Credit mobility:**

- The Unit collects and processes data, from state and private institutions at tertiary levels of education on credit mobility for students who had temporary tertiary education and/or study-related traineeship abroad, within the framework of enrolment in a tertiary education programme at a home institution for the purpose of gaining academic credit.

**Personnel:**

- Teaching and non-teaching staff employed in institutions providing formal education with a minimum duration of one semester of full-time study (or the equivalent in part-time) and that are delivered in Malta were included in this data collection;
- Data collection covers all personnel employed in the respective institutions as at 31<sup>st</sup> March of the reference academic year;
- The data is transmitted to Eurostat.

**Educational Expenditure:**

- Data collection in this sphere covered income received from schools from sources including the government, international sources, private households and other private entities. Data collected also featured the expenditure of schools mainly capital and current expenditure;
- This data was transmitted to Eurostat in line with the regulation.

**Teaching English as a Foreign Language:**

- Data on foreign students following courses in local licensed ELT schools and teaching and non-teaching staff is collected with the help of the ELT Council;
- All local licensed English Language Teaching (ELT) schools operating in 2018 responded to the questionnaire;
- The Unit was also responsible for the analysis and publication of this data.

**Statistics on Childcare:**

- The Unit received monthly data from Jobsplus based on childcare applications, payments, attendance and booked hours and used this to create a yearly database for students attending the Free Childcare Scheme;
- Throughout the year meetings with stakeholders were held to start collecting Paid Childcare data. Meetings with Jobsplus and Directorate for Quality and Standards in Education were held with regards to the inclusion of early childhood education (ISCED Level 01) in the annual UNESCO, OECD and Eurostat (UOE) data collection.

**Absenteeism:**

The Unit collects and processes data on absenteeism by students attending state, church and private institutions at primary and secondary education levels.

**Cross Cutting Achievements in Education Statistics:**

- The Unit maximised its data collection efforts and full response was achieved from educational institutions. This was attained with the help of NSO's Legal Unit;
- A cooperation agreement concerning the exchange of statistical information in the area of education statistics was signed by the NSO and the National Commission for Further and Higher Education (NCFHE) with the aim of reducing duplication of work and hence minimising the burden on institutions. The MOU with NCFHE was concluded in 2019;
- NSO and MEDE collaborated in projects such as a pilot tracer study which provided important results to support policy;
- The Unit contributed to a research study: *'A Centralised Monitoring System for Early Identification of Students at risk of Early School Leaving in Malta'* with the International Association for the Evaluation of Educational Achievement (IEA).

**Unit Name:** IT Systems

**Directorate:** Data Capability

## **INTRODUCTION**

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The Unit is responsible for providing IT-related support to the Office. In 2019, the primary tasks remained software development and desktop support. In addition, the Unit was directly involved in a project aimed at stepping up information security practices within the Office. It also took the lead in another project that shall bring about a radical transformation of the NSO IT architecture.

## **MAIN OBJECTIVES FOR 2019**

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1. Statistical Production Service Architecture (SPSA) IT transformation project;
2. Information security;
3. Software projects;
4. IT infrastructure.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Statistical Production Service Architecture (SPSA) IT Transformation Project:**

This multi-year project aims to completely redesign the NSO IT architecture by implementing a statistical data warehouse and centralized supporting IT tools. Following a feasibility study, the project was given the green lights and the procurement process could begin.

Throughout 2019, the Unit reviewed and finalised the tender documentation pertaining to this project. As part of this process, the system requirements were thoroughly scrutinised for completeness and correctness. The issuing of the tendering process and the evaluation of the proposals are expected to take place in 2020.

### **Information Security:**

As a continuation of the work carried out in previous years in the field of information security, the IT Systems unit was tasked with redesigning the internal IT policies in line with ISO 27001, and to implement several security controls as agreed with Eurostat through a grant agreement. The Unit also acted as coordinator for this grant.

In 2019, the Unit implemented the policies that were established in 2018. Processes that were not in line with such policies were redesigned in a way that made them compliant. To this end, all in-house developed software applications were altered to comply with the Password Management Policy and the Application Security and Secure Coding Policy.

The Unit also actively participated in three information security audits: an internal audit, an ISO 27001 audit carried out by the Malta Competition and Consumer Authority (MCCAA) and another audit commissioned by Eurostat. Consequently, the IT staff followed up with any corrective actions highlighted by the auditors.

The NSO achieved a scoped ISO 27001 certification covering the IT, HR, Legal and International Trade domains. The Office was also endorsed by Eurostat as compliant to the European Statistical System (ESS) IT security framework.

2019 was a year in which ground-breaking achievements were reached in this domain while information security remains an ongoing task of the unit and of NSO.

### **Software Projects:**

In a nutshell, the objective of the Unit for 2019 was to modernise the data collection process of various NSO surveys, and to facilitate the processing of statistical data through the development of bespoke software.

Throughout 2019, the IT Systems unit worked on eleven software projects as well as the development of fourteen Computer Assisted Telephone Interview (CATI) applications. Major software projects include an SDMX based reporting tool for National Accounts, Tech Support and two Computer Assisted Personal Interview (CAPI) tools for the Labour Force Survey (LFS) and European Health Information Survey (EHIS).

Most projects were closed by the end of 2019, with the exception of the LFS project, where the CAPI version of the questionnaire was launched but the CATI version was still under development, and the Survey on Income and Living Conditions (SILC) project that was still under development.

### **IT Infrastructure:**

The IT Systems unit gave assistance to internal users having IT related difficulties. Throughout 2019, the Unit responded to over 900 calls for assistance. These were mostly software related and therefore were addressed internally while hardware related issues were escalated with the respective suppliers.

The IT Systems unit also held an information session with every Unit within NSO to introduce the new features in MS Office 365. Staff members had the opportunity to see how these features work and ask questions.

The IT Systems Unit was also responsible to maintain the Edamis data transmission portal and providing assistance to domain units on SDMX. Other IT tools supplied by Eurostat are also supported by the IT unit personnel.

The Unit was also responsible for the upkeep of several servers used by the NSO. In 2019, the IT Systems unit implemented a server on the Azure platform as a first step towards a cloud-based server architecture.

The maintenance of the IT infrastructure is an ongoing process. 2019 saw several improvements, including the procurement of new hardware to modernize the infrastructure. Moreover, 120 tablets were purchased to support the modernisation of data collection.

## **OTHER PROJECTS**

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### **National Accounts Reporting Tool:**

The development of an SDMX based reporting tool that allows users to upload datasets and facilitates the compilation of several structured reports. The reports can be extracted in CSV and SDMX format. This project was carried out as part of a Eurostat grant.

**TechSupport:**

The implementation of a web portal to act as an IT asset inventory, but also allow users to open tickets for IT support. This project was carried out as part of a Eurostat grant.

**Labour Force Survey (LFS):**

This project involves the development of a CAPI and CATI data collection tools, as well as a survey administration module. This project was also carried out as part of a Eurostat grant.

**European Health Information Survey (EHIS):**

The development of a CAPI data collection tool for the EHIS survey.

**Education Survey:**

The development of a software that extracts data from Excel questionnaires, validates the data and uploads it into a central database.

**Structure of Earnings Survey (SES):**

The development of a software that prepares Excel questionnaires and sends them to the respondents via email. The software also facilitates the extraction, validation and uploading of data from returned questionnaires.

**IT Security Improvement in the ESS for the Exchange of Confidential Statistical Information:**

A Eurostat grant project aimed at stepping up information security within the NSO in line with the ESS IT security framework.

**Unit Name:** Data Management

**Directorate:** Data Capability

## **INTRODUCTION**

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The Data Management Unit (DMU) is responsible for the collection, input, cleaning and auditing of all microdata collected from individuals and households by the NSO. Data collection must be carried out in conformity with established methodologies and must meet specific quality standards set by the NSO in terms of metadata, timeliness and response burden. The Unit also engages in statistical data collection projects on behalf of other Government entities.

## **MAIN OBJECTIVES FOR 2019**

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1. Manage the Data Collection Processes of Surveys Carried Out by NSO;
2. Investing in Electronic Means of Data Collection.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Manage the Data Collection Process of Surveys Carried Out by NSO:**

In 2019, the Unit carried out more than 127 thousand interviews on behalf of NSO. The Unit aimed at modernising data collection mechanisms through Computer Assisted Personal Interviewing (CAPI). One of the main projects was the transformation of the Labour Force Survey (LFS) from traditional paper-based to electronic data collection by means of tablet devices. During this year, two separate runs of the same survey were conducted to observe how the change in methodology might be reflected in the data responses.

Internal projects included, data collection for the following surveys: Tourstat Survey (ongoing), Statistics on Income and Living Conditions (SILC), Labour Force Survey (LFS), Information and Communication Technology (households and businesses), National Tourism (quarterly), and Innovation Survey.

External projects included, data collection for, Survey on Arduous and Hazardous Jobs in Malta, European Health Interview Survey 2019 (EHIS), Audience Survey, Mobile Device Usage, Survey on Cultural, Creative and Artistic Participation, Survey for participants in ESF-funded projects, Survey on Usage of Mobile Telephony Services by Expats in Malta, Survey on Remittances Paid by Foreigners to their Dependents, Maltese Workers' Perception on Technology and Willingness to Participate in Training, Survey among Foreign Workers about the School Participation of their Children, Survey on Patterns of Water Use (in Private Households, Agriculture and Business units).

The work on each survey varied depending on the mode of data collection and the deliverables agreed with the production unit; however key elements common to all data collections included: Pre-launch meetings, setting of deliverables and timeframes, drafting of contracts, questionnaire design, documentation of requirements for data collection tool design, testing of data collection tool, interviewer training, sample distribution among interviewers, issuing of invitation letters to participating households/individuals, handling of interviewer and respondent queries, response monitoring, data

uploads and extracts, quality checks and audits, coding of free text, processing of interviewer payments, and instructions for invoicing.

During 2019, the Unit successfully introducing CAPI in the data collection process of the Labour Force Survey and the European Health Information Survey, tasks on which it worked in close collaboration with the IT Systems unit.

**Investing in Electronic Means of Data Collection:**

In the course of 2019, the Unit continued to automate the data collection processes through the introduction of electronic data collection using tablets. This brought with it several administrative gains since the new data collection management system allows the Unit to assign work to field officers using electronic means and without the need for these to physically visit the office to collect or return the work.

Such projects provide advantages in the data collection process. From a green perspective such projects result in a considerable reduction in paper printing. From an operational perspective, there is an elimination of the risk of errors resulting from a series of inbuilt validations set in the computer application used for data collection. The project also eliminates the need for data inputting and provides the unit with increased quality monitoring tools as response rates and the data itself can be monitored more easily.

**Unit Name:** Methodology and Quality

**Directorate:** Data Capability

## **INTRODUCTION**

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The Methodology and Quality unit has a central function in supporting other domain units on technical issues. This normally entails involvement in various aspects of the statistical business process: sampling, questionnaire design, validation of survey data and anonymisation.

## **MAIN OBJECTIVES FOR 2019**

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1. Questionnaire design and testing;
2. Sampling;
3. Anonymisation of survey micro and macro data;
4. Coordination of metadata standards;
  - Updating of Single Integrated Metadata Structure (SIMS) reports available on national metadata website;
  - Updating of statistical concepts, definitions, code lists and classifications available on national metadata website;
  - Coordination of administrative data among functional units;
5. Review of work processes and methodological assistance;
  - Evaluation of Generic Statistical Business Process Model (GSBPM) work processes;
  - Methodological assistance to other units;
  - Grant: Action plan for the Survey on Income and Living Conditions (EU-SILC) improvements;
6. Safeguarding quality of statistical products and following quality developments at the European Statistical System (ESS) level;
  - Validation of survey data;
  - Active contribution in the Working Group on Quality in official statistics to review the revised Quality Assurance Framework (QAF), and to determine the methodology for the next round of quality peer reviews.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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The main objectives of the Methodology and Quality unit are of a continuous nature and are meant to enhance various statistical business processes. As a consequence, all objectives can be seen to result in important achievements for the office. A subset of major achievements is highlighted below:

### **Questionnaire Design and Testing:**

A total of 15 questionnaires for social surveys were designed and standardised. These range from those established at EU level and other surveys targeted for the collection of national official statistics. Standardisation was sought in terms of question wording and ordering. The adequacy of questions by type (open-ended vs. pre-coded questions) was assessed giving due consideration to the topic of interest and the burden imposed on respondents. All efforts were meant to minimise the chances of errors during data collection.

In specific, the Unit has designed and standardised questionnaires for the surveys below:

EU level:

- Labour Force Survey (LFS);
- Survey on ICT usage by individuals and households (ICT HH);
- Survey on Income and Living Conditions (SILC);
- European Health Interview Survey (EHIS).

National level:

- National Tourism Survey;
- Survey on social relations (on behalf of the Faculty for Social Wellbeing);
- Survey on arduous work (on behalf of Jobsplus);
- Survey on the school participation of foreign workers' children (on behalf of Jobsplus);
- Survey on the Maltese workers' perception on technology and will to participate in training (on behalf of Jobsplus);
- Survey on remittances paid by foreigners to their dependents (on behalf of Jobsplus);
- Survey on mobile device usage (on behalf of MITA);
- Survey on usage of mobile telephony services by expats in Malta (on behalf of MCA);
- Surveys on patterns of water usage (among agricultural units; households; and businesses) (on behalf of EWA);
- Survey on cultural, creative and artistic practice (on behalf of Arts Council Malta).

### **Sampling:**

During this year, 29 samples were drawn from the Population and Dwellings Register, and the Business Register (BR) maintained by the National Statistics Office (NSO).

Representative samples were extracted for all individual and household surveys carried out by the office (mentioned above). In addition, numerous business samples were drawn from the BR in line with sound methodologies. Main samples among businesses include those for Job Vacancy Statistics (JVS); ICT usage in enterprises; Gaming units; Structure of Earnings Statistics (SES); and Structural Business Statistics (SBS).

In addition, a sample was drawn to survey Special Purpose Entities (SPEs). This was a first for the office, and parameters for the establishment of the target population had to be defined afresh. This work involved thorough consultation with functional units and a systematic review of the target population resulting from the BR when confronted with that derived from administrative data.

### **Anonymisation of Survey Micro and Macro Data:**

In total, 12 datasets at the micro level were treated for confidentiality and a further 15 datasets were anonymised for the dissemination of aggregate data. At the micro level, public use files were created for data transmitted to Eurostat and for specific requests for anonymised microdata by accredited researchers. All data was anonymised in such a way to ensure that data providers could not be directly or indirectly identified. All researchers were bound to sign a contractual agreement which set terms for the diligent handling of the data. Moreover, all output produced by the same researchers was scrutinised by the Unit to safeguard the confidentiality of data providers. Researchers could only publish their results upon written confirmation by the Unit that their products have no issues of confidentiality.

A policy for passive confidentiality was developed. This policy is an annex to the general policy on Anonymisation and Pseudoanonymisation (ISU-POL-022). The principle of passive confidentiality applies for international Trade in Goods statistics, and the policy delineates the standard system through which traders may request that the information they provide remains confidential. This policy

stipulates the duration and the reference period for which confidentiality is granted; together with the sensitivity rules which need to be satisfied for granting such requests.

#### **Coordination of Metadata Standards:**

Reports along the full Single Integrated Metadata Structure (SIMS) were collected from all functional units to cover various statistical domains. The use of SIMS is in line with plans set by Eurostat to ensure that information is produced once using one structure only. The aim of introducing SIMS at the national level was to lessen the burden for functional units when these are requested to additionally meet metadata and quality reporting obligations to Eurostat. Moreover, a stock of the necessary updates for statistical concepts, definitions, code lists and classifications available on the national metadata website was taken.

The Unit acted as the sole contact point with data providers for the collection of administrative data in a harmonised manner. Various data from taxation registries were collected in a standard manner through common metadata templates defining the concepts behind each required variable and frequency of dissemination. The Unit safeguarded the security of the information provided by using safe portals for data sharing and encrypting all files as necessary.

#### **Data Validation:**

Data from all social surveys were sanitised by the Unit before being forwarded to domain units or finalising deliverables for national researchers. In total, 44 distinct datasets were vetted in terms of consistency in skip routines and other logical controls. The quality of the coding of information along standard classifications was also assessed. Moreover, main indicators were benchmarked with relevant statistical output to ensure the accuracy of the information being collected. Interim data analysis was carried out on provisional data at the time of data collection to assess the consistency of sample data and permit the taking of early corrective measures whenever necessary.

#### **Review of Work Processes and Methodological Assistance:**

The Unit was involved in an action plan for EU-SILC improvements (grant) which had two main objectives:

- Assessment of the adequacy of current practices in the weighting of EU-SILC data, and proposal of action plans for improvement; and
- Study about variance estimation methods that are more accurate.

The weighting procedure applied in the Maltese EU-SILC was confronted with standard recommendations established by Eurostat. Minor variations from standard methodologies were identified and technical proposals to rectify these gaps in methodology were developed. Calibration of weights (cross-sectional and longitudinal) against population benchmarks was carried out using the R software. A series of tests were then carried out to confront results of the SAS software against results from R.

The most appropriate approach to variance estimation for EU-SILC indicators was additionally identified, and ways of including the effect of weight calibration in estimates for variance were explored. Variance estimation was carried out through R by considering the Ultimate Cluster (UC) approach.

As an overall result of the MQ unit's involvement in this grant, more efficient variance estimation and weighting methods for EU-SILC were defined, eliminating dependence on SAS using the R software. These methods could be implemented for both cross-sectional and longitudinal indicators; and can be spread to cover annual net changes. This work could be extended to other household surveys for a vast number of derived indicators.

In a separate exercise, the Unit assessed the JVS weighting methodology and evaluated the quality flagging mechanism for the same survey. The weighting methodology was revised to cater for the fact that two sets of weights were produced to cover the full set of enterprises (employing one or more employees) and the subset of enterprises with ten or more employees. A few proposals were put forward by the Unit to permit the derivation of one set of weights to reflect the target population adequately and to ensure consistency with the stratification mechanism at sampling stage.

The current procedure for quality flagging JVS data was also revised to address the issue of over-flagging in the JVS dataset due to employment and vacancy figures deemed unreliable. The issue was more pronounced for figures related to vacancies which were found to behave differently than employment figures. Rather than basing on the relative margin of error, indicators for unreliability in vacancy figures were computed by considering proportion. Running the process on several datasets has revealed that this procedure gives a more reasonable representation of the incidence of unreliable vacancy figures.

## **OTHER PROJECTS**

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### **Cooperated in the Development of a New Self-Assessment Questionnaire (SAQ) for the Next Round of Peer Reviews:**

In 2019, the Methodology and Quality unit was part of a Eurostat sub-group delegated to develop the new SAQ in preparation for the next round of Peer Reviews. In this respect, the Unit contributed to the structure and content of the new Self-Assessment Questionnaire.

More coordination and preparatory work in relation to the next Quality Peer Reviews will be carried out in 2020. In specific, the team will familiarise itself better with all relevant material. Compliance with all indicators of the ESS CoP will be assessed, and any gaps will be addressed.

**Unit Name:** Human Resources and Staff Development

**Directorate:** Corporate services

## **INTRODUCTION**

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The Human Resources and Staff Development Unit was established in April 2019 with a mandate to focus on the most important asset held by the National Statistics Office (NSO) - its human resources.

## **MAIN OBJECTIVES FOR 2019**

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The Unit is responsible of the Office's internal organisational strategy and change management. The main objectives of the Unit for 2019 were:

1. Establishing and putting into practice a formal recruitment process;
2. Managing a reach out programme among job seekers through advertising of open vacancies;
3. Setting up interviewing boards and contacting successful candidates;
4. Executing an induction training and orientation session for new employees in their first days of employment;
5. Holding regular one-to-one meetings with new recruits during their probation period;
6. Conducting exit interviews with departing employees upon resignation.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Recruitment and Human Resource Management:**

Following its establishment, the Unit took stock of the open vacancies with the aim of setting up interviewing boards, screening and shortlisting eligible applicants for an interview and filling up of posts with the aim of enforcing the current workforce and team composition within the domains that particularly lacked human resources.

The Office also participated in student fairs and events organised by the University of Malta, particularly those in which students reading courses that are mostly relevant to the operations of our Office, namely Economics, Mathematics and Statistics, were present.

During the period April-December 2019, 34 new recruits were engaged within posts varying from internships, administration officers and statisticians.

The Unit also improved on the procedures related to reporting on employment returns provided to third parties, namely the Ministry for Finance and Financial Services, the Office of the Prime Minister (OPM) and JobsPlus. Having a structured approach on how reports are compiled on a monthly basis resulted in being able to compile and send monthly reports in a timelier manner and within deadlines.

In consultation with senior management, the Unit also worked on a revamped version of the Performance Management Plan (PMP) template which is used for setting objectives and assessing employees' performance. The new form shall come into effect in 2020.

**Management of Payroll System:**

Being responsible for payroll, the Unit also ensured that employees' monthly salaries and arrears were prepared and submitted in a timely manner so that staff were paid in accordance with the scheduled dispatch of salaries. This includes the payments of survey interviewers that are paid ad-hoc on a project-based approach.

**Team Building and Staff Events:**

The Unit invested time and effort in organising several staff events with the aim of boosting staff morale. Besides initiatives which took place regularly on the last Friday of every month, where staff reported to work in casual attire and raised funds for a charitable institution, three main staff events were held.

**OTHER PROJECTS**

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One of the key projects that started in the last quarter of 2019 and which shall continue in 2020, is the transition to a new HR system that shall further facilitate the general procedures and generation of HR-related reports in a more efficient manner. The Unit shall be running a first set of tests early in 2020, followed by a parallel run in Quarter 2, with the aim of going live in Quarter 3.

**Unit Name:** Procurement, Support and Resources

**Directorate:** Corporate services

## **INTRODUCTION**

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The Unit's principal objective is to procure the highest quality desired goods and services at the best possible price in strict adherence of NSO policy as well as Public Procurement Regulations, in an accountable, transparent and non-discriminatory manner.

## **MAIN OBJECTIVES FOR 2019**

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Procurement rules are applicable to all manner of goods and services, from petty cash purchases to Department of Contracts tenders, establishing the method by which the Unit can acquire goods and services on behalf of the office and are not confined or limited by the value of the good or service.

The Unit also provides support and administrative services to the organisation, including: The administration of parking and office premises accessibility, road transport services for both goods and personnel and all logistical requirements for in-house activities including training, meetings and conferences. Furthermore, the Unit is responsible for travel, accommodation and any other logistics for staff travelling abroad, as well as for foreign experts visiting the National Statistics Office.

1. Procurement Activities;
2. Local and Foreign Training;
3. Travel Abroad.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Procurement Activities:**

Over the course of 2019, its first year of operation, the Unit was responsible for issuing a large number of calls for quotations for a vast range of goods and services, including consumables, uniforms, hardware parts and accessories, building alterations and refurbishment services, business property leasing rates (Census of Population Office), catering services as well as other goods and services. The Unit was also responsible for the publication of two departmental tenders:

- Tender for the provision of Security Service at the Malta Statistics Authority;
- Tender for the supply and delivery of 120 tablets;

and consultation on a third Department of Contracts tender namely:

- The implementation of a Centralised Statistical Production System and Related Support and Maintenance.

## Local and Foreign Training:

### Local Training:

In terms of logistics related to local training, 2019 was an extraordinary year during which the Unit was responsible for the procurement and administration of all travel requirements related to training. During the year apart from various local courses attended, all NSO personnel were required to attend training organized under ESF.PA.4.0077 (A Development Training Programme for the NSO).

In total approximately 140 training sessions on different levels of Management, Communication skills, Statistics, Economics and Financial Statements were organised under this fund. In total participants attending local training amounted to 587:

**Table 1. Local Training**

Training type	No. of participants	% of Total
<b>Management Development Training</b>		
Disability Equality training	5	0.9
6th Mediterranean Tourism Forum	4	0.7
<b>Continuous Development Training</b>		
Training on Government Finance Statistics and Excessive Deficit Procedure	2	0.3
Training on Secure Code Training	5	0.9
Public Procurement	3	0.5
Course on benchmarking and temporal disaggregation	19	3.2
Management advanced (including Communicating in a Business Environment)	27	4.6
Elements of Management	22	3.8
Communications in a Business Environment (Advanced)	73	12.4
Communications in a Business Environment (Intermediate)	13	2.2
Principles of Risk Assessment	1	0.2
Hidden Markov and Hidden Semi-Markov for Financial Market Phase Detection	2	0.3
Dissemination Training (April)	8	1.4
Information Security Training	180	30.7
Seasonal Adjustments	27	4.6
Training in Communications and Dissemination	5	0.9
Professional Correspondence Skills	18	3.1
Workshop on Desk Profiling for the Enterprise statistical Unit	14	2.4
Statistics Advanced	35	6.0
Statistics Intermediate	17	2.9
Macro Economics Advanced	32	5.5
Macro Economics Intermediate	4	0.7
Analysis of Financial Statements Advanced	37	6.3
HR Conference	2	0.3
Advanced training in Blaise Software: focusing on the use of Blaise to implement the concept of 'server form'	5	0.9
Analysis of Financial Statements Intermediate	9	1.5
Training in Dissemination and Communications (December)	18	3.1
<b>Total 2019</b>	<b>587</b>	<b>100.0</b>

**Training Abroad:**

The Unit was responsible for organising the training event. This includes completing the training application, booking of flights and accommodation, as well as other transport arrangements when and where required. During 2019 a total of seven employees attended training abroad in different training areas.

**Table 2. Training Abroad**

Training type	No. of participants	% of Total
European Structural Funds	4	57
Writing Statistical Texts with an Impact for Difficult Audiences	1	14
Energy - Balance Builder and Shares Tool / Energy Statistics	1	14
Tourism Satellite Accounts	1	14
<b>Total</b>	<b>7</b>	<b>100</b>

**Travel Abroad:**

In 2019, the Unit was responsible for procuring flights and accommodation, as well as other transport arrangements for all travel abroad whether to attend training as afore specified but also to attend various functions including conferences and seminars, council meetings, working groups, working parties and workshops.

In total NSO employees attended 149 official trips abroad, implying a monthly average of approximately 12 trips. Most trips were undertaken by the Management Team, while conferences, seminars, Council Working Party on Statistics meetings and GNI meetings were the prime reasons for travel.

**Table 3. Travel Abroad**

Participation by function	Business trips		Meeting Days		Business days	
	2018	2019	2018	2019	2018	2019
Management Team	105	105	191	218	329	343
Statisticians & Programmer III	47	44	99	95	155	139
Executive Staff	0	0	0	0	0	0
<b>Total</b>	<b>152</b>	<b>149</b>	<b>290</b>	<b>313</b>	<b>484</b>	<b>482</b>
<b>Description by type</b>						
Conferences and Seminars	13	21	34	63	47	86
Council Meetings, GNI and Other Meetings	74	70	140	134	228	214
Study Visits and Training	9	8	22	17	37	30
Working Groups/Parties and Workshops	56	50	94	99	172	152
<b>Distribution by month</b>						
January	2	6	3	11	6	22
February	10	7	17	12	33	22
March	11	17	20	53	32	65
April	18	10	36	19	54	31
May	20	17	35	34	60	52
June	18	28	37	58	54	87
July	5	5	10	7	18	14
August	0	0	0	0	0	0
September	14	10	24	24	45	36
October	21	20	42	41	69	62
November	23	17	49	31	85	55
December	10	12	17	23	28	36

As an extension of the procurement of travel services, the Unit is also responsible for all travel related expenses including but not exclusively airfare. Other travel related expenses include per diem and insurance. The Unit's responsibilities also include the administrative requirements needed to complete the required documentation to recuperate travel expenses.

Table 4 summarises the direct financial burden on the Office relative to official business abroad. Although the NSO receives financial support from the European Commission (EC) and possibly from other institutions to cover travelling expenses in connection with official travel abroad, subsistence allowances and insurance are in most cases borne by the NSO. In 2019 travel-related expenses amounted to €151,489.

Month	Per Diem and other expense		Travel		Insurance		Total Cost
	No. of days*	€	No. of Trips	€	No. of Persons	€	€
January	22	3,948	6	1,693	6	81	5,722
February	22	4,048	7	1,979	7	95	6,122
March	65	16,132	17	5,853	17	230	22,216
April	31	6,808	10	4,633	10	136	11,576
May	52	8,758	17	7,049	17	230	16,038
June	87	16,636	28	11,273	28	379	28,289
July	14	2,533	5	2,546	5	68	5,147
August	0	0	0	0	0	0	0
September	36	11,902	10	4,066	10	136	16,104
October	62	9,330	20	9,118	20	271	18,719
November	55	6,921	17	5,490	17	230	12,641
December	36	4,486	12	4,265	12	163	8,914
<b>Total 2018</b>	<b>482</b>	<b>91,503</b>	<b>149</b>	<b>57,967</b>	<b>149</b>	<b>2,019</b>	<b>151,489</b>

\*including weekends and public holidays

**Unit Name:** Administration and Facilities

**Directorate:** Office of the Director General

## **INTRODUCTION**

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The Administration and Facilities Management unit is responsible for the upkeep of NSO's premises in a way that ensures a safe and pleasant environment for all employees.

## **MAIN OBJECTIVES FOR 2019**

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1. Managing the security system of NSO premises with new security service provider;
2. Planning of evacuation drills;
3. Planning for the upgrade of NSO's reception area;
4. Conducting regular maintenance;
5. Managing the office's cleaning services.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **NSO Security System:**

The Unit is responsible for managing the office's security system. During 2019 a closed-circuit television (CCTV) system was installed throughout the NSO premises. In addition, a tender was issued for the enlisting of a security services provider. This task is expected to extend into 2020.

### **Planning of Evacuation Drill:**

Plans have been initiated in 2019 and the approval of these by lone director or by the Director General is expected in 2020.

### **Regular Maintenance of NSO Premises:**

This is an ongoing task for the Unit and is intended to ensure that NSO employees can enjoy a safe, clean and healthy work environment conducive to job satisfaction and foster loyalty towards the organization.

### **Office Cleaning Services:**

Tasks involve coordinating with NSO's service provider, ensuring that enough personnel are on site to keep the offices clean on a daily basis, while devising a roster of works. Just like maintenance this is also a form of ongoing work for the Unit and requires daily attention.

**Unit Name:** Office of the Director General

**Directorate:** Director General

## INTRODUCTION

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The Unit's main responsibility is to support the Director General in the development of medium- and long-term plans and strategies for the Office. The Unit also coordinates the DG's input to cross-unit and cross-directorate projects.

## MAIN OBJECTIVES FOR 2019

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1. Liaison with the units and collection of information for institutional reports and strategies;
2. Establishing the DG's Office as a reference point for national stakeholders;
3. Support for the lead Unit in developing and maximising NSO's role in the production of Sustainable Development Indicators;
4. Contribution to cross-domain projects;
5. Input to and review of institutional documents.

## WORK CARRIED OUT AND ACHIEVEMENTS

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### **Liaison with the Units and Collection of Information for Institutional Reports and Strategies:**

This task entailed collecting the contributions of the domain and horizontal units to institutional strategies and work programmes and organising them into a coherent whole.

- Coordinated Work Programmes 2019-2021 and 2020-2022. These documents list the Office's main activities and projects on a rolling three-year basis, giving details such as sources, deadlines and IT and human resources needed;
- Collected and edited the Units' contributions to Annual Report 2018.

### **Establishing the DG's Office as a Reference Point for National Stakeholders:**

This task required building and sustaining links with government departments and entities, as well as organisations in the public and private sectors that can contribute to the institutional development of the NSO.

- Organised meetings with data providers and oversaw related correspondence, endeavouring to gain or strengthen access to administrative data for statistical purposes;
- Coordinated responses to PQs and drafted the replies and clarifications.

### **Support for the Lead Unit in Developing and Maximising NSO's Role in the Production of Sustainable Development Indicators:**

The Sustainable Development Goals (SDG) project is gaining importance from both national and international standpoints. The Unit supports the lead Unit to enlarge NSO's role, simultaneously ensuring that the Office's remit is not departed from. Our overall objective is to earn prestige for the Office.

- Drew up a detailed proposal for collaboration between the NSO and the Ministry for the Environment, Sustainable Development and Climate Change (MESDC). At the time, SDGs fell in the remit of this ministry. The Proposal projected this collaboration on three levels:
  - o Methodological guidance and support;
  - o Delineation of tasks;
  - o Joint outputs such as uploads on website, and publications.

Even though the responsibility for the SDGs was transferred to the OPM as from January 2020, the three levels of collaboration detailed in the proposal are still applicable.

In response to a request from the Permanent Secretary at MFIN, the Unit compiled an extensive status report on Sustainable Development Indicators (SDIs) for Malta. The status report explained the different dimensions of the SDG initiative: measurement of progress towards meeting the goals, and the collection and provision of data, an area entrusted to NSO. The status report further highlighted data gaps and identified possible data providers.

- Compiled the NSO response to the IAEG-SDG open consultation on the 2020 comprehensive review of the SDG indicator proposals.
- Handover of knowledge and material on the SDG indicators to the Manager Special Projects and Sustainable Development.
- Participated in an initial meeting with an OECD delegation;
- Supported Manager Special Projects in a programme of consultation with SDG focal points within all ministries, with a view to gauging the availability of indicators and addressing data gaps;
- Supported Manager Special Projects in work undertaken with the Sustainable Development Directorate within OPM.

#### **Contribution to Cross-Domain Projects:**

This objective entailed contributing to projects and events, including those engaged in by the Malta Statistics Authority.

The Unit supported the International Affairs unit in the coordination of:

- Briefing notes;
- Participants' reports;
- Data collection for international questionnaires.

The Unit supported the Legal Unit in:

- Organisation and routing of documentation.

The Unit supported the European Funds and Coordination Unit in:

- Housekeeping tasks related to the ESF training project.

The Unit organised the HoU meetings held in 2019, preparing agendas, minutes and documents presented during the meetings.

Regarding events, the Unit worked with the MSA Secretariat to:

- Organise a Press Launch of the ESF Project in January;
- Draw up inaugural texts on the appointment of the new Director General in May. The texts were disseminated internally and externally, the latter including media organisations.

#### **Input to and Review of Institutional Documents:**

Joint effort with the DG on drafts of:

- Flexible working arrangements policy;
- Vacation leave policy;
- Mentorship policy.

Supplied content for the preliminaries to NSO publications.

Assisted the DG in drawing up new job descriptions at managerial level, in line with the restructuring of the NSO organisation chart.

Worked with the Budget, Financial Management and Control unit to finalise the text of the MSA Collective Agreement 2017-2022.

Worked with the Budget, Financial Management and Control unit on a memo involving issues of resident Gozitan employees. The memo was presented to the Governance sub-committee within the Malta Statistics Authority.

Incorporated information on the sharing of identifiable data into an internal paper, for use by the DG.

Started collecting material internally for a memo presenting the case for a Population Register for Malta.

To mark European Statistics Day, wrote an article entitled: *The Beauty of Statistics*. The article was published in The Times of Malta and on Facebook.

Supported the Information Security initiative by editing and formatting batches of Information Security policies and procedures.

## **OTHER PROJECTS**

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### **ESF Training Programme:**

Cross-Unit collaboration with European Funds and Coordination on:

- Logistical arrangements for GFS and EDP training in January;
- Second training programme with Central Statistics Office (CSO) Ireland;
- Drawing up a draft agreement with external trainer on Seasonal Adjustment training course;
- Assisted in the coordination of syllabi and specifications of tender documents;
- Participated in planning meetings with PwC.

### **Publication *Key Figures for Malta: Visuals and Words*:**

Cross-Unit collaboration with Special Projects and Sustainable Development on:

- Editing and writing texts;
- Checking of ancillary content.

### **NSO/MSA Journal:**

Collaboration with MSA Secretariat on:

- Language review and editing of papers;
- Advice on presentation and referencing;
- Quality checks.

### **Census of Population and Housing 2021:**

Cross-Unit collaboration with Communication and Dissemination on:

- Census communication strategy;
- Texts and material relevant to the Census.

**Unit Name:** International Affairs

**Directorate:** Office of the Director General

## **INTRODUCTION**

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The role of the International Affairs unit is to oversee the linkages, follow-up, and developments of legislative proposals by the European Commission from the early stage of discussions at Task Force and Working Group levels to the final negotiations by the European co-legislators, and to the elaboration of Commission implementing and delegated acts.

Indeed, the Unit represents NSO and Malta at various international and EU fora and the Council Working Party on Statistics and ensures that NSO's and Malta's positions have been consistent throughout all discussions at all levels and were necessary negotiate compromises.

The role of the Unit was expanded in 2019 with the inclusion of international cooperation, through in particular the provision of technical assistance, with developing countries.

## **MAIN OBJECTIVES FOR 2019**

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1. Follow and Participate in the Discussions of the European Statistical System Committee;
2. Negotiating Malta's position on a number of legislative statistical proposals presented by the European Commission to the European Council and to the European Parliament;
3. Participate in International Conferences;
4. Act as the focal point for all external requests related to EU matters.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **During 2019 the Unit was Responsible to Follow and Participate at the Discussions of the European Statistical System Committee (ESSC):**

This committee has two roles. The first is to provide strategic direction to the European Statistical System (ESS), which is a partnership between the Community statistical authority—the Commission (Eurostat), and the national statistical institutes (NSIs) responsible in each Member State for the development, production and dissemination of European statistics. The ESS functions as a network in which Eurostat's role is to lead the way in the harmonization of statistics in close cooperation with the national statistical authorities. The second role of the ESS is to act as a committee within the meaning of Regulation (EU) No 182/2011 Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers. Participation at the ESSC ensures NSO's position and final vote reflects NSO's positions in preparatory committees and equips the NSO, though the Unit, with the necessary technical and legal information needed for continued political discussions on Commission legislative proposals at the Council Working Party on Statistics (CWPS).

## **Negotiating Malta's Position on a Number of Legislative Statistical Proposals Presented by the European Commission to the European Council and to the European Parliament:**

This was one of the main tasks of the International Affairs unit during 2019. The Unit was also responsible to recommend a Malta position on these proposals which required substantial internal and external consultations within NSO and with other government entities. The major statistical dossiers discussed at the Council Working Party on Statistics during 2019 were the:

Discussions at Council level on the European Statistical Programme, within the proposal for a Regulation of the European Parliament and of the Council establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014, (EU) No 258/2014, (EU) No 652/2014 and (EU) 2017/826

The programme includes the framework for European Statistics for the period 2021-2027. It will provide funding to Eurostat (552 Million Euros) for the development, production and dissemination in a timely, impartial and cost-efficient manner for all Union policies, implemented through enhanced partnerships with the European Statistical System, National Statistical Offices, and with all relevant partners.

The main discussions at Council level were carried out during 2018. However, the main negotiations with the European Parliament were still ongoing during 2019, mainly due to the recess of the European Parliament due to the European Elections. Important work of Eurostat and the ESS, such as the Multiannual Work Programme, Annual Work Programmes, and the review of prioritisations, is dependent on European Statistical Programme.

Discussions at Council level on the proposal for a Regulation of the European Parliament and of the Council on European amending Regulation (EC) No 862/2007 of the European Parliament and of the Council on Community statistics on migration and international protection

This initiative makes EU statistics on migration more relevant and responsive. Migration is a fast-changing phenomenon, which requires policies that can react quickly to new needs. This means that statistical information must be even more comprehensive and available faster to stay relevant.

Since migration statistics are not the exclusive responsibility of NSO, several other external entities—OPM, Ministry for Home Affairs, National Security, and Law Enforcement, Identity Malta, Refugee Commissioner, and Police—had to be consulted throughout the negotiations.

Consultations within NSO and with other government departments were necessary throughout the entire year since draft texts were continuously being proposed, especially to reflect discussions held at Council Working Party on Statistics (CWPS) meetings. During 2018, 13 CWPS meetings were held and for each meeting the Unit liaised with all stakeholders to formulate a national position on every document presented for these meetings. The final positions were always endorsed by the Ministry for Finance.

## **Participation in International Conferences:**

The 50<sup>th</sup> UN Statistical Commission and the 105<sup>th</sup> Conference of the Directors General of the National Statistical Institutes (*DGINS*). The UN Statistical Commission *compiles and disseminates global statistical information, develop standards and norms for statistical activities, and support countries' efforts to strengthen their national statistical systems. The Statistical Commission also facilitates the coordination of international statistical activities and acts as the apex entity of the global statistical system providing policy direction through frameworks, guidelines, and technical assistance to ensure*

*global statistical harmonisation. The work of Eurostat, and thus that of EU Member States, is guided by the frameworks provided by the UN Statistical Commission.*

The DGINS conferences' aim is to discuss topics related to the statistical programme and methods and processes of producing Community statistics. The outcome of every DGINS conferences provides the ESS and Eurostat with specific direction towards a more harmonized and more ambitious EU statistics.

The Unit also **Acts as the Focal Point for all External Requests Related to EU Matters**, either directly from the EU or from national Ministries, Departments, and Agencies. This ensures that one response is provide and that the response is based on the feedback of the relevant technical units within NSO. Such coordination also strengthens the external image of NSO as being reliable, consistent, and professional.

## **ACHIEVEMENTS**

For EU and International meetings, the NSO was always prepared with positions that were coordinated and discussed before the meetings. This ensured that the NSO took full advantage by actively participating in debates. Moreover, through the requirement for all NSO officers to prepare Instruction notes before meetings and eventual meeting reports, the Unit ensures that all internal units within NSO are consulted and that the position of NSO remains consistent during all meetings.

Moreover, NSO is consulted by various Government Ministries and Agencies, and by the Permanent Representation of Malta to the EU. The position of NSO were never put into doubt, and all proposals, clarifications, and suggestions by NSO were taken onboard and followed-up. This is a clear indication that the NSO is considered as a reputable agency.

During 2019, the Unit facilitated the organisation of three technical workshops at NSO with the participation of statistical officers from Croatia, North Macedonia, Albania, Serbia, Bosnia and Herzegovina, Kosovo, Montenegro, and Republika Srpska.

The three technical workshops held at NSO were successful, in both organisation and delivery. This opinion is based on the feedback-forms left by the participants. The workshops were delivered by the Tourism & Education Statistics, Labour Market & Information Statistics, and the Living Conditions & Culture Statistics with the assistance of other units. All units involved worked hard and delivered well.

**Unit Name:** Legal Advisor

**Directorate:** Office of the Director General

## **INTRODUCTION**

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The Unit's remit continued to evolve and establish itself as an integral part of the Office in advising and offering support to all levels within the Malta Statistics Authority (MSA) and the National Statistics Office (NSO).

## **MAIN OBJECTIVES FOR 2019**

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1. Providing assistance to the organisation; the MSA, the Director General, the Directorates and individual units and offer all the necessary legal support including, but not limited to, legal advice and research, drafting, assistance in meetings and relevant document writing and/or reviewing;
2. Fulfil the role of Data Protection Officer: Assist the MSA Chairman, the Director General and Directors of the National Statistics Office on any General Data Protection Regulation<sup>69</sup> (GDPR) related issues, procedures and handling of data. Introduce the compilation of Data Protection Impact Assessments (DPIA) in all units for each request of data involving personal data;
3. Providing legal support in agreements made by NSO and its data sources and manage the process in the drafting of MOUs. This includes revising MOUs that are about to expire, preparation of new MOUs, liaising with administrative sources on current agreements and future amendments and coordinating with Heads of Units;
4. Occupying the role of Freedom of Information (FOI) officer within the organisation;
5. Introduce procedures of administrative fines and of instituting legal action against non-respondents, in line with directions from senior management.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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In 2019, the Legal Unit continued to expand its responsibility and affirm its standing within both the Malta Statistics Authority (MSA) and the National Statistics Office (NSO). The Legal Unit is now a point of reference in day to day business and takes pride in advising both Senior Management and Heads of Units on different matters ranging from the MSA Act to employment law and data protection.

One of the major issues that NSO has been faced with in recent years has been the decline in response, which inevitably affects NSO's output. To this end, the Legal Unit was committed to assist the Office in improving response and thereby making it more efficient.

In the beginning of 2019, the Legal Unit took on board the responsibility of putting in place MOUs with administrative sources with the aim of enhancing cooperation with other public entities. The Legal Unit liaised with the HOU's to establish the data requested by different units to the same public entity to alleviate the burden on public entities in answering multiple requests. By having contact points, a list of requested data and time of transmission, the MOU ensures continuity and efficiency on both parties and timely transmission of data. This process involved putting into place an internal filing system to

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<sup>69</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)

keep track of the stage the MOU is at and keep necessary records for future reference. To date, the Legal Unit has concluded twenty MOUs and is in the process of establishing a further twenty.

In 2019, the Legal Unit led a process in which it engaged with certain stakeholders who had reservations in sharing data due to GDPR concerns to come together, discuss the issues with the DG and Information and Data Protection Commissioner (IDPC) and come to a fruitful conclusion. This will lead to NSO receiving indispensable data which will render it more productive. This exercise together with the adoption of an internal policy on how administrative fines and judicial proceedings are to be carried out will in the future see an increase in response to surveys and questionnaires, make NSO's output more accurate and enhance NSO's standing. In 2019, the Legal Unit continued to send legal letters to non-respondents in a bid to help HOU's boost response.

The Legal Unit offers continuous support to the Chairman, Director General, Directors and Heads of Units. The Legal Unit strives in being available and present in addressing day to day legal concerns in a timely manner to help units keep to the deadlines. The support consists in helping units address issues such as requests for data; interpretation of legislation ranging from statistical legislation to employment law; drafting and negotiating numerous contracts; assistance in tender processing from drafting the tender document up to the adjudication stage; assist both the MSA and the Office in HR matters including the drafting of employment contracts, drafting and interpretation of collective agreement; advise on several legal issues such as the sharing of information, delineation of responsibilities; liaising with Line Ministry on legal affairs and Ombudsman cases; review a number of policies such as the policies, and draft necessary legal documents; and assist NSO officials in giving evidence in court and tribunal when summoned as witnesses.

The Legal Unit as the Data Protection Office (DPO) regularly advises both the Authority and the Office on Data Protection issues and acts as the main contact point with the Data Protection Authority. The Legal Unit participated in training sessions, both locally and abroad on the implementation of the GDPR. The Legal Unit regularly attends meetings with other DPOs from other public entities and with the Data Protection Commissioner to discuss specific GDPR matters such as retention periods and data storage. The Legal Unit was involved in meeting with external consultants to establish new procedures and policies which will eventually see the Office ISO 27001 and GDPR compliant. In 2019, one-to-one meetings with HOU's were held to establish necessary retention periods for data collected for statistical data and provided training to all the units on how to create a Data Protection Impact Assessment; one of the main requirements in the GDPR. The Legal Unit was also a main leader in assisting MSA and HR in drafting and reviewing Retention Policy for HR related files, Recruitment Process and any other issues that come up in the day to day business.

The Legal Unit has the function of Freedom of Information (FOI) contact point, following FOI requests as per procedure, and liaised with Line Ministry and other entities when there was a joint request concerning more than one public entity.

For the first time since the enactment of the MSA Act in 2001, a new policy related to the issuance of administrative fines and the initiating of judicial procedure has been adopted by the NSO. This will start to be followed in early 2020. Together with the obtaining of telephone data, this will help in the improvement of response rate which has been declining considerably along the years.

The conclusion of 20 MOUs with administrative sources. This is a new responsibility for the Legal Unit which is proving to be a successful endeavour. It is providing more structure to NSO, whereby different HOU's request data from the same administrative source in a cohesive manner and establishing good professional working relationship with other public entities.

**Unit Name:** Communication and Dissemination

**Directorate:** Office of the Director General

## **INTRODUCTION**

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The work of the Unit may be described as a variety of efforts undertaken with the scope of bringing the NSO closer to its users through forms of dissemination and communication as well as events.

## **MAIN OBJECTIVES FOR 2019**

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1. Produce NSO's news releases and publish these in a timely manner;
2. Improve NSO's output in terms of standardisation of products;
3. Increase its visualisation products;
4. Manage the NSO's website while working to improve its layout;
5. Increase social media posts;
6. Manage external user requests.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **New Projects for 2019:**

In April 2019 the Unit hosted representatives from Central Statistics Office Ireland who helped in identifying areas where improvement was needed. Furthermore, they shared their experience as to how they revamped their communications department. This visit was followed by another one towards the end of the year.

In between the visits, the Unit worked on putting together a standardisation document which, although still work in progress, has helped to produce harmonised news releases in terms of colour scheme, font-size, layout and other presentation elements. Colour schemes were developed for different visuals such as bar charts, line graphs, pie/donut charts, and graphs/charts representing data on gender among others. Colour schemes were tested for both colour and black and white print, to ensure a better service for the end user.

Furthermore, templates for infographics were developed. The Office now has a template in place for infographics and for a variety of charts. In 2019, some of the thematic news releases were accompanied by an infographic that was designed and produced by staff within the Unit.

Regarding the website, the introduction of Google Analytics started to be tested. In addition, changes to the homepage and statistical indicators were worked on. A page to showcase infographics is being prepared while chart animation is being tested. Images used in the rotating banners used both on the website and on social media are being updated as well.

### **Ongoing Work:**

The above work was carried out in addition to the day-to-day work of the Unit. In 2019, a total of 209 news releases and five publications were produced in collaboration with the respective technical units.

The full list of these news releases is presented in an annex to this report, while further detail on each of the five publications is included in this section.

The Unit was also committed to continue its work on thematic news releases. These are prepared by the Unit as collaborative initiatives with other units. Mostly, the topics are international events such as Women's Day.

Monitoring of the media to ensure proper portrayal of the information disseminated by the NSO is one of the daily tasks the Unit performs. Whenever the need arose, the Unit contacted the media with clarifications.

In 2019, the Unit handled a total of 774 user requests. Of these, 518 were submitted through our website, whereas the rest were received by e-mail. Trade and Population information were the most requested – 144 and 122 requests respectively.

During October, the Unit was involved in coordinating the production of the video for World Statistics Day 2019, which was also used as an additional promotional item for the publication *Key Figures for Malta – Visuals & Words 2019 edition*, which was launched in December. For this launch, organised by the Unit, a press pack was prepared and handed to journalists and other stakeholders who attended the launch.

The Unit was also represented in conferences, training and working groups, two of which were held in Poland and others in Luxembourg and Brussels.

#### **Collaborating with Other Units (publications):**

The Communication and Dissemination Unit issued five publications during 2019, namely:

**1. Self-employment 2017:**

Presents a snapshot of self-employed persons and their economic situation. Data in this publication was extracted from an ad-hoc module of the Labour Force Survey. Other information included working hours, occupations, and economic activity.

**2. Regional Statistics MALTA 2019 Edition:**

Presents statistics on eight domains dealing with the socio-economic and environmental aspects of the Maltese Islands. Topics included demography, education, the labour market, the economy, transport, tourism, and agriculture and fisheries.

**3. Social Protection 2016:**

Focuses on data relating to Malta's social protection system between 2012 and 2016. The data followed the ESSPROS Manual composed by Eurostat and is categorised by ESSPROS function and social protection scheme. The eight ESSPROS functions are: sickness, disability, old age, survivors, family/children, unemployment, housing, and social exclusion.

**4. Transport Statistics 2018:**

Provides a broad analysis of Malta's air, sea, and road transport and includes information on car emissions.

**5. Key figures for Malta – Visuals & Words – 2019 edition:**

Portrays a selection of relevant statistics reflecting Maltese society, the economy and the environment. A time series of data, to 2008, is included. This publication was also accompanied by a short video.

**Unit Name:** European Funds and Co-ordination

**Directorate:** Office of the Director General

## **INTRODUCTION**

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The Unit's aim is to manage the Project ESF.04.077 'A Development Training Programme for the NSO'. In 2018, the Office was awarded funds under the European Structural and Investment Funds, Axis 4 of the Operational Programme II. The EU funds cover the operational period 2014-2020 and have a co-financing rate of 80% from the European Union and 20% from National Funds. In total, the ESF Project involves training in nine sub-activities. 2019 marked the execution of most of this training program. The European Funds and Cooperation unit was tasked with the management and supervision of this programme.

## **MAIN OBJECTIVES FOR 2019**

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1. Manage the 27 training programmes delivered in 2019;
2. Oversee the six different ESF Sub-activities involves;
3. Liaison with the Management Authority and with the respective experts or contractors;
4. Submit all relevant documentation.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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Out of all the sub-activities conducted, the biggest challenge was the sub-activity entitled 'Management and Technical Training for MSA Employees' since it involved training to almost all staff members within NSO and the MSA Secretariat. It consisted of five main subjects of which some were delivered at advanced and intermediate levels with three training repeats in four different subjects. Another training activity had five main topics (sub-activity 'Training programme in International, Legal and Institutional affairs, Human Resources, Finance and Administration, Globalisation, Census Management and Dissemination) of which, the latter activity was split in two training sessions organised in the second and last quarter of 2019.

During the year the European Funds and Cooperation Unit made sure that the training contracts were signed, and all the deliverables agreed between the experts or contractors and the Office were honoured. Logistical matters were in place including informing the Managing Authority (MA) of upcoming trainings and informing the participants alike. Training notes, exercises and presentations were prepared and adhered to the Visual Identity Guidelines as set out by the MA. Other training documents that were necessary as proof that the training took place (such as attendance sheets, evaluation sheets, certificates and photos) were prepared and kept in file. Payments to experts for training and subsistence allowance were paid in collaboration with the Budget, Financial Management and Control Unit. The manager ensured that all deliverables were executed in a timely manner and in accordance with the content agreed between the NSO and the MA as described in the Preliminary Agreement and the ESF Application.

The Unit prepared an updated Justification letter reporting the recent developments. A Disbursement Schedule and a Financial Plan were also prepared to reflect the proposed financial updated in the sub-

activities. The Unit estimated costs for the new proposed sub-activities and updated the Financial Plan and Disbursement Schedule accordingly. The Project Leader was informed about the changes that were requested to the MA partly showing the shift of funds from sub-activity to another and partly requesting additional funds for additional new sub-activities. The new total public eligible project budget of the ESF project is now EUR 512,132 from the original value of EUR 355,913.

The following were the other changes that were requested: the addition of transport expenses, an extension to deliver the advanced training in Blaise software and R software training, the removal of a training with the transitional partners and instead the addition of a training to be delivered with the same partner organisation.

Several meetings with the MA were held. Requests from the MA were duly completed and delivered such as the submission of the Annual Implementation Report 2019, the Data on Participants for 2018 and mid-2019 including the Common Immediate Result Indicators and compiled data on the output and result indicators.

The Unit was also responsible for updating and maintaining the Structural Funds Database by inputting the necessary information, uploading supporting documentation and issuing payments to disburse funds when necessary.

For several months the manager acted as a contact person between the contractor and the office employees who attended training under the 'Management and Technical Training for MSA Employees'. The manager provided support to employees with their queries on the Management System, duration of training, transport, training sessions organised or cancelled, assigning new recruits to training courses and allocated participants into alternative training sessions with different groups if the participants were not able to attend for a particular session. Participants were informed of any changes through an internal memo uploaded on the Office's Intranet.

**Unit Name:** Special Projects and Sustainable Development

**Directorate:** Office of the Director General

## **INTRODUCTION**

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The Special Projects and Sustainable Development Unit was formed in 2019 with two main objectives. The first concerned the Sustainable Development Indicators, a subject which has gained importance both nationally and internationally and which the Office realized merited more attention. The second concerned supporting the Director General in the execution of diverse tasks as assigned directly by him.

## **MAIN OBJECTIVES FOR 2019**

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1. Sustainable Development Indicators;
2. Sustainable Development Indicators – National Reporting Platform;
3. Special Projects.

## **WORK CARRIED OUT AND ACHIEVEMENTS**

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### **Sustainable Development Indicators:**

The Sustainable Development Goals (SDG) are best described as a set of 17 goals aimed at the achievement of a better future for all by 2030. They may be subdivided into three pillars, the economic, the environmental and the social pillars and were ratified by all United Nations members, including Malta in 2015. A country's progress in any of the 17 goals is measured via what are known as Sustainable Development Indicators (SDI). There are 387 such indicators and the task of measuring these indicators is the responsibility of national statistical institutes such as the National Statistics Office (NSO). This responsibility became even more evident following the 2020 budget issued by central government in November 2019. This budget was the first to be sustainable development compliant and incorporate a subsidiary measure which directly called for NSO to take stocks of the data gaps which exist among the sustainable development indicators and devise ways and means in which these can be addressed.

Being new to the domain, the first task of the Unit was to familiarise with the SDIs and their methodologies. The United Nations has produced an abundance of literature on this subject thus the Unit had plenty of resources from which to source its knowledge. It was also necessary to investigate what the European Union and in particular Eurostat had been doing on this subject.

Another very important step was to gain knowledge of what had been happening locally since the ratification of the Goals in 2015. Realising this task required both internal and external meetings. Internally the Unit benefitted from a full handover from the office of the Director General who incorporated SDI's in their responsibilities before the foundation of the Special Projects and Sustainable Development unit. Outside of NSO, the Unit met with the Sustainable Development Directorate which was initially part of the Ministry for the Environment, Sustainable Development and Climate Change and which following the changes in cabinet became part of the Office of the Prime Minister by end year.

Having gained some confidence with the subject, the Unit was able to build on the work that had already been done. An exercise aimed at measuring data-gaps had already been done in the past, thus the Unit proceeded to validate this exercise by conducting an internal consultation among the domain units inside NSO as these remain the experts in their respective fields. The aims of this consultation were:

- To ascertain which data is already available internally and which is not;
- To collect feedback from the domain units on the practical difficulties hindering the supply of missing data;
- To identify a possible alternative source for the data that is missing.

At the end of this exercise, the Unit was able to report exactly on the state of play with regards to SDIs and so start taking concrete steps in addressing them.

Outside the confines of NSO, the Unit worked closely with the SD Directorate at OPM in particular after the pegging of budget measures to SDIs. Following this event, the Unit has been busy holding bilateral meetings with line ministries, explaining what the particular SDIs pegged to their domains entailed and enquiring on the availability of data in this respect. The Unit also maintains a reporting system such that proceeds of a meeting may be referred to at a later date. If it transpires that data is available a second more technical meeting would become necessary with the respective ministry to discuss how and when such data may be shared with NSO. In such cases NSO would also make a quality assessment of the data provided.

Meetings of this sort started being carried out in 2019 but will also continue into 2020, until all ministries are contacted.

#### **Sustainable Development – National Reporting Platform:**

In collecting SDI data, the NSO aims to fulfil a role that is similar to that of other National Statistical Institutes. To achieve this the Unit together with the IT Systems unit inside NSO started working on the construction of a National Reporting Platform for SDI. This is essentially a database of Sustainable Development Indicators that is freely and openly available online to all users. The scope of this database is to act as a central repository of SDIs in a manner that is transparent and easily accessible.

By the end of 2019, the IT Systems Unit had developed the platform, and this was being tested internally, while the Special Projects and Sustainable Development unit engaged in internal data collection to start populating this platform. This is a task which shall continue in 2020 when it is hoped that the platform will be launched online.

#### **Special Projects:**

Tasks under this function are diverse in nature as they come to be via a direct order of the Director General and are susceptible to his needs. In 2019 a major task was the *Key Figures for Malta – Visuals and Words* publication. This publication replaced another NSO series: *Malta in Figures*. Like its predecessor *Key Figures for Malta* was an omnibus publication, however, data was presented in a more modern manner which centred around users' needs.

The Unit also carried out other reporting and drafting of official documents as instructed by the Director General.

The *Key Figures for Malta – Visuals and Words* publication is by far the major task carried out by the Unit in 2019 under this function. Modernising this publication was a task that first of all required research particularly into what Eurostat as well as other National Statistical Institutes were doing and how NSO can learn from the lessons of others while maintaining its individuality. Having devised a plan, the Unit was able to work with the Procurement and Support Services Unit on the requirements for the engagement of a professional graphic designer.

Aside from this the Unit worked with the production units and with the DG's Office to determine how each could contribute to the publication. The publication was a collaborative effort among all these and included text, visuals and charts.

This publication was different from those of the past particularly because it was more visual and more oriented towards a non-technical audience. Nonetheless NSO remains deeply rooted in its statistical priority, thus while the publication was more concise, on the NSO website it was possible to access all the figures that went into the production of the visuals and charts in the book. These were accompanied by detailed methodological notes explaining what and how indicators were being measured.