

## **Twinning Fiche**

**IS12ENPAPFIo8**

**Support to the Israeli Central Bureau of Statistics  
in the development of National Accounts,  
Education Statistics, Survey Methodology, ICBS  
Website and Coordination of Israel National  
Statistical System (NSS)**

## List of abbreviations

AA	Association Agreement
AP	Action Plan
BC	Beneficiary country
BoI	Bank of Israel
BoP	Balance of Payments
COFOG	Classification of Functions of Government
EC	European Commission
ECE	Economic Commission for Europe
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
EU	European Union
EUD	European Union Delegation
FWC	Framework Contract
GDP	Gross Domestic Product
GFS	Government Finance Statistics
HR	Human Resources
ICBS	Israeli Central Bureau of Statistics
ICT	Information and Communication Technology
IMF	International Monetary Fund
MEDSTAT	Statistical co-operation programme between EU and Mediterranean countries
MoE	Ministry of Education
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MS	Member State (of the EU)
NA	National accounts
NSS	National statistical system
OECD	Organisation for Economic Cooperation and Development
PAO	Programme Administration Office
ROSC	Report on the Observance of Standards and Codes
SDDS	Special Data Dissemination Standard (IMF)
SNA	System of National Accounts
SO	Statistics Ordinance
TA	Technical Assistance
ToR	Terms of reference
UNECE	United Nations Economic Commission for Europe
UNESCO	United Nations Educational, Scientific, and Cultural Organization
UNSD	United Nations Statistical Division
WB	World Bank

## 1 Basic information

**1.1 Programme:** Support to the ENP Action Plan 2009 (Israel) – ENPI/2009/021-537

**1.2 Twinning number:** IS12ENPAPFI08

**1.3 Title:** Support to the Israeli Central Bureau of Statistics in the development of National Accounts, Education Statistics, Survey Methodology, ICBS Website and Coordination of Israel National Statistical System (NSS).

**1.4 Sector:** Finance, Internal Market and Economic criteria

**1.5 Beneficiary country:** Israel

## 2 Objectives

### 2.1 Overall objective

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The general objective is to improve the quality and international comparability of Israel official statistics in key domains.

### 2.2 Project purposes

- \* To support the Israeli Central Bureau of Statistics (ICBS) in aligning National Accounts, Educations Statistics and Survey Methodology to the EU and other international organizations standards and guidelines,
- \* To enable the ICBS to better coordinate the National Statistical System (NSS) and prepare strategic plan for official statistics, including dissemination and communication strategy,
- \* To redesign the ICBS website to meet users' needs.

### 2.3 Contribution to the Implementation of European Neighbourhood Policy

The EU/Israel Action Plan<sup>1</sup> stipulates several areas and issues requiring improved statistical underpinning, and the Action Plan lists Statistics as an area where increased awareness of EU and international statistical methods and possibilities for further harmonisation could be achieved.

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<sup>1</sup> [http://ec.europa.eu/world/enp/pdf/action\\_plans/israel\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/israel_enp_ap_final_en.pdf)

## 3 Description

### 3.1 Background and justification

In view of the enlargement of May 2004, the European Union (EU) adopted on 11 March 2003 a new framework for its relations with its neighbours, including Israel. In a Communication called "Wider Europe - Neighbourhood: A New Framework for the Relations with our Eastern and Southern neighbours", the European Commission underlined that the objective of the so-called European Neighbourhood Policy (ENP) is to develop an area of prosperity and anchor a "ring of friends" with whom the EU can enjoy close, peaceful and fruitful relations. The overall goal of ENP is to foster the political and economic reform process, promote closer economic integration, legal and technical approximation and sustainable development.

The EU is striving for enhanced relations with the countries that are part of the ENP, among them Israel, to be based on a long term approach promoting reform, sustainable development and trade. The privileged relationship with neighbours will build on mutual commitment to common values principally within the fields of the rule of law, good governance, the respect for human rights, including minority rights, the promotion of good neighbourly relations, and the principles of market economy and sustainable development. Commitments will also be sought to certain essential aspects of the EU's external action, including, in particular, the fight against terrorism and the proliferation of weapons of mass destruction, as well as abidance by international law and efforts to achieve conflict resolution. The ENP goes beyond existing relationships to offer a deeper political relationship and economic integration. The level of ambition of the relationship will depend on the extent to which these values are effectively shared.

The central element of the ENP is the bilateral ENP Action Plans agreed between the EU and each partner. The EU-Israel ENP Action Plan (AP) was adopted on 11 April 2005. It sets out the joint ambition to develop closer relations as anticipated in the conclusions of the Essen Council of December 1994 which stated inter alia that: "The European Council considers that Israel, on account of its high level of economic development, should enjoy special status in its relations with the EU on the basis of reciprocity and common interest..." On that basis, the EU and Israel concluded an Association Agreement (AA) in 1995 that entered into force in 2000, and developed relations further in the context of the Euro-Mediterranean Partnership.

The AP takes this process still further by setting out in more detail than the Association Agreement a comprehensive set of jointly developed priorities, with a programme over three years of specific activities to which both sides are committed:

"[The AP] will encourage and support Israel's objective for further integration into Europe economic and social structures... Israel and the EU will strive to intensify political, security, economic, scientific and cultural relations, and shared responsibility in conflict prevention and conflict resolution... The EU and Israel share the common values of democracy, respect for human rights and the rule of law and basic freedoms. Both parties are committed to the struggle against all forms of anti-Semitism, racism and xenophobia. Historically and culturally, there exist great natural affinity and common heritage... It [The AP] will furthermore help to devise and implement policies and measures to promote economic growth, employment and social cohesion, to reduce poverty and to protect environment,

thereby contributing to the long term objective of sustainable development." (EU/Israel Action Plan).

The AP refers to the field of statistics as follows:

- Increase awareness of EU and international statistical methods in relevant statistical areas, and examine the possibility of further harmonisation;
- Elaborate a strategy for increased awareness of European standards in the relevant statistical areas, including foreign trade;
- Enhance co-operation with relevant Commission services;
- Improve co-operation on establishment of statistics on trade in services and migration statistics.

In the field of Statistics, the European Council adopted, on 17 February 1997, Regulation n. 337 (EC/337/97), which endorses the Decision C (47) of the UN Economic Commission for Europe of 15 April 1992, establishing the Fundamental Principles of Official Statistics. This decision is the result of a series of consultations on statistical production, which aims at establishing principles and practices on statistics common to UN members. Following the European Council Regulation n.337, also known as the "Community Statistical Law", the European Commission adopted Decision n. 281 (97/281/EC) of 21 April 1997, mandating EUROSTAT to produce statistics for EU institutions and binding its statistical production to the Fundamental Principles. The goal is to harmonise statistical production in order to share reliable data on the basis of which national policies may be developed, specifically in integrated regional system like the EU. This Regulation was updated by Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European Statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities.

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The EU-Israel Association Agreement of 1995 mentions the following two areas of cooperation: approximation of laws (art. 55) and Information Infrastructures and Telecommunications (art. 52). In line with the general pattern of harmonisation of official statistical practices and with the specific projects of the EU on statistics in the Mediterranean area, this twinning project aims at strengthening Israel's capacity of statistical production, according to European standards, in order to reinforce bilateral cooperation, by sharing harmonised data collection and dissemination practices.

### **3.2 Linked activities**

First of all the ICBS has actively participated in the various phases of the MEDSTAT Programme. The MEDSTAT Programme, in the framework of the EUROMED cooperation, was initiated in 1996 (MEDSTAT I, 1996-2003), renewed in 2006 (MEDSTAT II, 2006-2009) and again in 2010 (MEDSTAT III, 2010-2013). This project aims at reinforcing State partners' capacity regarding statistical production as well as at harmonising national standards of neighbouring countries' statistics bureaus to European standards. Activities within this project include training of statisticians, technical assistance, exchange of good practices and support in data collection and dissemination; these activities focus on six thematic sectors: including agriculture,

energy, migration, social statistics, transport, trade and balance of payments; and cross-cutting themes of training and dissemination. As regards possible duplication or overlap between MEDSTAT III and the Twinning Project the ICBS has assured this was not the case.

Second, the EU/Israel Action Plan<sup>2</sup> stipulates several areas and issues requiring improved statistical underpinning, e.g. in relation to best practices on social problems of post-industrial societies, and sustainable development. In particular, the Action Plan lists Statistics as an area where increased awareness of EU and international statistical methods and possibilities for further harmonisation could be achieved. ICBS has also made use of the short-term assistance tool, TAIEX (Technical Assistance and Information Exchange Instrument), for study visits, experts visits and workshops in specific areas.

Third, more generally, globalization is generating a growing need for data, for coordination of data production and for harmonization of statistics with internationally accepted standards. Recently, Israel's accession process to the Organisation for Economic Cooperation and Development (OECD) has put additional pressure on the ICBS to enhance and develop statistics and to harmonize existing information with the standards used by that organization.

In this context, the compilation of National Accounts and their components, including various satellite accounts, is particularly demanding, and requires intensifying the cooperation between different data producers within the National Statistical System.

Education statistics are of particular importance because they deal with the development of human capital, which is obviously one of the key assets of Israel. These statistics rely for a large part on administrative sources. The increasingly important issue here is of achieving enhancement and harmonization of registrations and, if required, supplementing these administrative data with primary data collection in the most efficient manner.

Notwithstanding the growing importance of administrative data sources, surveys of the ICBS are also expanding, both in number and in heterogeneity of content, thus presenting methodological and operational challenges to the ICBS in its role as data collector.

These developments affect not only the context but also the essence of statistics production. The use of administrative data requires data sharing and therefore cooperation between public agencies including harmonizing definitions and classifications. The nature of these necessary developments implies planning in order to seek long term solutions.

At the other end of the statistical process, effective dissemination of data including via the internet, is another important challenge that the ICBS has to meet.

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<sup>2</sup> [http://ec.europa.eu/world/enp/pdf/action\\_plans/israel\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/israel_enp_ap_final_en.pdf)

### **3.3 Results**

The envisaged results of the twinning project have been divided into five components as follows:

- A – National Accounts
- B – Educations Statistics
- C – Coordination of the NSS and Strategic Planning
- D – Data collection by Field Surveys
- E – ICBS Web site

#### **Component A - National Accounts**

This component consists of two main sub-components:

- 1) Financial statistics and Balance of Payments
- 2) Satellite accounts, including a sub-component ‘environmental accounts’

#### **Background and justification**

1. Improvement of financial statistics and harmonization with EU standards is required in three main fields:

##### **1.1. Government Finance Statistics**

The ICBS is responsible for Government Finance Statistics (GFS). There are complete GFS data for central government (except the Ministry of Defence) and the National Insurance Institute. Cooperation between the ICBS and the Ministry of Finance (MoF) has improved in recent years, but further streamlining of data exchange is possible. The MoF is using a new ERP (Enterprise Resource Planning) system (Accountant General Office), which has enabled improving the quality and international comparability of government accounts. However, some problems and gaps exist, including with regard to coding of expenditures in the Budget, and partly cash-based instead of accrual-based recording of revenue. This sub-component will be implemented in cooperation with the Accountant General Office of the MoF. It is also linked to plans of the ICBS to produce monthly flash GDP estimates (annual and quarterly flash estimates already exist).

##### **1.2 Financial accounts**

The development of sector financial statistics was recently made possible by the availability of new administrative data obtained from banks and from the Tax Authorities (enterprises are now obliged to report data in electronic format) and a recent cooperation agreement between the three main institutions collecting the data: Bank of Israel, MoF and the ICBS. Another issue is improving financial data for local government and other public sector bodies, although balance sheets and financial accounts are available.

To summarize: ICBS has come a long way in implementing international recommendations and definitions for GFS statistics and financial accounts. However, the practical application of these recommendations and definitions give rise to some questions, which need to be discussed with colleagues from an EU Member State. This

requires activities to assess the present situation and assess the extent to which it is in line with the international recommendations.

Furthermore, a lot of resources are used on data collection. First of all, ICBS is not sure which data they can exactly expect in the field of public finance statistics and financial accounts, and when to expect it. The second part of this subcomponent is therefore to contribute to the ICBS efforts to develop a MoU between the Ministry of Finance and ICBS that will agree on when and which data are transferred including specifications on the format of the data transfer.

### 1.3 Balance of Payments (BoP)

ICBS is the main compiler of the Balance of Payment (BoP) of Israel. The BoP is produced and published by the ICBS in close cooperation with the Bank of Israel (BoI), which supplies banking data for some BoP components, especially for the financial accounts in the BoP. The Bank of Israel also produces and publishes the International Investment Position (IIP), which includes the following series:<sup>3</sup>

- Gross assets in foreign currency (commercial banks, Bank of Israel, other monetary institutions, nonbanking private sector)
- External debt total and gross current debt of the private non-financial sector
- Liabilities (total, foreign residents, government and private non-financial sector)

However, it is felt that improvements in the financial accounts in the BoP and in the IIP are needed. A plan for improving BoP statistics is being developed by the two institutions. Problems exist with the non-financial sector, but also some data for the financial sector are not completely available and information about flows is missing. Increased cooperation between the BoI and the ICBS, and collection of data at the ICBS in addition to or instead of the banking data could fill some of the gaps.

It may be noted here that the 2006 IMF ROSC (Report on the Observance of Standards and Codes)<sup>4</sup> mentions that “*the BOI Law does not explicitly mention the monetary statistics as one of the areas of responsibility for the central bank. Nonetheless, the BOI actually compiles the Israeli monetary statistics mainly based on source data*”. However, the Bank of Israel law has been recently updated to explicitly empower the BOI to collect data and to ensure the confidentiality of the reported data.<sup>5</sup>

Another element of National Accounts improvements relates to satellite accounts. ICBS has developed and is still developing satellite accounts for research and development (R&D), health, education, culture, recreation and sport, and the non-profit sector (which is relatively big in Israel). The priority satellite accounts to be developed in the context of the Twinning relate to welfare and environment.

The Stiglitz-Sen-Fitoussi report<sup>6</sup> on the Measurement of Economic Performance and Social Progress contains recommendations in this regard.

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<sup>3</sup> <http://www.bankisrael.gov.il/series/en/>

<sup>4</sup> <http://www.imf.org/external/pubs/ft/scr/2006/cr06125.pdf>

<sup>5</sup> [http://www.bankisrael.gov.il/deptdata/pikuah/bank\\_hakika/eng/new\\_law\\_2010\\_eng.pdf](http://www.bankisrael.gov.il/deptdata/pikuah/bank_hakika/eng/new_law_2010_eng.pdf)

<sup>6</sup> [http://www.stiglitz-sen-fitoussi.fr/documents/rapport\\_anglais.pdf](http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf)

## 1.4 Welfare accounts

The aim is improvement of data scope and quality of the welfare statistics of Israel and harmonization with EU standards.

A key message of this report is to shift emphasis from measuring economic production to measuring people's well-being. Measures of well-being should also be put in a context of sustainability. Despite deficiencies in measuring production, much more is known about production than about well-being. Changing emphasis does not mean dismissing GDP and production measures. However, emphasizing well-being is important because there appears to be an increasing gap between the information contained in aggregate GDP data and what counts for common people's well-being. This means working towards the development of a statistical system that complements measures of market activity by measures centered on people's well-being and by measures that capture sustainability. Such a system must, of necessity, be plural – because no single measure can summarize something as complex as the well-being of the members of society. Therefore, the system of measurement must encompass a range of different measures. The issue of aggregation across dimensions (that is to say, how we add up, for example, a measure of health with a measure of consumption of conventional goods), while important, is subordinate to the establishment of a broad statistical system that captures as many of the relevant dimensions as possible. Such a system should not just measure average levels of wellbeing within a given community, and how they change over time, but also document the diversity of peoples' experiences and the linkages across various dimensions of people's life.

The direct purpose of compiling welfare accounts is to add data series on welfare based on administrative data by linking micro-macro data on transfers in kind, using data collected in household surveys as well as administrative data collected from government, local authorities and NPIs. Recently the development of a Satellite Account on Welfare has started and progress has been made in the area of welfare expenditure in two major sectors: Government and Non-profit institutions. However, there are still some remaining challenges: welfare services provided by the business sector, compiling a matrix of performing/financing sectors, etc. The intention is to develop full welfare satellite accounts using MoF data on government expenditures, and adding detailed data from the National Insurance Institute.

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## 1.5 Environmental accounts

Over the last 4 years, water accounts for Israel have been developed, partly under MEDSTAT II, and in cooperation with the UNSD, following the NAMEA (National Accounting Matrix including Environmental Accounts)<sup>7</sup> approach.

The ICBS intends to move towards the System of Environmental Economic Accounting for Water methodology<sup>8</sup> and in a broader sense to the System of Environmental-Economic Accounts (SEEA)<sup>9</sup> approach. Eurostat is involved in the revision of the SEEA towards an international statistical standard, which is expected to occur in February 2012.

<sup>7</sup> <http://www.cbs.nl/nr/ronlyres/789fc43c-28ac-4a07-a4e1-158745589a50/0/accountingforsustainabledevelopmentthenamebasedapproach.pdf>

<sup>8</sup> [http://unstats.un.org/unsd/statcom/doc07/SEEAW\\_SC2007.pdf](http://unstats.un.org/unsd/statcom/doc07/SEEAW_SC2007.pdf)

<sup>9</sup> <http://unstats.un.org/unsd/envaccounting/pubs.asp>

Now Israel is ready to develop other environmental accounts. Waste and air accounts are planned, and in the longer term ecosystem accounts. As regards environmental expenditures, public system environmental spending is already measured, but private sector spending not yet.

### **Mandatory results**

1. Definition of the structure of improved government finance accounts cross-classified by sub-sectors and COFOG functions
2. Presentation of EU experience on inter-institutional arrangements between National Statistics Offices and Ministries of Finances with regard to cooperation and data exchange
3. Preparation of detailed work-plan for the development of financial accounts by SNA;
4. Detailed work-plan for the development of financial accounts in the BoP
5. Definition of indicators on the provision of welfare services
6. Definition of the structure of a satellite account on welfare, presenting expenditure and financing of welfare by sector
7. Definition of the structure of waste and air environmental accounts

## **Component B - Education Statistics and use of administrative data**

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### **Background and justification**

Use of administrative data is a method for efficient and cost-effective data collection without increasing the reporting burden. However, use of administrative data requires legal possibilities to exchange data on micro level, good cooperation with custodians of registrations and other data providers, and advanced use of ICT tools.

For education statistics, the ICBS is involved in an ongoing process of harmonizing statistical data generated by different government ministries, agencies and educational institutions. Most of the education data comes from administrative registers and is stored in different ICBS databanks. Non-formal education is partially covered. One key issue is the different standards and recommendations of the EU and of international organizations such as UNESCO<sup>10</sup>, OECD, and ECE. To solve this, the different needs and the different guidelines and standards need to be identified and analyzed. Another key issue is disaggregating statistics to reflect the diversity of sectors within the Israeli society. After this, agreement must be reached about definitions to be accepted and used throughout the NSS, as well as about the best possible data storage and collection methods. At the moment, an additional technical issue is that the different administrative files that are being used have different file formats.

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<sup>10</sup> <http://www.uis.unesco.org/Education/Pages/default.aspx>

In particular, challenges are to do with:

- Students' dropout statistics in primary and secondary education, including ways of identifying latent/hidden dropping out disaggregated by ethnic groups
- Procedures to measure and identify early school leaving, with an emphasis on secondary education, based on broadly accepted conceptualization of this phenomenon in EU countries disaggregated by ethnic groups
- Collecting timely and relevant graduation statistics (completion/non-completion) of academic and non-academic tertiary-level education. Data are currently obtained from 7 regular universities, the Open University and about 60 colleges, and cover about 370.000 students. Data are supplied in different file formats; registration systems are not designed for statistical purposes. These statistics have great influence on the allocation of financial assistance and budgets at the national, regional and personal (scholarships) level. There is also a need to link data from different sources aiming to characterize the population groups including ethnic groups involved in tertiary education.
- Collecting statistics about teaching staff and their qualifications. These statistics will also be used for forecasting and planning.
- Collecting statistics about pre-primary education.
- Collecting statistics about special education, both with regard to children with learning impediments and highly gifted children.
- Register of Educational Attainment. This Register was initiated in 2010. There is a need to harmonize the indicators included in the Register with the current standards and guidelines in use of EU countries. Moreover, there is a need to further develop the Register as a platform for production of attainment statistics, required by local and international entities. There is some undercoverage of certain groups. One of the aims is to also cover the profession of the persons in the register.
- Register of researchers and scientists. The aim is to develop a national register of graduates, building on the Register of Educational Attainment, using administrative and non administrative sources, specifically those related to civilian research and development, with an emphasis on research in institutes of higher education. The register will serve, inter alia, to make estimates of research and development (R&D) activities in Israel. R&D spending is calculated by the national accounts department. The register could also be used for tracking careers of doctorate holders as recommended by the OECD<sup>11</sup>.
- Culture and Sports. The aim is to develop statistics that reflect, as accurately as possible, the scope of cultural and sports activities in Israel, while being harmonized with relevant international standards, including those of UNESCO<sup>12</sup> and the EU.

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<sup>11</sup> <http://www.uis.unesco.org/ScienceTechnology/Documents/44893058.pdf>

<sup>12</sup> <http://www.uis.unesco.org/Culture/Pages/framework-cultural-statistics.aspx>

## **Mandatory results**

1. Detailed plan established for better estimates of early school dropouts
2. Definition of new series of higher education statistics, including completion and non-completion statistics
3. Proposal for an enhanced Register of Educational Attainment
4. Proposed register of graduates working in R&D
5. Definition of indicators on researchers and scientists
6. Plan established for compilation of indicators on culture and sports

## **Component C - Coordination of the NSS and strategic planning**

### **Background and justification**

#### **Improvement of the Coordination of the NSS**

As a result of increasing demand for statistics and national and international requirements, as well as enabling technological developments, the production of statistics by the different partners of the National Statistical System in Israel has been growing considerably in recent years. More growth is expected to happen in the near future. This has made the coordination of the NSS more complex. In practice, initiating coordination by the partners in the NSS takes place when the other statistics producers become aware of obstacles and methodological challenges. Israel's data are published in many databases that are often used by national and international organizations. The ability of the ICBS to check and approve the quality of such data, which are nationally and internationally seen as 'official statistics', is limited. There is a need to support the ICBS to establish mechanisms and tools to enable the ICBS to coordinate the production of official statistics in the NSS and to ensure the quality of published official statistics.

#### **Strategic planning**

The need for long-term planning of the development of statistics is becoming increasingly significant. Evidence-based policy development and decision making, combined with globalization, is generating an increased demand for timely quality statistics, both in all policy domains and by the private sector. However, meeting these needs by statistical development is a long-term process. At the same time, resources are limited. This makes careful and systematic prioritization of mid- and long-term projects mandatory. The ICBS has proved to be able to work according to a medium-term plan (3-4 years) during the accession process to the OECD. It has also defined guidelines and policy objectives for its work. However, there are no well-established practices of long-term planning in the ICBS and the NSS. Therefore there is a need to establish formal practices and routines of strategic planning, based on EU practices, with both a longer term view (4-5 years) and short term planning of work (1-2 years). Such planning should also take into account that some flexibility is needed in order to meet unexpected ad-hoc demands.

## **Human Resources**

Long term planning is also needed for the Human Resources of the organization. The pace of personnel recruitment, vis-à-vis the accumulation of projects, is very challenging. There is a need to develop recruitment and training strategies for new employees, to improve performance evaluation processes of new employees and to address the challenge of managing units with a growing portion of new staff members. Since these needs are shared by many countries all over the world, the ICBS can benefit from accumulated experience in the EU.

## **Mandatory results**

1. Preparation of a long-term strategic plan for Israeli official statistics
2. Preparation of a system and procedures for long- and short-term planning
3. Preparation of a human resources recruitment plan
4. Proposal for a training programme for new recruits

## **Component D – Data Collection by Field Surveys**

### **Background and justification**

#### **Management of Fieldwork**

Largely because of the accession to the OECD, the number of field surveys conducted by the ICBS has more than doubled. Further increases are expected to happen over the next few years. In this context recruitment of new interviewers and supervisors will be necessary. Recruitment is not easy; the remuneration package offered is not very competitive. End of 2011 455 data collectors were employed; for 2012 an increase to 665 is planned. The number of supervisors will increase from 37 to 48. Data collectors are part-time employees of the ICBS and operate in different parts of the country, controlled by regional offices in Tel Aviv and Haifa, while Computer Assisted Telephone Interviewing (CATI) is concentrated in Jerusalem. The need for guidance and support, and monitoring the data collection operation in the field and by the telephone data collection centre are challenges to be addressed. A problem with telephone interviewing is that the existing register of dwellings cannot be linked to telephone numbers. In addition, there is the issue of the growing number of cell phone users. ICBS wishes to develop methodologies and tools to meet these challenges. Furthermore, there is concern about the reporting burden for businesses as well as private individuals.

#### **Questionnaire design**

Thus far the ICBS has made only moderate efforts to approach questionnaire design, questionnaire testing and interview approaches and techniques in a scientific manner. There are concerns with regard to potential cognitive effects of questionnaire wording, order of questions, interaction between the interviewer and the interviewee etc. Only recently a staff member has been assigned special responsibility for this area of work. However, what makes this task particularly difficult is that research in order to address possible problems has to be performed without undue interference in ongoing data collection processes.

## **Response Burden**

The response rates are high: 85% for household surveys and 95% for establishment/business surveys. These numbers are quite satisfactory. However, the more surveys are conducted; the more response burden is inflicted. This problem is tackled in different ways in the EU countries and ICBS would like to adopt and adjust the methodologies to the Israeli reality, including the interaction interviewer-respondent. As regards the use of data collection by internet, this poses several technological, organizational and data security challenges. Integration of various tools for improving internet data collection methodologies is another purpose for the Twinning, including questions of questionnaire design, communication with the sampled individuals, households and businesses, and the introduction of 'electronic signature' methods.

## **Mandatory results**

1. Identification of quality control methods and tools for monitoring field interviewers
2. Identification of quality control methods and tools for monitoring telephone interviewers
3. Drafting of a manual of guidelines for interviewers
4. Detailed design of at least one web questionnaire
5. Organizing a focus group meeting about cognitive aspects of questionnaire and interview design

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## **Component E – ICBS Web site**

### **Background and justification**

The ICBS web site was first launched in 1996 and was renovated in 2005. Over the years, it went through additional adjustments and changes, mainly to improve its usability and user-friendliness. However, with growing numbers and heterogeneity of clientele, a systematic review is required, in the framework of developing an overall ICBS communication strategy. The website is an important part of the dissemination strategy of a modern NSO. Time has come to put the website in the centre of the ICBS dissemination strategy. There is a close link with Component C as regards strategic planning.

The work to be done on the website should be long-term in the sense that it should give directions for development of the website over the next five years. But it should also address immediate problems and pick low hanging fruits in terms of making quick fixes that will produce immediate results with great benefits for the user.

Currently, the structure of the site and the organization of its content do not meet accepted standards and practices. Some of the main problems are:

- The site and the data structure follow the ICBS organizational structure, rather than a logic of content organization
- Consequently, statistics on the same topic may occasionally appear in totally unrelated locations and formats
- The ICBS data warehouse is not connected with the website

- Metadata is not systematically presented
- The search mechanisms are insufficient, making some data difficult to find
- Separate and unsynchronized manual updating procedures result in inconsistencies
- Data presentation is old fashioned and uninviting

In the framework of the Twinning, ICBS would like to have two issues addressed:

1. Development of an overall ICBS dissemination and communication strategy and the role of the website in that strategy
2. Redesign of the ICBS website, on the basis of
  - An analysis of the current situation
  - Analyses of users' needs
  - Decisions about website features that would meet users' needs
  - Linkage of the data warehouse to the website
  - Improving search mechanisms
  - Procedures for easy and automated updating

The Twinning is not expected to include technology.

### **Mandatory results**

1. Drafting of an ICBS dissemination and communication strategy document
2. Drafting an evaluation report about the current website
3. Prepare mechanisms for continuous monitoring of user satisfaction with the website
4. Preparation of a plan for redesigning and development of the website, including a solution for a search function
5. Proposal of rules for updating of the website, including structure and linkage of the data warehouse to the website

### **3.4 Activities**

The activities below are indicative.

#### **Component A - National Accounts**

##### **Activity A 1: Workshop on Government Finance Statistics:**

Assessment of present situation in government finance statistics, identification of issues, review of current methodology, analysis of cooperation with data providers including analysis of methodology of data transfer.

##### **Activity A 2: Workshop on Financial Accounts:**

Assessment of the present situation on Financial Accounts in ICBS; identification of issues; review of current methodology and definitions.

##### **Activity A 3: Workshop on MS best practices and experience on inter-institutional arrangements between National Statistics Offices and Ministries of Finance:**

Presentation of EU best practices in the field of inter-institutional arrangements between National Statistics Offices and Ministries of Finance, with a view to contribute to ICBS efforts to develop a Memorandum of Understanding with the Israeli Ministry of Finance with regard to delivery of data on financial accounts. Roundtable discussion with staff from ICBS and Ministry of Finance to contribute to the development of options and roadmaps for the efficient transfer of data between the two institutions.

##### **Activity A 4: Workshop on efficient data transfer:**

Workshop on efficient data transfer between ICBS and data providers with regards to the determination of data granularity (content, periodicity and values) as well as formats.

##### **Activity A 5: Study visit to a member state:**

Representatives from the ICBS and from the Ministry of Finance will go to an EU member state to study how Government Finance Statistics are compiled in an EU member state and how the Statistical Office and the Central Bank cooperate.

##### **Activity A 6: Workshop on Balance of Payment**

Assessment of the present situation in Balance of Payment statistics, review of current methodology, analysis of cooperation with data providers, mainly Bank of Israel; Identification of gaps in statistical coverage.

##### **Activity A 7: Workshop on Balance of Payment, follow-up on activity A 6**

Recommendations from activity A 6 to be revisited and the issues still remaining should be implemented. Assistance to support the implementation of solutions to the issues identified in activity A 6.

Activity A 8: Study visit to a member state:

Representatives from the ICBS and from the Central Bank will go to an EU member state to study how BoP statistics are compiled in an EU member state and how the Statistical Office and the Central Bank cooperate.

Activity A 9: Workshop on how to improve data scope and quality of welfare statistics.

Assessment of welfare statistics and recommendations for improvements in data scope and quality. Identification of data gaps as well as weak data spots in welfare statistics. Roundtable discussions with ICBS staff to develop options and roadmaps for the implementation of the solutions proposed

Activity A 10: Workshop on administrative data and international definitions in welfare statistics

Most administrative data in its raw form does not follow international guidelines as prescribed by the international organisations. Sometimes data needs to be adjusted before it can be used in statistics. This workshop will focus on how administrative data can be used in welfare statistics in two of its areas. The first is transfers in kind where household survey data will be joined with administrative data collected from government, local authorities and NPI's. The second is how administrative data can be used for social services accounts

Activity A 11: Study visit on welfare statistics

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Study visit to an EU member state to study how administrative data can be used for welfare statistics.

Activity A 12: Workshop on methodologies for Environmental Accounting

During this workshop it should be established which methodologies and sources of information are best used in environmental accounting in Israel.

Activity A 13: Workshop on aligning NAMEA and SEEA recommendations

There is a need for a workshop on aligning NAMEA and SEEA recommendations to the situation in Israel and there is need for coordination between NAMEA and SEEA in the environmental accounting in Israel.

Activity A 14: Study visit to a member state

Study visit to an EU member country to study how environmental accounting is done in a member state

## **Component B - Education Statistics and use of administrative data**

### **Activity B 1: Workshop on education statistics**

Assessment of current situation, analysis of data flows and recommendations for future action

### **Activity B 2: Seminar on guidelines for data collection based on administrative data**

This seminar is for all the stakeholders (data providers, data users, data producers and data carriers - ICT)). This seminar should convince all the stakeholders on administrative data in Israel of the benefits of increased use of administrative data. Furthermore, it should establish needs for changes in legislation, ICT and human resources.

### **Activity B 3: Workshop on ICT tools for administrative data**

Use of administrative data put big requirements on ICT infrastructure. Automatic updates of registers can take away some of the tedious work on requesting data. Data formats like XML can make work easier. Participants in workshop should be ICT personnel from ICBS as well as ICT personnel from data providers.

### **Activity B 4: Workshop on administrative data and international definitions in education statistics**

How can the register on Educational Attainment be further developed in line with international guidelines? How can student drop-out be measured with the help from administrative sources? How can new surveys, e.g. on researchers and scientists or culture and sports statistics, be developed on the basis of administrative data?

### **Activity B 5: Study visit on student dropout in education statistics**

Study visit to an EU member state to study how administrative data can be used for education statistics.

### **Activity B 6: Study visit on use of administrative data for education statistics**

Study visit to an EU member state to study how administrative data can be used for education statistics.

## **Component C - Coordination of the NSS and strategic planning**

### **Activity C 1: Review ICBS vision, mission and principle guidelines**

The ICBS has already established its mission in the sense of its broad goals. This mission needs to be reviewed in order to establish whether it is still valid for ICBS. Furthermore, the mission should include the formulation of some overall objectives as a leader and a coordinator of the NSS.

### **Activity C 2: Position analysis**

In order to determine where the ICBS wants to go, it should be established where ICBS is now. This activity should analyse the current position of ICBS in terms of its role in the NSS and to the International organisations (EU, OECD, and UN)

### **Activity C 3: Identification and assessment of possible solutions**

A broad catalogue of 3-4 different strategies should be determined on the basis of the position analysis and the mission. These strategies should be assessed and analysed for their benefits and consequences for ICBS to reach its objectives.

### **Activity C 4: Selection of strategy**

The best strategy should be selected. The long term strategy should be broken down into a number of short term plans for more specific areas of ICBS (human resources, IT, data collection etc).

### **Activity C 5: Formulation of specific short term plan in the area of human resources management**

Human resource management is essential for the future of ICBS. To meet the challenges and growing competition for qualified staff it is essential to have a strategy on personnel recruitment as well as training strategies for new and more experienced staff.

### **Activity C 6: Study visit to a country with strategic planning**

Study visit to an EU member state to see how strategic planning can work in practice and to study how the NSS can be coordinated nationally.

## **Component D – Data Collection by Field Surveys**

### **Activity D.1 Workshop on respondent strategy**

Workshop with the purpose of deciding how ICBS can satisfy the growing data needs while keeping the response burden constant as well as be cost-efficient. The workshop should include a decision on which surveys could make use of Computer Aided Telephone Interviewing (CATI) and web-based data reporting.

### **Activity D 2: Workshop on efficient use of interviewing**

Interviews are an important tool to gain information on the citizens. Interviews can be carried out face-to-face or by telephone. This workshop will address quality control methods and tools for monitoring interviewers. More widespread use of telephone interviewing can prove to be an important tool to get high-quality data in a cost-efficient way. This workshop will also address how telephone interviewing can be organised in ICBS, a training programme for interviewers, etc.

### **Activity D 3: Workshop on response burden**

When response burden becomes an issue it is important to have the tools to measure the actual response burden that is imposed on businesses. There are different ways of measuring response burden. Which one is right for ICBS will be determined in a workshop where different alternatives will be presented. This workshop will end with a decision on which method is the best for ICBS to measure response burden as well as actually establishing the response burden on at least one survey.

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### **Activity D 4: Workshop on web-reporting**

The internet has proved to be an important way to collect data in the future through web-based surveys and integrated system-to-system solutions where data are extracted automatically from data reporters. This workshop will present different approaches to web-reporting with regards to policies, technology, security and usability. Furthermore, the experiences from the pilot project on the pilot project on web-reporting to the Business Sentiments Survey will be analysed.

### **Activity D5: Study visit to a Member State**

Study visit to an EU member state to study cognitive aspects of questionnaire and interview design and how data collection in the field can be organised in a cost-efficient way.

## **Component E – ICBS Website**

### **Activity E 1: Assessment of current website**

Identification of user profiles, usability, availability of data and metadata, organisation of updating. Formulation of a plan for the website including its position in the overall dissemination strategy (Note: take Component C into account)

### **Activity E 2: Workshop on user satisfaction**

Relevant stakeholders from various backgrounds (government, academia and research, the business community, non-governmental and international organizations and the media) will discuss user satisfaction with the website, as well as possible routines to be used for future monitoring of user satisfaction, e.g. focus group interviews on usability of website.

### **Activity E 3: Workshop on improvement of website**

The website needs a number of improvements including improved search facilities which can be implemented quickly. This workshop should implement the improvements or specify a detailed plan for how it can be improved.

### **Activity E 4: Workshop on long term plan for the databases of the website**

The exact content of this activity depends on the outcome of the strategic planning in Component C of this project. The website might very well be an important part of the strategy. For this reason it is important to have a well-functioning central database where all data are presented in a user-friendly manner. This workshop will address the current challenges and present some suggestions for the future. The workshop should end up with an action plan on how all data should be stored and presented on the website.

### **Activity E 5: Study visit to a Member State**

Study visit to an EU member state to study how data are disseminated on the web.

### **3.5 Means/Input from the Member State Partner Administration**

It is foreseen that, after the selection of the MS partner(s), the MS project leader and RTA will travel to Israel to prepare the project and in cooperation with the Israeli partners jointly draft the twinning contract including the detailed work plan.

#### *3.5.1. Profile and tasks of the Project leader*

The Project Leader will be based in the Member State and will be responsible for the overall management of the project and the co-ordination of activities performed and ensures the overall quality of the services provided on site. He/she will have the overall responsibility for the implementation of all twinning activities.

The tasks and profile of the Project Leader:

- A university degree in statistics, economics or another relevant discipline;
- A minimum of 10 years of relevant professional experience in a national statistical office;
- Extensive experience in management of statistical projects;
- Knowledge of the EU Acquis on statistics;
- Good analytical and organizational skills;
- Experience in solving co-ordination and co-operation issues;
- Well developed interpersonal skills as well as skills in mediation, and experience of working with the various levels of governments;
- English working language.

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#### *3.5.2. Profile and tasks of the Resident Twinning Advisor*

The Resident Twinning Advisor (RTA) will be based in Israel and will be responsible for carrying out the activities on site. In particular, the RTA will ensure the completion of planning and preparation, engage and supervise short term experts required for activities, ensure training and study tour performances and manage the individual components of activities according to specified budgetary and other targets. The RTA needs to be present in Israel for the duration of the project.

The tasks of the RTA:

- Supervision and on-site coordination of all activities performed during the project lifetime;
- Supervision of short-term experts;
- Day-to-day advice to the staff of project beneficiary institutions;
- Professional support for the project activities;
- Permanent contact with RTA counterpart;
- Monitoring project implementation and timely proposals for corrective measures;
- Contribution to preparation of reports under the project;

The profile of the RTA:

- A university degree in statistics, economics or another relevant discipline

- A minimum of 10 years of relevant professional experience in a national statistical office
- A minimum of 3 years professional experience of project and/or team management
- Advanced knowledge of national accounts, microeconomic statistics and social statistics
- Knowledge of the EU Acquis on statistics
- Good analytical and organisational skills
- Well developed interpersonal skills as well as skills in mediation, and experience of working with the various levels of governments
- Fluency in written and spoken English language.

#### *Profile and tasks of the short-term experts*

Short-term experts are expected to provide support in the development of methodologies e.g. questionnaire design, modification of methodologies, training and evaluation of results etc. The Twinning Contract will elaborate the precise number, tasks and working days of short-term experts.

The profile of short-term experts:

- University degree in statistics, economics or another relevant discipline;
- Very good command of written and spoken English;
- Computer literacy;
- At least 5 years of relevant professional experience in a national statistical office;
- At least 5 years of professional experience in official statistics in areas that are relevant for the project components to be covered;
- Ability to provide on-the-job transfer of practical know-how through participation in the implementation of project tasks;
- Proven experience as trainer of government officials (for training activities).

#### *Profile and tasks of the RTA assistant*

The RTA assistant will be recruited and funded by the project. He/she will be of Israeli nationality and be working together with the RTA the whole duration of the project. The RTA assistant will provide logistical/administrative support, technical translation and interpretation services to the RTA to facilitate the implementation of the Twinning project activities and assist in the preparation of working documents, organization of seminars, trainings and study tours. The profile of the RTA assistant will be specified by the RTA and the RTA-Counterpart who will handle his/her recruitment following the provisions of the Twinning Manual.

The profile of the RTA assistant:

- University degree in a relevant discipline;
- Very good command of written and spoken Hebrew and English;
- Computer literacy;
- Relevant professional experience in statistics would be an asset.

## **4 Institutional Framework**

The ICBS was established shortly after the creation of the State of Israel, as an autonomous unit within the Prime Minister's Office. The ICBS is headed by the Government Statistician, who also serves as the Director of the CBS, with a Public Council for Statistics advising him.

ICBS will be responsible for the implementation of the project. Within ICBS, the Division for International Relations and Statistical Coordination is in charge of coordinating the activities. Indirect project beneficiaries will be policy makers and data collectors in line ministries, the Bank of Israel, organizations representing businesses and employees, foreign and local investors, international organizations, the academic and research community and, by extension, the citizens of Israel.

ICBS shall also ensure that appropriate personnel are made available to work with the EU Twinning partner. Counterparts for each activity will be appointed to facilitate implementation. Since one assumption in the Twinning project fiche is the capacity of ICBS to deal with certain concepts without foreign assistance, it is of paramount importance that these persons will be selected thoroughly with required skills to carry on the development efforts.

The Israeli Twinning partner is responsible for the selection of participants for the study tours and trainees (in consultation with the EU partner) and shall ensure the staff is made available and released from their duties during their training/study tours. ICBS will provide appropriate training facilities properly equipped for all training activities foreseen and implemented in the course of this twinning project.

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ICBS will be required to make available the necessary infra-structure for the MS partner to carry out its tasks. Office space and equipment, including access to computer, telephone, fax, etc, and the professional use of that equipment should be available to the RTA from day one of her/his arrival.

## **5 Budget**

The total budget amounts to € 850.000.

## **6 Implementation arrangements**

### **6.1 Implementing Agency responsible for tendering, contracting and accounting**

The Implementing Agency which will be responsible for tendering, contracting and accounting of this twinning project is the Delegation of the European Union to the State of Israel. The person in charge is:

#### **Ms Livia Stella**

Head of Operations Section

Delegation of the EU to the State of Israel

Address: 5-7 Shoham Street, Ramat Gan, Israel

Postal Address: P.O. Box 3513 Ramat Gan, 52136 Israel

Tel: + 972-3 600 0921

Fax: + 972-3 613 7770

e-mail: livia.stella@eeas.europa.eu

Assistance to the Delegation in the management and administration of the Twinning Programme is provided by the PAO (within the Ministry of Foreign Affairs of Israel)

#### **Ambassador Yosef Livne**

Ministry of Foreign Affairs of the State of Israel

9 Yithak Rabin Blvd.

Tel: +972-2-5303434

Fax: +972-2-5304170

e-mail: Yosef.Livne@mfa.gov.il

### **6.2 Main Counterpart in the BC**

The nominated main counterparts in the BC are:

Project leader: Ms. Olivia Blum, Head of the department for International Relations and Statistical Coordination

RTA Counterpart: Ms. Batia Attali, Senior staff member of the Department for International Relations and Statistical Coordination

Component leaders are:

National accounts: Mr. Oz Shimony

Sub-component environmental accounts: Dr. Moshe Yanai

Education: Mr. Yosef Gidanian

National Statistical System: Ms. Olivia Blum

Surveys: Mr. Nitzan Hacoheh

Website: Ms. Mirit Hochman-Cohen

*Steering Committee*

The Project Leader will report to the contracting authority and to a Steering Committee (SC) that will be established at start. The SC will consist of the following members:

- BC Project Leader and MS Project Leader
- RTA and BC Counterpart to the RTA
- Representative of the European Commission
- Representative of the Twinning Programme Administration Office (PAO)

Other representatives from the European Union, including Eurostat, may be invited to participate in a technical capacity, as and when necessary. Representatives from international statistical organizations, international donor community, organizations representing the providers and users of statistics and ICBS experts could be invited as observers as and when necessary.

## **7 Implementation schedule (indicative)**

### **7.1 Launching of the call for proposals**

September 2012

### **7.2 Start of project activities**

Start of project activities is indicatively foreseen for April 2013.

### **7.3 Project completion**

Completion is foreseen for October 2014

### **7.4 Implementation period duration**

The implementation period duration is 18 months.

## **8 Sustainability**

The transfer of knowledge with counterparts in corresponding EU institution is expected to provide in-depth knowledge on statistical working methods and methodologies that will enable BC experts to continue to adjust their statistics to European standards in a timely manner beyond the lifetime of the project.

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## **9 Crosscutting issues**

Equal opportunity principles and practices in ensuring equitable gender participation in the project will be guaranteed. Environmental aspects are not relevant for the project.

Whenever applicable, the following issues should be mainstreamed into the project activities:

- Management issues;
- Human rights and fundamental freedoms;
- Quality performance from a citizen's perspective, including anti-corruption measures.

### *Communication and Visibility*

The project shall draw up a communication plan that will ensure visibility for the activities themselves as well as for EU support throughout the implementation of the project. Proposals to be received from Member States should include proposals for communication and EU visibility. Based on these, the communication plan will be finalised with the Beneficiary administration, the Member State and the EU Delegation in the inception phase of the project<sup>13</sup>.

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<sup>13</sup> Rules on visibility for EU projects can be found at:  
[http://ec.europa.eu/europeaid/work/visibility/documents/communication\\_and\\_visibility\\_manual\\_en.pdf](http://ec.europa.eu/europeaid/work/visibility/documents/communication_and_visibility_manual_en.pdf)

## **10 Conditionality and sequencing**

The project is conditional on ICBS management involvement in adopting new methodology to upgrade official statistics based on EU and international standards. The Twinning project fiche has been drafted with ICBS, which by endorsing the Twinning Fiche, commits itself to make the contributions stated in the fiche.

Regarding sequencing of project activities, see under components above.

The work-plan of twinning project proposals should take into account the different period of national holidays in Europe and in Israel.

Contributions expected from the Beneficiary include:

- Provision of office accommodation, computers, international telephone line, internet access, printer, and photocopier to RTA, RTA's assistant and MS experts,
- Provision of suitable venues, catering and equipment (projector) for workshops, training sessions and conferences that will be held under the project.

## ANNEXES

### ANNEX 1: Logical Framework Matrix

Support to the Israeli Central Bureau of Statistics in National Accounts, Education Statistics, Survey Methodology, ICBS Website and Coordination of Israel National Statistical System (NSS).		Programme name and number:	
Israeli Central Bureau of Statistics		Contracting period expires:	Disbursement period expires:
		Total budget	Duration: 18 months
<b>Overall Objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of verification</b>	<b>Assumptions</b>
The general objective is to improve the quality and international comparability of Israel official statistics in key domains.	-Improved capacity of the ICBS to comply with EU and international statistical standards in national accounting and education statistics - Improved data collection methods -Improved strategic planning and coordination of the NSS -Improved ICBS website	<ul style="list-style-type: none"> <li>EU Country Report</li> <li>Reports of Central Bureau of Statistics (CBS)</li> </ul>	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of verification</b>	<b>Assumptions</b>
<p>To support the Israeli Central Bureau of Statistics (ICBS) in aligning National Accounts, Educations Statistics and Survey Methodology to the EU and other international organizations standards and guidelines,</p> <p>To enable the ICBS to better coordinate the National Statistical System (NSS) and prepare strategic plan for official statistics, including dissemination and communication strategy,</p> <p>To redesign the ICBS website to meet users' needs.</p>	<p>National Accounts (Public Finance Statistics, Financial Accounts, Balance of Payment, Environmental Accounting) and Education Statistics in line with recommendations from international organisations</p> <p>Strategic plan for ICBS drafted, short-term plans drafted for specific areas of ICBS in line with the overall strategy</p> <p>Measuring response burden and monitoring whether response burden is constant or lower at the same time as surveys are increasing</p> <p>More user friendly website</p>	<ul style="list-style-type: none"> <li>- ICBS website</li> <li>- Eurostat country report</li> <li>- ROSC and other international reports</li> <li>- Interim Quarterly Reports from this twinning</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing political and budgetary support to the ICBS</li> <li>- Ongoing good co-operation with other administrative bodies, especially Bank of Israel and Ministry of Finance</li> <li>-IT solutions in place for Improved statistics</li> </ul>
<b>Mandatory results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of verification</b>	<b>Assumptions</b>
<p>Component A</p> <p>1. Definition of the structure of improved government finance accounts cross-classified by sub-sectors and COFOG functions</p> <p>2. Presentation of EU experience on inter-institutional arrangements between National Statistics Offices and Ministries of Finances with regard to cooperation and data exchange</p> <p>3. Preparation of detailed work-</p>	<p>Government finance accounts prepared</p> <p>ICBS and MoF aware of options for inter-institutional arrangements and EU MS best practices</p> <p>Detailed plan for the development of financial</p>	<ul style="list-style-type: none"> <li>- ICBS website</li> <li>- ICBS press releases or other ICBS publication</li> <li>- Eurostat country report</li> <li>- ROSC and other international reports</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing good cooperation with Ministry of Finance</li> <li>- ICBS staff available for implementation of the projects</li> <li>- IT solutions in place</li> </ul>

<p>plan for the development of financial accounts by SNA</p> <p>4. Detailed working plan for the development of financial accounts in the BoP</p> <p>5. Definition of indicators on the provision of welfare services</p> <p>6. Definition of the structure of a satellite account on welfare, presenting expenditure and financing of welfare by sector</p> <p>7. Definition of the structure of waste and air environmental accounts</p>	<p>accounts by SNA 5 sectors and 9 sub-sectors prepared</p> <p>Work-plan of developing financial accounts in the BoP prepared</p> <p>Indicators of welfare services provision prepared</p> <p>Welfare satellite account prepared</p> <p>Waste and air accounts prepared</p>		
<p><b>Component B</b></p> <p>1. Detailed plan established for better estimates of early school dropouts</p> <p>2. Definition of new series of higher education statistics, including completion and non-completion statistics</p> <p>3. Establishment of an enhanced Register of Educational Attainment</p> <p>4. Establishment of a register of graduates working in R&amp;D</p> <p>5. Definition of indicators on researchers and scientists</p> <p>6. Plan established for compilation of indicators on culture and sports</p>	<p>Estimates of early school dropout prepared</p> <p>Higher education data prepared, with completion and non-completion statistics</p> <p>Register of Educational Attainment improved</p> <p>Register of graduates working in R&amp;D established</p> <p>Indicators on researchers and scientists prepared</p> <p>Culture and sports statistics prepared</p>	<p>- ICBS website - ICBS press releases or other ICBS publication - Eurostat country report</p>	<p>- Ongoing good cooperation with Ministry of Education and Commission for Higher Education - ICBS staff available for implementation of the projects - IT solutions in place</p>
<p><b>Component C</b></p> <p>1. Establishment of a long-term strategic plan for Israeli official statistics</p> <p>2. Establishment of a system and procedures for long- and short-term planning</p> <p>3. Establishment of a human resources recruitment plan</p> <p>4. Establishment of a training programme for new recruits</p>	<p>Long term strategic plan drafted</p> <p>Planning procedures established</p> <p>Recruitment plan established</p> <p>Training programme for new recruits established</p>	<p>- Eurostat country report - ICBS press releases or other ICBS publication - ROSC and other international reports</p>	<p>- Support from top-management in ICBS - Support from other organisations in NSS - ICBS staff available for implementation of the projects</p>
<p><b>Component D</b></p> <p>1. Establishment of quality control methods and tools for monitoring field interviewers</p> <p>2. Establishment of quality control methods and tools for monitoring telephone interviewers</p> <p>3. Establishment of a manual of</p>	<p>Report on plans for organisation of interviews</p> <p>Manual for interviewers</p>	<p>- ICBS website - Eurostat country report - ROSC and other international reports</p>	<p>- Ongoing political and budgetary support to the ICBS - Ongoing good co-operation with other administrative bodies, especially Bank of Israel and Ministry of Finance - IT solutions in place for Improved statistics</p>

guidelines for interviewers			
4.Detailed design of at least one web questionnaire	One designed web questionnaire		
5. Organizing a focus group interviews about cognitive aspects of questionnaire and interview design	Report on plan for focus group interviews		
<b>Component E</b>			
1.Drafting of an ICBS dissemination and communication strategy Document	Strategy drafted	ICBS website - Eurostat country report - ROSC and other international reports	- Ongoing political and budgetary support to the ICBS - Ongoing good co-operation with other administrative bodies, especially Bank of Israel and Ministry of Finance -IT solutions in place for Improved statistics
2. Drafting an evaluation report about the current website	Carrying out user satisfaction surveys of ICBS website		
3.Establishment of mechanisms for continuous monitoring of user satisfaction with the website	Plan drafted		
4.Establishment of a plan for redesigning of the website, including an improved search function	Rules and linkages to data warehouse established		
5.Establishment of rules for updating of the website, including linkage of the data warehouse to the website			
<b>Activities</b>	<b>Means</b>	<b>Specification of costs</b>	<b>Assumptions</b>
	(RTA – throughout the project)		
<b>A - National Accounts</b>	STEs		
A.1: STE-mission with a workshop or consultation on public finance statistics	STEs		
A.2: STE mission with a workshop or consultation on financial accounts	STEs		
A.3: STE mission with a workshop on inter-institutional arrangements between National Statistics Offices and Ministries of Finance	STEs		
A.4: STE mission with a workshop or consultation on efficient transfer	STEs		
A.5: Study visit to MS institution	Per diem for participants		
A.6: STE mission with Workshop or consultation on Balance of Payment	STEs		
A.7: STE mission with a Workshop or consultation on Balance of Payment, follow-up on activity A 7	STEs		
A.8: Study visit to MS institution	Per diem for participants		
A 9: STE mission with	STEs		

<p>Workshop or consultation on how to improve data scope and quality of the welfare statistics</p> <p>A 10: STE mission with workshop or consultation on administrative data and international definitions in welfare statistics</p> <p>A 11: Study visit to MS institution</p> <p>A 12: STE-mission with a workshop on methodology in Environmental Accounting</p> <p>A 13: STE mission with workshop or consultation on aligning NAMEA and SEEA recommendations</p> <p>A 14: Study visit to MS institution</p>	<p>STEs</p> <p>Per diem for participants</p> <p>STEs</p> <p>STEs</p> <p>Per diem for participants</p>		
<p><b>B - Education Statistics</b></p> <p>B.1: STE mission with workshop or consultation on education statistics</p> <p>B.2: STE-mission with Seminar on guidelines for data collection based on administrative data</p> <p>B.3: STE mission with workshop or consultation on ICT tools for administrative data</p> <p>B.4: STE mission with workshop or consultation on administrative data and international definitions in education statistics</p> <p>B.5: Study visit on student dropout to MS institution</p> <p>B.6: Study visit on administrative data sources to MS institution</p>	<p>STEs</p> <p>STEs</p> <p>STEs</p> <p>STEs</p> <p>Per diem for participants</p> <p>Per diem for participants</p>		
<p><b>C - Coordination of the NSS and strategic planning</b></p> <p>C.1: STE-mission to Review mission and objectives of CBS</p> <p>C.2: STE mission to carry out position analysis</p> <p>C.3: STE missions to identify and assess possible solutions</p> <p>C.4: STE mission Select strategy</p> <p>C.5: STE mission to Formulate specific short term plan in the area of human resources management</p>	<p>STEs</p> <p>STEs</p> <p>STEs</p> <p>STEs</p> <p>Per diem for participants</p>		

C.6: Study visit to MS institution			
<b>D – Data Collection by Field Surveys</b>  D.1: STE-mission with workshop or consultation on respondent strategy  D.2: STE mission with workshop or consultation on efficient use of telephone interviewing  D.3: STE missions with workshop or consultation on response burden  D.4: STE mission with workshop or consultation on web-reporting  D.5: Study visit to MS institution	STEs STEs STEs STEs Per diem for participants		
<b>E – ICBS Web site</b>  E.1: STE-mission to Assess the current web-site E.2: STE mission to Improve website - quick fixes E.3: STE mission with workshop or consultation on improvement of website E.4: STE missions with workshop or consultation on long-term plan for databases of the website E.5: Study visit to MS institution	STEs STEs STEs STEs Per diem for participants		

**ANNEX 2: IMPLEMENTATION CHART**

Years	2012												2013												2014												
Months	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	
<b>Twinning project</b>									T	T	T	T	T	T	T	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I				

T – Tendering and contracting

I – Implementation

### **ANNEX 3. Background information about the ICBS**

#### **Organization of the ICBS; Departments and Domains (as in March 2012)**

- Office of the Government Statistician: Legal Advisor, Information and Media Relations, Data Security Officer, Internal Auditor
- International Relations and Statistical Coordination (within the Office of the Government Statistician): International Relations, Coordination of the NSS, Strategic planning
- Demography and Census: Integrated Census Planning and Development, Demography, Health and Vital Statistics, GIS and Geography, Welfare Statistics
- Chief Scientist: Leading Economic Indicators, Social and Economic Research, Social and Economic Surveys - Consumer Confidence, Israel Longitudinal Survey of Families
- Education and Teaching Staff (within the Chief Scientist Department) Education Statistics, Higher Education, Teaching Staff, Education Register, Longitudinal Educational Research
- Macro-economics: National accounts, Balance of Payments, Foreign Trade, General Government Accounts, Social Services Accounts, Welfare accounts
- Micro-economics: Consumer Prices and PPP, Input Prices, Prices in Industry and Services, Consumption and Finances, Labour Statistics, Wages Statistics
- Economic Infrastructures: Construction and Local Authorities, Transportation and Communications, Agriculture, Environment and Energy
- Business Economics Industry and Business, Input and Output, Business Register and Classifications, Business Surveys, Job Vacancy and Business Tendency Surveys, Tourism
- Statistical Methodology: Statistical Analysis, Statistical Methodology, Census Methodology, Census Planning and Evaluation, Data Processing
- Surveys: Surveys Planning – Households, Business – Field Data-collection Centre, Telephone Data-collection Centre
- Administration and Human Resources: Publication, Quality and Excellence, Planning and Organization, Material Resources, Security, Budget and Costing, Industrial Engineering and Management
- Human Resources (within the Administration and HR Department): Human Resources, Training and Social services
- Information Technology: Applications Development, Technology Infrastructure, Internet, GIS, Quality Assurance

- Local branches: Headquarters in Jerusalem and two regional centres, Haifa and the North, Tel Aviv and Central Area & the South.

### **ICBS Mission<sup>14</sup>, Guidelines and Policy Objectives**

“The ICBS, as the professional organization responsible for the official statistics of the State of Israel, is committed to providing updated, qualitative and independent statistical information, for a wide variety of users in Israel and abroad”.

The ICBS:

#### **1. Acts by legal authority to collect and disseminate official data on the society and economy of Israel**

- 1.1. CBS operations are carried out according to the Statistics Ordinance, which has been changed and updated over the years according to developments and changes that have occurred in society.
- 1.2. The Statistics Ordinance defines the roles of the Government Statistician, the functions of the CBS and the role of the Public Council for Statistics, as well as the public's duty to provide details as required and to cooperate with the CBS.
- 1.3. The CBS has the legal authority to collect data from the population of households, businesses and any other party, as well as to use administrative records, for performing statistical operations.
- 1.4. The CBS policy of publication of statistical information is based on the principle of freedom of information.
- 1.5. Publication of data under the Statistics Ordinance is subject to safeguarding confidentiality, and any other law, such as the Privacy Protection Act and its associated regulations.

#### **2. Is sovereign and independent**

- 2.1. A unit affiliated with the Prime Minister's office, which operates independently and according to scientific principles.
- 2.2. Decisions relating to statistical methodology, work processes, dissemination of information and the dates of its presentation to the public are made according to professional criteria and accepted standards
- 2.3. An advance release calendar for publication of data ensures that the information distributed by the CBS is accessible to the entire public at one and the same time.

#### **3. Leads the national statistical system**

- 3.1. The CBS is the main producer of official statistics in the country. It collaborates with government agencies and local authorities who, under the Statistics Ordinance, are also authorized to produce official statistics.
- 3.2. The CBS leads the statistical system and consolidates the majority of official statistics in various fields.
- 3.3. The Government Statistician, who heads the CBS, advises on the performance of statistical acts by government ministries and other government agencies that collect and publish statistical information.

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<sup>14</sup> [http://www1.cbs.gov.il/www/publications/hazon\\_e.pdf](http://www1.cbs.gov.il/www/publications/hazon_e.pdf)

3.4. The CBS coordinates the transfer of statistical data from the entire statistical system to international organizations, in accordance with agreed-upon standards.

#### **4. Provides information that addresses the needs of a wide variety of users**

The CBS assesses the needs of information users, as follows:

- 4.1. The Public Council for Statistics meets on a regular basis, and advises the Government Statistician and the CBS on matters relating to statistical acts, as well as representing the institutions and bodies that use their data.
- 4.2. The CBS conducts ongoing professional consultation with users in various fields.
- 4.3. The CBS involves users in the process of making decisions about responses to their needs.

#### **5. Seeks to broaden the use of statistical data**

- 5.1. Publishes data that allow for information-based decisions.
- 5.2. Strives to provide data that can be used to conduct productive and efficient research.
- 5.3. Strives to expand the variety of products and their modes of dissemination, as well as the services provided to users.
- 5.4. Strives to bring different population groups closer to statistical information.
- 5.5. Strives to develop, update and improve the CBS website and facilitate access to the information published therein.
- 5.6. Maintains ongoing contact with users, and notifies them about new or updated information.

#### **6. Produces statistical information while scrupulously ensuring its quality**

The CBS is working towards producing statistical information whose quality is measured by accepted indicators (EUROSTAT)<sup>15</sup>:

- 6.1. Relevance – the information is adapted to the needs of existing and potential users.
- 6.2. Accuracy – The information reflects, as much as possible, the real characteristics of the population.
- 6.3. Timeliness, timing, and punctuality – Information published as close as possible to the reference period measured, and disseminated according to predetermined schedules.
- 6.4. Accessibility and clarity – Creating physical conditions for access to data, and presenting all of the relevant information required to understand it.
- 6.5. Comparability – Providing uniform definitions of data,, which allow for comparisons over time and among geographic regions, population groups, and countries.
- 6.6. Coherence – Harmonization and standardization of information that is obtained from various sources and used for different purposes.
- 6.7. Transparency – Making information about the production of official statistics accessible, in accordance with professional standards and accepted ethical principles, so that the public will have confidence in the objectivity of the official statistics.

#### **7. Works toward continuously improving the quality of data and the processes of its production**

- 7.1. Shares knowledge and experience with professionals outside of Israel, including international organizations and other statistical bureaus worldwide.
- 7.2. Strives to improve and expand the means and processes of information production, in cooperation with the scientific community and the Public Advisory Committee for Statistics.

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<sup>15</sup> <http://epp.eurostat.ec.europa.eu/portal/page/portal/quality/documents/ess%20quality%20definition.pdf>

7.3. Performs ongoing process control.

**8. Works toward the enrichment of the organization's human capital, and the continuous improvement of its organizational and technological infrastructure**

- 8.1. Examines the organizational structure of the CBS and adapts it in order to achieve its goals and objectives.
- 8.2. Establishes and operates designated committees to increase its work efficiency.
- 8.3. Engages in ongoing training and enrichment of its employees through assigned programs in Israel and abroad.
- 8.4. Examines procedures and tasks in order to adapt them to changes that occur inside the CBS and outside it.
- 8.5. Assimilates a quality management system based on designated quality frames.
- 8.6. Develops and assimilates tools for management and preservation of knowledge.
- 8.7. Develops and assimilates advanced technological tools for collecting, processing, and disseminating data.

**9. Works toward reducing the public's response burden, and achieving the cooperation of data providers**

- 9.1. Strives to broaden the use of administrative files, in order to reduce the need for direct data collection.
- 9.2. Strives to develop questionnaires that are clear and user-friendly to respondents and interviewers.
- 9.3. Strives to reduce the public's response burden in various surveys.
- 9.4. Makes continuous efforts to improve the skills of interviewers working on behalf of the organization.

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**10. Adheres to the principles of protecting the confidentiality of the data collected**

- 10.1. The CBS and its employees are obligated to maintain the confidentiality of information under the Statistics Ordinance.
- 10.2. Strives to secure the confidentiality of information at various levels of security.
- 10.3. Strives to reduce its employees' access to files that include data with individual identifiers.
- 10.4. Allows access to detailed information only for authorized personnel

The guidelines and policy objectives listed above constitute a challenging agenda. Particularly relevant for the Twinning are the following issues:

- The need for the ICBS to keep abreast with international methodological and operational developments and best practices
- The demand for improved strategic planning to meet national and international needs for statistics, including coordination of statistical activities within the Israeli National Statistical System
- Increased use of administrative data sources for statistical purposes in order to simultaneously reducing the reporting burden and improving data quality, including timeliness
- Improving data dissemination systems to reach out to a broader public and to better serve the users of statistics