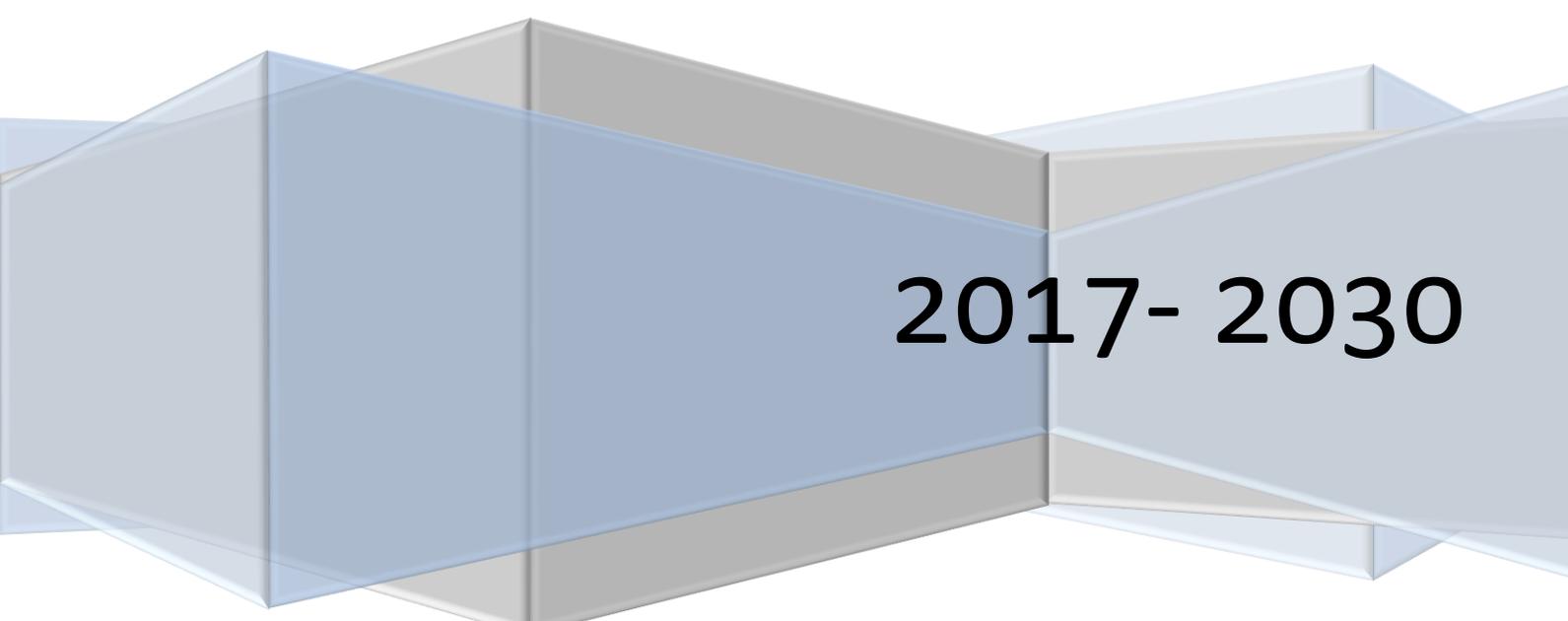


DEVELOPMENT STRATEGY OF INSTAT



2017- 2030

INTRODUCTION

With the approval of the Program of Official Statistics 2017-2021 by the Albanian Parliament (shortly "Program"), as well as within the review of the legal framework for strengthening the role of INSTAT as a coordinator of the National Statistical System, there was a need for the design of a strategic document that will serve the institution to:

- fulfill the duties assigned by law and the Program;
- Improve the image of the institution and increase public confidence in official statistics;
- improve the quality of statistical data and the range of statistical indicators;
- strengthen the cooperation and communication with users of official statistics.

1. MISSION, VISION AND VALUES

Mission

INSTAT's mission is to produce neutral, transparent and up to date statistics that help users in the process of development and transformation in the economic and social spheres within the country.

Vision

INSTAT, as the main institution of producing official statistics and coordinator of the national statistical system, aims to provide reliable and comparable data, adapting methodologies and adding a list of statistical indicators.

Values

Professionalism:

- Reliability
- Objectivity
- Cooperation and Communication
- Identification with INSTAT
- Being user-oriented
- Being quality-oriented
- Orientation to solutions
- Initiative
- Accountability

Integrity:

- Respect towards each other
- Dignity
- Equality
- Respecting different thinking

- Supporting one another
- Exchange of knowledge

Motivation:

- Involvement in processes
- Flexibility
- Giving *feedback*
- Stability

2. CHALLENGES

The main challenges of INSTAT for achieving strategic objectives and successful implementation of statistical activities as a whole are foreseen to be:

- 1. Culture of Change and Development:** INSTAT should use communication and motivation instruments to employees in order to increase awareness of development and innovation.
- 2. Efficient policies and strategies:** INSTAT should build standards by applying regulations, guidelines, manuals, and other formal incentives to guide the institution towards achieving strategic objectives.
- 3. Institutional and organizational level:** INSTAT should work to build adequate management systems, vertical and horizontal interaction among sectors to achieve short, medium and long term goals by using the resources available to the institution in the most accessible way.
- 4. Communicating with the users.** Users of official statistics are clients of products provided by INSTAT. The institution should work to increasingly align the users' expectations and satisfaction with official statistics, strictly respecting statistical principles and international standards.

3. SWOT ANALYSIS

SWOT analysis includes the climate in which INSTAT operates, taking into account the legal and documentary framework, environment and statistical culture in which it operates, to assess the capacity, mechanisms and resources needed to ensure successful implementation of the strategy.

STRENGTHS

- Consolidated legal basis. Given the experience so far and the expert evaluation reports, mainly of Eurostat, it is concluded that the current law on official statistics is a strong legal basis to guarantee the normal functioning of INSTAT. The Law on Official Statistics provides for the implementation of the basic principles of official statistics, human and financial resources management and reliability in statistical confidentiality. Meanwhile, the new Program of Official Statistics 2017-2021 approved by the Assembly is the proper development mechanism as it specifies the activities and priorities of the next five years to be met by INSTAT and other statistical agencies.

- Supporting the governmental institutions, which has enabled the strengthening of inter-institutional relations, providing the necessary administrative data and timely and quality performance of statistical activities.
- Professional experience. INSTAT enjoys considerable experience to ensure sustainability in the conduct of the activities and their qualitative accomplishment.
- Positive reputation. Based on the professional skills of the staff, INSTAT enjoys the respect of the users, which has brought not only the increase of their number, but also the increase of the demand for statistics. INSTAT enjoys good reputation also to donors, who contribute to the development of infrastructure and the quality of statistical products.
- Professional and motivated staff. INSTAT staff enjoys professional capacities not only in the statistical field but also in supporting areas such as information and administrative technology. Also, almost all staff has very good knowledge of English.
- Compliance and implementation of international statistical standards. A considerable part of INSTAT statistics is produced respecting the principles of European statistics, methodologies and professional standards.
- Good relations with similar institutions of the countries in the region and beyond. In the framework of the integration processes, and taking advantage of the experiences provided by Eurostat and other foreign experts, INSTAT and statistical agencies have managed to strengthen inter-institutional relations, both national and international.
- Awareness of the quality standards of official statistics. With the right managerial direction as well as benefiting from Eurostat monitoring processes, the Statistical Institute and other statistical agencies are aware of the establishment of monitoring systems and the use of appropriate instruments in order to increase the quality of production of official statistics.

WEAKNESSES

- Lack of formalization of relations and communication with all actors. INSTAT should constantly engage in strengthening cooperation with institutions providing administrative data.
- Understanding the professional standard of statistics. Incorrect use and misunderstanding of published statistical data negatively affect the image of the institution, which should dedicate time and energy to users to improve the level of understanding in the produced statistics.
- Incomplete infrastructure for collecting statistical data. An important part of statistical information is provided through conducting various "door to door" surveys. In order to reduce costs and improve the coherence of produced statistics, INSTAT should focus on introducing modern data collection mechanisms and enhancing cooperation with data providers. Meanwhile, in line ministries or other public institutions the lack of a statistical office and relevant staff results in deficiencies in the quality of statistical information and in providing this information within the deadline.
- Lack of in-depth studies in the field of statistics. In Albania there are no faculties graduating statisticians, forcing INSTAT to recruit candidates who have attended some basic statistical subjects in higher education institutions.
- Lack of staff. Due to the new recruitment processes of civil servants, centralizing the procedures in the Department of Public Administration, INSTAT can not play an active role in filling vacancies according to the organizational structure. This has led to delays in performing certain tasks by the respective sectors of the institution and overloading the staff of these sectors.

OPPORTUNITIES

- Support from policy makers for drafting strategic, macroeconomic and social policies documents at national and regional level.
- Strengthening the relations and improvement of communication with other institutions in the country and abroad.
- Development of the professional capacity of INSTAT and strengthening of its role as coordinator of the National Statistical System.
- Increasing the image of INSTAT in front of the public.
- Motivating the employees of the institution to work in a specific and interesting field such as statistics, providing them with promotion and career.

THREATS

The main threats that INSTAT may fail to achieve strategic objectives are:

- Inadequate timeliness of sectoral chain duties, which could impair the activity of other sectors.
- Failure to comply with the obligations deriving from the Official Statistics Program by all actors, such as: disrespect of time limits for data transmission and incomplete information.
- Lack of staff and change of organizational structure in line ministries and other institutions providing administrative data;
- Lack of sufficient financial resources and late delivery of procedures for procurement of goods and services.

4. LEGAL FRAMEWORK FOR STATISTICAL ACTIVITIES

The legal definition of official statistics in Albania is provided by Law no. 9180, dated 05.02.2004 "On official statistics", as amended. The purpose of this law is to regulate the manner of obtaining, organizing, issuing and distributing official statistics in the Republic of Albania. The law covers the following issues:

- Principles of official statistics;
- Publication and dissemination of official statistics;
- Program;
- The role, rights and duties of INSTAT and its financing;
- The role and duties of the General Director and the Council of Statistics;
- Rights and duties of statistical agencies;
- Statistical Confidentiality

Given the new status of Albania as a candidate for EU membership, with the help of international partners, recommendations have been made to strengthen the legal framework in terms of creating a sustainable statistical system and strengthening the competencies of INSTAT as the coordinator of this system.

INSTAT is currently working to meet the recommendations given by proposing appropriate changes to the basic law on official statistics in terms of:

- Building a sustainable National Statistical System;

- Strengthening the role of INSTAT as system coordinator;
- The reconstitution of the Statistical Council in which the users of official statistics should be members of;
- Strengthening the powers of the General Director to approve the development projects and management of INSTAT;
- Strengthening the role of the General Director to issue guidelines to be applied by statistical agencies to improve official statistics in the country;
- Increase of the autonomy of INSTAT for the management of financial resources;
- Strengthening the mandate of INSTAT and statistical agencies for access to administrative data.

Memorandums of Understanding

In order to increase the inter-institutional cooperation and the range of administrative data needed for the production of official statistics, INSTAT has signed memorandums of understanding with the institutions that can provide these data. Memorandums, apart from expressing the will for cooperation between the parties, contain the categories of data to be transmitted as well as the way they are transmitted. In addition, the memorandums provide for the establishment of technical working groups, which will cover tasks related to monitoring the performance of the activities specified in the document. Also, the groups point out the encountered problems that hinder the implementation of the agreements and provide the appropriate proposals for avoiding future obstacles.

5. MAIN STRATEGIC OBJECTIVES OF THE INSTITUTION OF STATISTICS

The National Statistical System, according to the Law on Statistics, is the set of institutions and organizations exercising the activity within the Republic of Albania, which collect, process and publish official statistics according to the Program. INSTAT enjoys the legal mandate to be the leader of this system in the interest of the development of official statistics and the implementation of the five-year program, while respecting the international professional standards.

With the changes made to the Law on Statistics in 2013, INSTAT has formalized its position as coordinator of the National Statistical System. To carry out this role, the institution needs to work towards improving its image as a professionally independent institution, which aims to provide transparent, coherent and quality statistical products to users. On the other hand, the institution should be positioned at the highest hierarchical level to ensure the proper functioning of the National Statistical System, monitor the activity of statistical activities covering the institutions and organizations involved, and provide the appropriate recommendations for the follow-up of the methodologies and the most recent European statistical standards.

Being the main producer of official statistics in the country and fulfilling the role of NSS (National Statistical System) Coordinator, the institution needs development strategies in itself, on medium and long terms, in order to guarantee statistical quality expectations in several plans: image of the institution, public confidence in the data it produces, improving professional capacities and enhancing cooperation with the data holders, statistical users and the media.

In the long term, taking into account the country's development vision and other national and sectoral strategic plans, by 2030 INSTAT will actively intervene in the development and improvement of certain aspects of statistical output which will directly affect performance of the institution and the quality of statistical output. The main strategic objectives of 2030 of the institution are:

Objective 1: Timely and quality output and distribution of statistical data in the economic, social, demographic and environmental fields at the central and local level.

Objective 2: Use of appropriate data sources and instruments to improve the production and quality of indicators and statistical services.

Objective 3: Professional and organizational improvement of the National Statistical System.

Objective 4: Development of innovative ITC systems for statistical processing, data exchange and communication.

In order to ensure the successful fulfillment of these major objectives, during the medium term 2018-2020, INSTAT will focus on the fulfillment of a number of sub-objectives, namely:

Objective 1

This objective has a direct impact on fulfilling the user expectations for official statistics in decision-making purposes, policymaking, research or orientation, as well as public confidence in the quality of produced statistics. In addition, achieving this objective enables the improvement of the image of INSTAT as a professional public institution, which serves both as an attraction for young statisticians who seek career opportunities in this field.

To achieve this goal, by 2020 INSTAT will engage in these directions:

1.1 Qualitative production of national and regional statistical indicators.

The production of statistical indicators at both levels is in itself the main activity of INSTAT, as defined in Law no. 9180, dated 05.02.2004 "On official statistics", as amended, and the 5-year Program of official statistics.

INSTAT is obliged to ensure that the official statistical indicators included in POS (Programme of Official Statistics) 2017-2021 comply with the statistical principles provided for in the law "On statistics" and in full compliance with the European Statistics Practice Code (ESCoP). Also, INSTAT is obliged to produce statistical indicators respecting international methodologies and standards.

An important part of the data category are also those produced under the Sustainable Development Objectives (SDG), which consist in the creation of a platform aimed at transforming all of our humanity and our planet into a sustainable development path within 2030. The indicators of this category will be provided by different sources of information, which produce or analyze indicators or information on this purpose. INSTAT, as the main producer institution, will play a key role throughout this process.

Due to the latest administrative territory reform, INSTAT and other statistical producers are also facing increasing demand for regional statistics. Over the coming years, the institution will focus not only on improving the statistical indicators but also on increasing their number at the local level.

1.2 Increasing use and knowledge of statistical products;

1.3 *Building a quality management and control system at NSS (National Statistical System)*

Quality management and control at NSS is one of the most important and complex initiatives that will be undertaken by INSTAT over the years to come. A sustainable and efficient NSS requires the capacity and the application of appropriate monitoring instruments of its activity. For this purpose, INSTAT has begun negotiations with the World Bank to draft the NSS development strategy.

On the other hand, a significant contribution will be given by “Peer Review” conducted by Eurostat for the National Statistical System in our country, which is expected to be carried out during the second quarter of 2018.

To ensure that quality control elements fulfill the required standards, INSTAT aims to develop an automated quality management system for statistical production, based on the *Generic Statistical Business Process Model* (GSBPM) model. This model provides a standard structure and a harmonized terminology to help statistical producers modernize statistical production processes and share methods and components. This model issued to monitor quality, methodological changes, and measurement of errors and revision of statistical products.

INSTAT intends to introduce this mechanism to other statistical producers in the future.

In addition, INSTAT will also use audit instruments that will provide an overview of the produced standards and also information on various components that need improvement.

Objective 2

Statistical agencies and other public institutions, in exercising their competences and fulfilling the nature of their work, collect data that can be used for statistical purposes. The increase of administrative data sources directly affects not only the coherence and quality of the statistical product, but also the reduction of the costs of providing these data. INSTAT will aim at the continuous coordination of administrative data providers in order to improve the quality and the way of transmitting them to the statistical producer.

In order to ensure the quality and continuous transmission of administrative data, while respecting the principles of statistical confidentiality, INSTAT will aim at improving the data transmission infrastructure and their administration.

To achieve this goal, by 2020 INSTAT will engage in these directions:

2.1 *Increased use of administrative data, administrative records for statistical purposes.*

Statistics based on registers give readers a detailed explanation of the principles and practices of this field, which is increasingly popular in statistics. For this purpose, INSTAT intends to develop surveys based on already available administrative data.

Since large amounts of such data are generated under various administrative systems, INSTAT will focus on expanding the possibilities of using data for statistical analysis by enabling the reduction of the expenses needed to collect data.

The combination of different sources in the compilation of indicators in official statistics will improve the quality of these indicators both in terms of coverage and timeliness, enabling better adaptation to international methodologies. Adapting methodologies for integrating data from many sources is seen as a key tool for the future.

2.2 *Use of IT systems and tools for data collection.*

The development of information technology has assisted in the process of collecting and analyzing survey data. The use of technology in data collection has led to the development of innovative data collection systems such as CAPI (Computer Data Collection), CAWI (Online Data Collection), and CATI (Interview by Telephone).

INSTAT intends to use new methods due to the advantages it offers, such as: eliminating logical flow problems in the questionnaire, consistency checks during the time the interview is conducted / filled in, eliminating the data entry process in the system and reducing the time it takes for the data to come from the field. Moving to alternative methods of data collection will be gradual, ensuring that the quality of the statistical product is preserved.

2.3 *Integration of geospatial information with statistical information.*

In order to increase the accessibility of statistics and to strengthen its role as the main source of statistics INSTAT has established since 2014 the prototype WebGIS "Albanian Statistical Atlas", as part of the web site. This GIS application was developed in the context of the 2011 Census data publication to visualize statistical information by geographic distribution.

A good opportunity to integrate geospatial information with statistical data is the census of 2021-2022 and statistical information from the thematic directorates in INSTAT. This statistical and geospatial information will significantly improve the quality of official statistics through:

- Continuous planned update of information.
- GIS connection with statistical indicators and registers.
- Increasing the number of sources of information for updating GIS.
- Increased use and distribution of geospatial statistical information.

Objective 3

Strengthening NSS is one of the main recommendations of Eurostat for Albania. Initially, INSTAT intends to prepare the full legal framework for the functioning of this system and further use of formal instruments for enhancing cooperation among official statistics producers.

An institution that enjoys the right professional and monitoring capacities guarantees the monitoring quality and the proper orientation of other official statistics production facilities. Although this objective extends in a long term, INSTAT will aim to continuously improve the professional capacities of NSS statisticians through the organization of training activities, supported by the state budget or donors.

To achieve this goal, by 2020 INSTAT will engage in these directions:

3.1 *Creating a motivational work environment and developing the professional capacity of employees.*

Staff motivation is a very important element not only for enhancing the image of the institution and the quality of its products, but also because it directly affects the sustainability of the statisticians and prevents the flow.

In order to achieve the right motivation, INSTAT will focus on several directions:

- Involvement of staff at all levels in the institution's strategic and decision-making processes;
- Possibility for participation in workshops, meetings, preparation of papers, etc.;
- Promoting the culture of continuous learning and professional development to ensure that employees perform by providing their full potential;
- Employee reward for inclusion cases in activities that are beyond daily work;
- Improvement of working conditions and use of modern instruments during work processes.

In 2017, INSTAT has prepared a training strategy for the development of professional staff capacities, as well as the extension of statistical knowledge to statisticians of other statistical agencies. In addition, with the support of the Sida project, in the short-term period near INSTAT, it will be made possible the establishment of a training center, which is a necessary infrastructure for the professional development of NSS staff, users, media and academic world.

Furthermore, with the support of the Swedish government, INSTAT is focused on the creation of an electronic human resources management system, a system that will enable not only keeping records for each employee but also reflecting performance and efficiency indicators in the performance of duties and responsibilities.

3.2 *Collaboration and partnership with institutions within the national statistical system and data producer.*

Sustainability of NSS depends closely on the quality of communication and cooperation between institutions involved in statistical activities. In the following years, INSTAT will aim not only at increasing the cooperation between statistical agencies in terms of unification of methodologies,

standards and data transmission, but also among institutions that collect data for statistical or not statistical purposes.

The new legal basis will inject data providers into the data security institutions to notify INSTAT on any new creation of administrative data or their review and to cooperate with institutions of official production statistics to find efficient ways of obtaining these data.

For this purpose, INSTAT will continuously propose bilateral or multilateral draft-memorandums of understanding for the provision of timely and appropriate data.

3.3 *Strengthening the role of INSTAT as an active member of the statistical system in the country, in the region and in the international arena.*

To build a sustainable NSS capable of applying the modern international standards, INSTAT intends to intensify relations not only with similar institutions of EU member states and the United Nations, but also with the international organizations to which they adhere. By becoming a part of these organizations and playing an active role in fulfilling the mission they have, INSTAT will be able to be updated with the best applied methodologies and best practices.

The inter-institutional relationship with similar institutions of other countries is a necessary mechanism to maintain coherence and enable the application of the latest standards of statistical production and to benefit from the experiences of the respective institutions by avoiding the encountered obstacles and solving the problems. Thus, with the finding of the will among the parties, INSTAT aims at signing the cooperation agreements with similar institutions of other countries in the region and beyond.

The Institute of Statistics also plays a key role in the integration process due to the ever-increasing demand for statistical indicators in different areas. As a result, INSTAT is part of the Inter-institutional Working Group on European Integration in most of the Acquis chapters, while it is responsible for Chapter 18 "Statistics". In this regard, the role of INSTAT becomes increasingly important for the opening of negotiations for EU membership.

3.4 *Strengthen cooperation with the academic world for the development of new statistical methods, products and services.*

The sub-objective aims to strengthen and intensify the cooperation with the academic world in the field of statistics in order to improve the statistical system, scientific research and increase professional statistical capacities.

Strengthening cooperation with universities aims at improving the statistical system in Albania through the involvement of the academic world in developing new methodologies, transmitting knowledge on statistics, and enriching the content of study programs with concepts and analysis of drafting, implementation and monitoring of the system statistics in Albania. INSTAT will be oriented toward greater involvement of academics for the implementation of innovative methodologies and techniques that will contribute to improving the quality of the statistical production and scientific research chain.

Moreover, collaborating with the academic world, INSTAT seeks to be the promoter of scientific research in Albania. In this context, the aim is to expand the cooperation with universities and research centers in the field of statistics, by organizing and participating in joint events such as

conferences, workshops, research, etc. INSTAT will create facilities for making researchers, professors and students available, different methodological and data materials, while respecting the principle of confidentiality and accessibility policies on micro data in INSTAT.

Objective 4

Increasing the demand for statistical data in combination with limited financial and human resources requires a continuous modernization of IT systems, enabling data to be produced efficiently and in an integrated way. In order to ensure an efficient organization and a modern working environment, IT infrastructure, processes and tools are needed. To support and monitor the modernization of production processes, INSTAT should conduct a number of hardware and software evaluation processes. In accordance with the Code of Practice, high priority should be given to the security of the information. Also, IT projects of particular strategic importance should be assessed in relation to knowledge management, risks and cost-benefit reporting.

The automation of statistical processes is an indispensable necessity to capture the pace with which the production of European statistics is accomplished today. INSTAT will continue its commitment to modernizing data collection and statistical production processes. To optimize production processes, each process section of the chain needs to be analyzed and evaluated. Developing and using a central integrated IT system for data management and metadata that will enable synergic work will be a challenge for INSTAT in the coming years. In order to ensure that production process elements meet the required quality standards, INSTAT should focus on the development of quality management systems, focusing particularly on internal quality audits and the methodology used for measuring indicators.

To achieve this goal, by 2020, INSTAT will engage in these directions:

- 4.1 *Automation and standardization of statistical production processes and data processing.*
Setting up a standard production environment where information technology tools combine to create integrated production support for statistics, from data collection through process and analysis to distribution and communication, is essential for optimizing work in INSTAT . The integrated statistical production environment enables efficient maintenance of Information Technology tools / components and activities related to the production process at INSTAT.

- 4.2 *Development of information systems and web services to reduce response burden, increase statistical quality and improve distribution methods.*
The implementation of new technologies enables users to access data in a simple and cost-effective manner, while maintaining statistical confidentiality. One of the most important strategic goals of INSTAT is to reduce the burden of respondents and the national statistical system by fully modernizing it in order to improve the efficiency and quality of statistical products. This is achieved by replacing the classic methods of collecting statistical data by collecting data using innovative

CAPI / CATI / CAWI methods and / or processing data from administrative sources instead of performing statistical surveys.

6. ACTION PLAN FOR THE IMPLEMENTATION OF INSTAT DEVELOPMENT STRATEGY

In order to ensure the proper implementation of the sub-objectives for each long-term strategic objective, this strategic document will be followed by the INSTAT Action Plan. The Action Plan will reflect all the activities that must be carried out by the organizational units of INSTAT, the responsible persons and the deadlines for fulfilling these activities. The units responsible for monitoring the Action Plan will receive inputs in the form of monthly reports from the responsible persons on the progress achieved to the moment of reporting for each activity.