



## **CES In-depth review of exchange and sharing of economic data**

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# Background and scope

- 2015: Guide to Measuring Global Production
- 07/2015: Meeting of Group of Experts on National Accounts
- 10/2015: CES Bureau selected exchange and sharing of economic data for an in-depth review\*
  - In-depth review was limited to data sharing for producing official statistics (data sharing for research purposes and Big Data were out of scope)
  - In-depth review covered the data sharing in national and international framework
- 05/2016: Group of Experts on National Accounts discussion on data exchange
- 06/2017: CES discussion of the outcomes of the in-depth review

\*(Statistics Finland coordinated the work and UNECE provided secretariat. Contributions were received from Canada, Ireland, Netherlands, UK, Eurostat, OECD, IMF, UNSD and WTO)

# International data sharing activities

- Actions to reduce overlap of reporting and solutions between international organizations to share data received from NSIs
  - World wide initiative SDMX
  - SDDS+ (IMF)
- Solutions to facilitate microdata exchange for cross border activities and corporate structures
  - Eurostat: SIMSTAT, FDI Network, EGR
- Developing handbooks and guidance
  - OECD and UNSD
- Analysis of global economy (including identifying trade asymmetries)
  - Global supply and use- frameworks
  - OECD, Eurostat, WTO-UNCTAD-ITC

# National office data sharing practices

- CES survey of national experience in exchange and sharing of economic data: spring 2016, 48 responses
- Statistics Finland: Reuse of secondary data at national level
- Statistics Canada: Bilateral data exchange in trade data
  - 25 years experience in exchange of import micro-data (US)
  - Memorandum of Understanding
- Finnish Customs: Exchange export micro-data via SIMSTAT HUB
  - Partner Id
  - Dependency
- CSO Ireland: Aggregated data confrontation to solve asymmetries
  - FDI, respondent trust
- ONS: Profiling
  - International data sharing is paramount

# Benefits in data sharing

- 1 Improving data quality (addressing data asymmetries)
- 2 Reduced response burden
- 3 Efficient production system
- 4 Coverage and precision
- 5 Promote common business identifiers
- 6 Improved understanding of multinational enterprises (MNEs)

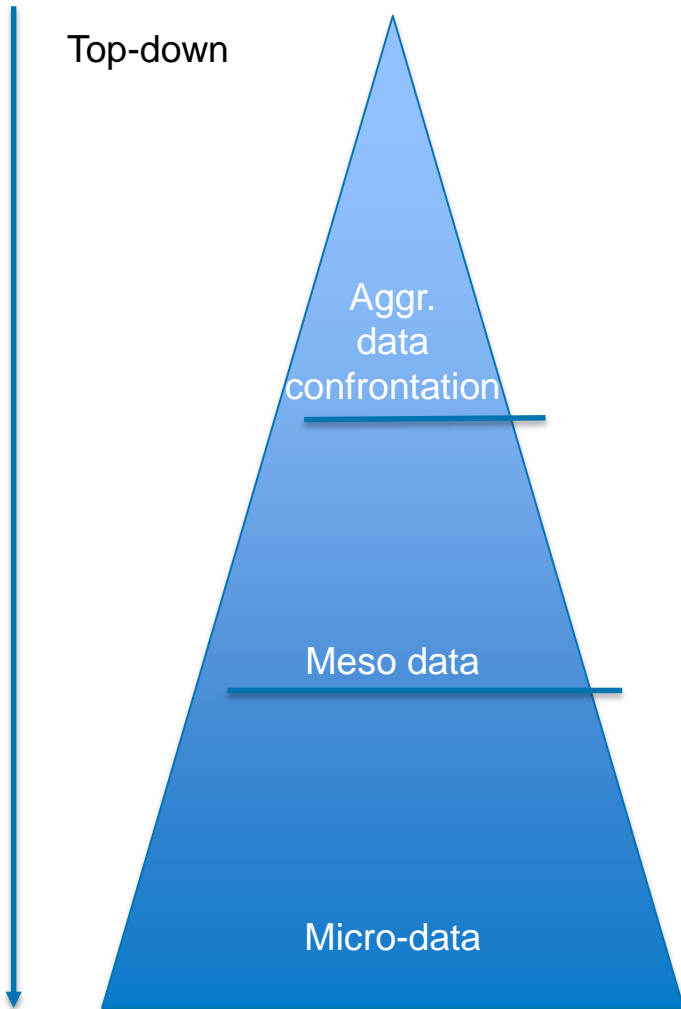
# Challenges and risks

- 1 Legal constraints
- 2 Safeguarding confidentiality
- 3 Dependency on external data providers
- 4 Timeliness of external data sources
- 5 Differences in concepts and classifications
- 6 Quality issues in source data
- 7 Maintaining respondents trust
- 8 Technical capacity to handle data sets
- 9 Willingness to exchange data

# Conclusions

- The data sharing is a delicate issue; the way forward should be addressed in small and achievable steps
- National data sharing is a well-established practice
  - Still countries working at different level;  
need of guidance and sharing of tools and good practices
  - Emerging issue; accessing private data sources, negotiating and raising awareness of private data holders

# Conclusions



- International data confrontation at aggregated level helps to identify data asymmetries
  - Light version; no data confidentiality issues
  - Top down approach; from macro level to more detailed meso aggregates e.g. to get better view of activities of MNEs
- International exchange of cross border data at micro level
  - Efficiency gains, reduced response burden and improved quality
  - Share and learn from the well-established practices
- Engaging in more active data exchange requires profound cultural change in the statistical system



# Way forward: The need to set up CES Task Force

- 10/2016 the CES Bureau discussed the in-depth review and stressed the urgent need to operationalize the exchange of data between national statistical offices, and asked to identify key streams and priorities for further work
- Based on this a ToR for the Task Force on Exchange of Economic Data was prepared for the Bureau meeting in February 2017 and approved in March 2017
- The Task Force was established under the CES Steering Group on National Accounts and will report to the CES and its Bureau
- The Task Force will have three years mandate
- The results of the work will be discussed by the
  - The Groups of Experts on National Accounts and on Business Registers
  - The Task Force will consult ISWGNA and AEG to ensure co-ordination

# Way forward: The activities in the ToR of the CES task force

- Objectives of the Task Force are twofold
  - At the first stage (4/2017-6/2018) the Task Force will analyse concrete examples of data exchange implemented by NSOs (in measuring, profiling and compiling data on MNEs)
  - At the second stage (7/2018-6/2020) the Task Force will develop guidance, tools and principles to facilitate the exchange of economic data (including granular data and information on business structures)
- The Task Force should co-ordinate the work with
  - G20 Data Gaps Initiative,
  - Eurostat's Integrated Global Accounts (IGA) projects,
  - Expert Group on International Trade and Economic Globalization Statistics,
  - The CES Task Force on Common Elements of Statistical Legislation and the Data Integration Project under the UNECE HLG-MOS

# Way forward: The activities in the ToR of the CES task force

- Activities at the 1<sup>st</sup> stage 4/2017-6/2018
  - Review concrete examples where data exchange implemented by NSOs has ensured correct and meaningful measurement of multinationals and their activities in national accounts, balance of payments and related statistics and would help avoid asymmetries and misinterpretation;
  - Identify enablers and obstacles of data sharing based on the review and propose practical options for carrying out data exchange.
  - Propose ways to detect those MNEs and major changes in their activities that are central for the quality of official statistics.
- The output of this stage will be a report which defines enablers and obstacles to data sharing and suggests practical solutions and tools to be further developed

# Way forward: The activities in the ToR of the CES task force

- Activities at the 2<sup>nd</sup> stage 7/2018-6/2020
  - Identify innovative ways to exchange economic data (including granular data and information on business structures) on MNEs and on aggregated level.
  - Develop guidance, tools and principles for the exchange of data that would enable the NSOs to maintain the quality of national accounts, balance of payments and related economic statistics. Review the application of existing typologies for data sharing. The guidance should take into account confidentiality, respondents' trust and legal constraints, and consider:
    - Data exchange on MNEs among producers of official statistics;
    - Access to the necessary external data sources, including administrative and private data sources;
    - Technical, methodological and communicational aspects of MNE data exchange;
    - Good practices in analysing MNEs' activities in official statistics.

The main output of this stage will be guidance on national and international exchange of economic data.