STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Fifty-first plenary session
(Geneva, 10-12 June 2003)

**PROGRAMMES OF INTERNATIONAL STATISTICAL WORK IN THE ECE
REGION, 2003/2004 AND 2004/2005: AN INTEGRATED PRESENTATION**

(Post-plenary session version)

**PROGRAMME ACTIVITY 3
ECONOMIC STATISTICS**

Paper prepared by the ECE secretariat

Introduction

1.   This document is part of the "Integrated Presentation of International Statistical Work" which provides a summary overview of the statistically-related work that international organisations plan to carry out in the next two years that is likely to have an impact on ECE, EU and OECD countries. The Integrated Presentation is presented by work area in six different addenda. The information presented in this addendum refers to work area or "Programme Activity" 3 which is entitled "Economic Statistics", and it is sub-divided into fifteen "programme elements (PE)" or fields of work.

2.   This version of the Integrated Presentation was prepared as the post-plenary session version of the Integrated Presentation and it contains the decisions that the Conference took in each work area during the plenary session. The Conference uses it as an aid in carrying out its primary role of coordinating the international statistical work that is planned to be carried out in the next two years which is of relevance to ECE, EU and OECD countries. It is also used by countries to plan their statistical activities and to decide on their participation in different meetings convened by the various international organisations.

3.   The Bureau of the Conference of European Statisticians agreed at its meeting on 13-14 February 2003 that the full version of the Integrated Presentation will be produced and disseminated in future in English only. The reason is that in previous years the translation of the Integrated Presentation into French and Russian was often delayed and not available in time for the CES plenary session in the three ECE official languages. However, the Bureau decided that an excerpt of the Integrated Presentation (totalling about 90 pages) be prepared. This excerpt is translated into French and Russian. The shorter version of the Integrated Presentation is presented in document CES/2003/4. It offers in an integrated unique document general information on the various statistical areas, and includes the following sections: goals, issues and problems, strategic medium-term objectives; expected outcomes in the next two years; attention of the Conference is drawn to; meetings and activities of the CES.

PE 3.1

PE	Heading	Text
3.1	Title	**Implementation of the system of national accounts**
3.1	Goal	That there exists the full range of high quality national accounts data produced according to SNA/ESA standards for all CES countries with lengthy time-series.
3.1	Issues & problems	♦ The following task forces of national accounts experts have been set up: ▪ Insurance services with emphasis on catastrophe insurance ▪ Banking services, especially portfolio management ▪ The Canberra Group has been called upon by ISWGNA to review the treatment of non-financial assets. A Canberra II group (secretariat OECD) has been instituted. The group is chaired by Australia. An EDG has been opened. ♦ Consistent application of SNA/ESA. For the OECD countries with the most developed statistical databases, these include a full range of accounts - production accounts, distribution, redistribution and use of income accounts, and accumulation accounts, balance sheets accounts, balance of payments, input-output tables, productivity measures, satellite accounts. ♦ Timeliness of transmission of the accounts, especially institutional sector accounts and general government accounts remains a serious issue ♦ The availability of balance sheet data on households is poor. The OECD is reviving its Financial Accounts Database. Significant progress is expected for the end of 2003. ♦ The comprehensiveness of the accounts compiled on the basis of the new SNA/ESA is also quite variable. ♦ For the transition economies, improvements in national accounts over the next few years are conditional on the improvement in the basic data underlying them to which priority should be given. ♦ Replacement of GNP with GNI in Eurostat's "fourth resource" calculations.
3.1	Strategic medium-term objectives	♦ Prepare SNA 93 Rev 1, for publication around 2008 ♦ Develop a common policy on the timing of national accounts revisions ♦ Implement the reform of the questionnaire, less annual data, more quarterly data ♦ Test the NAWWE initiative, designed to significantly lower response burden in the future
3.1	Expected outcomes in the next two years	♦ ECE to undertake survey of best practice in estimating service lives of fixed assets ♦ ECE to update Inventory of National Practices in Estimating Hidden and Informal Economic Activities for National Accounts. The inventory will be carried out as complimentary work to the Handbook on Non-Observed Economy developed by OECD/IMF/ILO/CIS-STAT ♦ EU manual on best practice in compiling price and volume indices in national accounts ♦ Common EU method to produce FISIM ♦ Improvements to quarterly national accounts ♦ Production and implementation of EU handbook on the compilation of Input-Output tables ♦ Draft EU handbook on compilation of capital stock ♦ Release of OECD data on capital services for productivity measurement. ♦ IMF report on the accrual of interest ♦ IMF report on treatment of non-performing loans

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3.1	Attention of the Conference was drawn to the following	♦ Future action in joint data collection : Eurostat, in cooperation with the OECD, is preparing a reform of the common questionnaire. The OECD has launched the NAWWE initiative, which objective is to have countries to update the tables of the questionnaire directly on their web-sites. Australia and Canada accepted to participate in the tests. This initiative should avoid any double or triple transmission by countries. International organisations would use directly these tables.
3.1	Decisions taken by the Conference	♦ The Conference approved the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below). ♦ The Conference backed the NAWWE initiative
3.1	Rapporteur	OECD
3.1	Meetings	♦ ISWGNA: Working group meetings, autumn and spring 2003 ♦ EUROSTAT WG: National Accounts, 3 times a year (25-26 February 2003, 20-21 May 2003, 17 October 2003) ♦ EUROSTAT WG: National Accounts Directors, twice a year (28 January 2003, 17 June 2003) ♦ EUROSTAT WG: Financial Intermediation Services Indirectly Measured (FISIM), once a year (15 December 2003) ♦ EUROSTAT Seminar: Quarterly National Accounts, once a year (7-9 July 2003) ♦ EUROSTAT: GNP Management Committee, 3 times a year (25-26 March 2003, 3-4 July 2003, 5-6 November 2003) ♦ OECD: task-force on insurance: February 2003 ♦ OECD: task-force on banking services: February 2003 ♦ Canberra II Group on non-financial assets: First meeting, 15-17 April 2003 ♦ Canberra II Group on non-financial assets: Second meeting, 13-14 October 2003 ♦ OECD: meeting of Financial Statistics Working Party, October 2003. Special session on pension funds. ♦ OECD Annual expert meeting, October 2003 and 2004 ♦ OECD Workshop on National Accounts for Balkan countries, April 2003 ♦ Delhi Group on Informal Sector Statistics: the next meeting will be held in 2003. It will most likely be a joint meeting with the Rio Group on Poverty Statistics and held in New Delhi. ♦ Joint ECE/OECD/Eurostat Meeting on National Accounts, Geneva, Spring 2004
3.1	Activities of Inter-secretariat Task Force on National Accounts	♦ The Inter-secretariat Working Group on National Accounts (ISWGNA) is the convener of a Task Force on National Accounts. The ISWGNA which consists of the UN secretariat, represented by UNSD and the Regional Commissions (ECE, ECA, ECLAC, ESCAP), Eurostat, IMF, OECD and the World Bank meets twice a year to co-ordinate issues related to the implementation of the 1993 SNA. The Working Group has a rotating chair that changes in March of each year right after the Statistical Commission session. The UNSD acts as permanent Secretariat of the Working Group. **Ongoing methodological work** ♦ The ISWGNA has been entrusted by the Statistical Commission with keeping the 1993 SNA up-to-date according to a well-defined process endorsed by the Statistical Commission. ♦ The ISWGNA has discussed and reached agreement on the treatment of the mobile phone licences, which have become an important issue given the number of countries around the world selling licences that confer rights to use a given radio spectrum. As requested by the Statistical Commission, the ISWGNA has also discussed the frequency of the updates of the System. It has recognised that the issue of incorporating future conceptual changes in the annual questionnaires of UNSD, OECD and Eurostat should be reviewed more closely to ensure that all sets of changes to the questionnaires are put through consistently within a reasonable time

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		frame. **New activities** ♦ Regarding further proposals on methodological revisions, the ISWGNA has created several electronic discussion groups, the Advisory Group of National Accounts Experts to the ISWGNA and the Canberra Group II on non-financial assets in order to engage experts around the world in a broadly based debate on the issues that need updating.
3.1	Activities of CES	**Ongoing methodological work**: ♦ In conjunction with the OECD's autumn 2003 meeting on national accounts, the ECE will organise a session devoted to issues of specific concern to transition economies. ♦ Joint ECE/OECD/Eurostat Meeting on National Accounts, Geneva, Spring 2004, to be held under the general motto of "Responding to user needs" to consider: (i) Short-term statistics and their relation to national accounts; (ii) Consistency of time series: practical solutions for defining long series when there are changes in methodologies and classifications; (iii) The link between satellite accounts and national accounts (including: do we have to benchmark satellite accounts to national accounts?); (iv) Quantitative methods to control the quality of national accounts (including the interaction with basic statistics); (v) Conceptual issues and recent methodological developments. **Priority objective of the methodological work to be undertaken in the next two years**: ♦ Complete surveys on (i) Best practices in estimating service lives of fixed assets; and (ii) Update the volume on Inventory of National Practices in Estimating Hidden and Informal Economic Activities for National Accounts published by the ECE secretariat in 1993. ♦ Initiate work on Countries' practices in estimating prices of exports and imports (including unit values). **Secretariat resources: Substantial**.
3.1	Activities of OECD	♦ OECD collects quarterly national accounts on countries' own definitions and classifications, and standardised annual national accounts on an SNA basis and detailed annual national accounts by activity. The first set of data is used intensively by economic analysts and forecasters in the OECD Secretariat. The second set is collected jointly with UNSD and Eurostat. The third set is for industrial analysis. ♦ In the period up to the end of 2000, OECD work has concentrated on the progressive implementation by Member countries of the new features of the 1993 SNA. As noted above, one of the main problems still remains the poor timeliness of the transmission of institutional sectors accounts, and in particular general government accounts. In addition, some countries (Switzerland, Turkey) have not yet implemented SNA 93. ♦ Under the auspices of the Statistical Working Party of the OECD CIBE, the Secretariat has pursued two major methodological projects: ▪ <u>Handbook on the Quality Adjustment of Price Indices for ICT products.</u> This handbook aims at providing a guide to statisticians concerned with quality adjustment procedures, in particular for ICT products. The handbook explains and compares more traditional quality adjustment procedures with hedonic techniques and provides theoretical and empirical guidance for the latter. The draft for most of the handbook is provided by Mr. Jack Triplett, consultant to the OECD Secretariat. A final draft is planned for the beginning of 2003. ▪ <u>Reader on productivity level comparisons.</u> This work aims at providing guidance on the measurement of productivity levels, in particular in an international context. A steering group of experts has reviewed a first draft and the Statistical Working Party of the OECD CIBE has favourably reviewed a second draft. Work

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		is scheduled for completion in 2003.
		♦ In addition OECD has started four task forces relating to specific treatments in national accounts: software measurement, financial services (focus on portfolio management), insurance services (focus on catastrophic losses), capital stock and intangibles (see the Expert Group on Capital Stock Statistics "Canberra Group").
		♦ Work on short-term economic statistics collected from non-Member countries is described in 1.3 and 3.99.
3.1	Activities of Eurostat	**Overall Goal**
		During the period 2003-2007 the Commission will aim to:
		♦ improve the quality, the development and production of statistics in the framework of the ESA 95 transmission program, in particular concerning the EMU Action Plan for the conduct of macroeconomic policy co-ordination and of monetary policy, for the Stability and Growth Pact and for the continued assessment of economic convergence;
		♦ intensify the implementation of the Regulation on the European System of Accounts (ESA 95);
		♦ revise the transmission program of ESA 95 regulation;
		♦ revise the collection system for balance of payments statistics.
		Ongoing methodological work
		Annual Economic Accounts:
		In the area of methodology of national accounts the principal tasks will be the following:
		♦ Implement methods to calculate and allocate FISIM (financial intermediation services indirectly measured)
		♦ Promote implementation in all Member States of improvements to measures of prices and volumes in national accounts, based on the EU Handbook and the related Commission Decision published in 2002. Continue work to develop hedonic methods for pricing computers.
		♦ Assist candidate countries in the application of ESA Final verification of the quality of national accounts compilation and data by the candidate countries prior to EU membership in 2004.
		♦ Review implications for national accounts of changes in balance of payments data: asymmetries and weakened intra-EU data.
		♦ Consolidate links between labour market statistics and national accounts (including social accounting matrices).
		♦ Clarify and interpret the ESA as and when problems arise, including possible amendments to SNA in conjunction with other international organisations in the ISWGNA.
		♦ Continued methodological co-ordination between national accounts and numerous areas of basic statistics including satellite accounts.
		Quarterly National Accounts:
		♦ Continuation of the implementation of ESA 95 following the precepts of the manual on quarterly accounts.
		♦ Completing the backward calculations for the euro-zone.
		Gross National Product and VAT:
		Particular projects include:
		♦ Work in Eurostat and the GNP Committee to verify and to improve the reliability, comparability and exhaustiveness of GNI/GNP data, based on Member States' inventories of the sources and methods they use in compiling ESA95 accounts. The inventories were delivered late in 2001 and will be thoroughly analysed and discussed with the Member States in 2002-2003.
		♦ Transversal, cross-country, studies of particular important new features introduced by ESA95.

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		♦ Review the possibility of separate, more explicit estimates of the hidden economy. ♦ Prepare accession of the candidate countries. ♦ Statistical assistance to the Budget DG in their verification of the statistical basis of the VAT-based "third resource" will continue at the rhythm of about seven Member States per year. **Priority objective of the methodological work to be undertaken in the next two years** Annual Economic Accounts In the area of methodological work the principal tasks will be the following: • Participate actively with countries and other organisations in work to review certain features of the SNA-93. • Make recommendations for better harmonised treatment of certain new features introduced by the SNA/ESA95. • Begin preparatory work to clarify concepts and to develop sources and methods for harmonised balance sheets for non-financial assets. Review and draw conclusions from inventories of sources and methods used by countries to compile their price and volume measures. Concerning national accounts data for the management of economic and monetary union, the priorities in 2003 will be: ♦ Reception, processing and publication of national accounts data according to the schedule set out in the ESA 95 regulation, in particular tables 15-19 on the Input-Output system. ♦ Improve timeliness and coverage of the ESA 95 transmission programme by accelerating the revision process of transmission programme (amending regulation, new regulations). ♦ Implementing the programme of the EMU Action Plan on improving coverage and timeliness of Table 1 of the questionnaire as well as other tables of the ESA 95 regulation. ♦ Implementation of a limited set of quarterly institutional sector accounts. ♦ Disseminating news releases, Statistics in Focus, ad hoc publications and the Panorama "The Economic Portrait of the European Union". ♦ Continuing collection and improvement of the accounts of the candidate countries in line with the ESA 95 transmission program. ♦ Implementing the rules of the manual on the Input-Output system. ♦ Improving the service to users. Quarterly National Accounts: ♦ Proposal for a Regulation of the European Parliament and of the Council on quarterly non-financial accounts for general government ♦ Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2223/96 with respect to the delays in the transmission of quarterly non-financial accounts, the abrogation of derogations and transmission of hours worked ♦ Proposal for a regulation on the European Quarterly Sector Accounts (reduced set of variables) **New activities to be undertaken in the next two ye ars** Annual Economic Accounts: ♦ Develop a common policy on timing of revisions to national accounts data. ♦ New problems will arise from the extension of ESA to balance sheets of fixed and financial assets and input-output tables. Interpretations needed for the excessive deficit procedure. Quarterly National Accounts: ♦ Implementation and consolidation of the project on flash estimates. ♦ Implementation of the EMU Action Plan and the EFC progress reports, in particular

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		reducing the delays for the euro-zone estimations and also the quality of these estimations. ♦ Developing and implementing methods on seasonal adjustments following the recommendation of the Task force. Gross National Product and VAT: From 2002 GNP (gross national product) according to ESA79 will be replaced by GNI (gross national income) according to ESA95 in calculating the so-called "fourth resource". This resource will represent about 50% of the EU budget receipts, while VAT will contribute around 35%. The Court of Auditors and the European Parliament will be increasingly attentive to the comparability and reliability of the data. Particular projects include: ♦ National accounts statisticians develop and implement additional tools to assess and demonstrate the quality of national accounts data.
3.1	Activities of UN Statistics Division	**Ongoing methodological work:** ♦ Preparation of SNA data and conceptual assessments and analysis based on the UNSD national accounts database. ♦ In cooperation with the IMF and CEPAL, UNSD edits, publishes and disseminates worldwide the printed bi-annual ISWGNA newsletter "SNA News and Notes" in four languages. Also the electronic formats of English, French and Spanish versions are posted in the UNSD website. The newsletter contains information on clarifications, interpretations and changes in the 1993 SNA; country experiences in the SNA implementation as well as publications, meetings and seminars and other relevant information. ♦ Preparation of a guide for Compiling the System of National Accounts 1993 – a Practical Introduction ♦ Preparation of a handbook on the Non-Profit Institutions in the System of National Accounts in collaborations with the Johns Hopkins University Institute for Policy Studies.
3.1	Activities of International Monetary Fund (IMF)	♦ The IMF conducts two- to three-week on-site missions to its member countries to assess the quality of the national accounts and assist in their further development. Particular emphasis is placed on the development of a database and estimation techniques to calculate quarterly national accounts. ♦ The IMF also conducts training courses on the 1993 SNA and on quarterly national accounts at the IMF Institute in Washington, the Joint Vienna Institute, and other venues. ♦ The IMF contributed to the drafting of the Handbook on the Non-Observed Economy, and has been involved in publishing the System of Environmental and Economic Accounts 2000. ♦ The IMF moderator has written a report on the accrual of interest in the 1993 SNA, summarizing the results of an electronic discussion group. ♦ Other electronic discussion groups have been created on the treatment of non-performing loans, and on the recording of pension schemes.

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3.1	Activities of ILO	♦ A handbook on "Measuring the Non-Observed Economy" was published jointly by the OECD, IMF, ILO and CIS STAT in 2002. ILO also plans to prepare a manual on methodology for informal sector surveys. ♦ A conceptual framework for supplementing the enterprise-based concept of employment in the informal sector with a job-based concept of informal employment was developed for discussion by the International Labour Conference in June 2002. With the aim of developing statistics on informal employment (in addition to statistics on employment in the informal sector), the framework will also be presented to the 17th International Conference of Labour Statisticians (24 November - 3 December 2003). ♦ Following a request by the International Labour Conference in June 2002, a proposal for a programme of ILO technical assistance and training on statistics of the informal economy is being developed. ♦ The ILO database on statistics of employment in the informal sector and related metadata was updated in 2001 and an "ILO Compendium of official statistics on employment in the informal sector" was issued in 2002. Another update of the database is planned for 2003. Further efforts will be made to harmonize existing national data to the extent possible.
3.1	Activities of the Canberra II Group on non financial assets	In 2001, the OECD published a manual on measurement of capital stocks, consumption of fixed capital and capital services called "Measuring Capital", which was a product of the Canberra Group on Capital Stock Statistics. The manual goes a long way to describing capital measurement but also leaves open a number of issues. It is in this context that the United Nations Statistical Commission created a city-group named "Canberra II Group on non-financial assets" with the objective of proposing clarifications or changes of the SNA. The first meeting of the group will take place in Voorburg in April 2003 and the deadline for the Canberra II recommendations is the end of 2004.
3.1	Activities of the Delhi Group on Informal Sector Statistics	The Delhi Group on Informal Sector Statistics will work on the recommendations of the Sixth Meeting of the Group, which was held during 16 to 18 September 2002 in Rio de Janeiro, Brazil. Contact person: Mr. K.K. Jaswal, Secretary, Ministry of Statistics and Programme Implementation, Sardar Patel Bhavan, Sansad Marg, New Delhi -110 001, Tel. No. 91-11-373 2150.
3.1	Activities of CIS-STAT	**Ongoing work:** Implementation of the System of National Accounts in the accounting practice of CIS countries in 2003-2005: ♦ Collection, analysis and dissemination of key macroeconomic indicators prepared on the basis of 1993 SNA concepts; ♦ Preparation of compilations (Russian-English) of CIS countries' national accounts and principal macroeconomic indicators, and analytical reports on production and use of gross domestic product in Commonwealth countries; ♦ Advisory assistance to CIS countries in refining methods of defining and reflecting economic processes and phenomena of relevance to CIS countries in their national accounts. **New activities:** ♦ Development of methods to calculate indices and define sources of information for comparisons of SNA accounts for non-profit institutions serving households and for the household sector.

PE 3. 2

3.2	Title	**Money and banking, government finance, and balance of payments**
3.2	Goal	That there exists a comprehensive, coherent and balanced system of money, banking government finance and balance of payments statistics capable of supporting government activities relating to developing and adjusting policy, and deepening the understanding of the determinants of globalisation.
3.2	Issues & problems	♦ Rapid change in the areas covered by finance statistics - especially in monetary and financial statistics. ♦ How to put in place an international financial architecture that will enhance and spread the benefits of globalization while minimizing its risks. ♦ Dissemination of data and metadata in finance statistics is especially challenging in part because, first, the use of data for monetary policy puts a high premium on timeliness of dissemination and, second, because the increasing extent to which data and metadata are needed beyond the national boundaries puts a high premium on rapid and user-friendly modes of distribution. ♦ Data quality is an especially important and/or difficult issue in areas of statistics that are, inter alia, derived from multiple sets of source data; are relatively newly developed and thus less familiar to users; and are used for policy and operational purposes. Several of the sets of finance statistics meet one or more of these criteria. ♦ Harmonisation with 1993 SNA of balance of payments, international investment position (IIP), government finance, and money and banking statistics.
3.2	Strategic medium-term objectives	For IMF: ♦ An IMF database consistent with the standards in the <u>Monetary and Financial Statistics Manual</u>. ♦ A compilation guide to accompany the Monetary and Financial Statistics Manual. ♦ Updating the fifth edition of the IMF's Balance of Payments Manual to take account of rapid changes in relevant areas such as services, financial derivatives and other financial activities, and to provide more detailed IIP guidelines. ♦ Assist member countries to compile IIP statistics. The Statistics Department released a document entitled International Investment Position: A Guide to Data Sources in November 2002 to provide practical advice on existing data sources that could be used to build an IIP statement within a relatively short time. ♦ Collection of Foreign Direct Investment (FDI) flow and stock data. ♦ Development of guidance on the compilation of financial soundness indicators to meet mandate from the IMF Executive Board. For Eurostat: ♦ Production of statistics needed for the conduct of macroeconomic policy and to support the Stability and Growth pact. For OECD: ♦ OECD will provide Internet access to the public at large to the information on Member countries resulting from the joint IMF/OECD Survey of Implementation of Methodological Standards of Direct Investment (SIMSDI). ♦ A joint OECD/World Bank web site will be organised and opened to the public on privatisation statistics.

3.2	Expected outcomes in the next two years	◆ OECD working papers on various methodological studies, including additional operational guidelines to foreign direct investment statistics, will be issued to the public as they become available. ◆ Eurostat compilation manual on sources and methods for financial accounts should be operational within in the next two years. ◆ IMF Compilation Guide on Financial Soundness Indicators (end-2003). ◆ Conversion of the IMF's databases for the *Government Finance Statistics Yearbook* and for *International Financial Statistics* to comply with the *Government Finance Statistics Manual* (end-2003). ◆ Conversion of the IMF's databases of monetary and financial statistics to comply with the *Monetary and Financial Statistics Manual*. ◆ Publication of *Producer Price Index Manual* (2002). ◆ Automated data collection of balance of payments statistics (IMF). ◆ Issuing of guidance for the compilation of FDI flow and stock data and their dissemination via UNCTAD. ◆ Issuing of guidance for the compilation of external debt statistics. ◆ Preparation for CIS countries in 2004 of *Basic provisions of a new international standard for monetary, credit and financial statistics* (CIS-STAT). For ECB: ◆ Further improvements to bank (MFI) balance sheet data and derivation of monetary statistics and counterparts from them. ◆ Improvements to data on securities issues, interest rates. ◆ Data on (non-monetary) financial institutions. ◆ Better data on the balance of payments (notably in the areas of investment income and portfolio account). ◆ Better links between balance of payments and monetary statistics. ◆ Financial accounts for the euro area, starting with financing and investment of non-financial sectors. ◆ The ECB intends to develop a Centralised Securities Database as a means of improving the treatment of negotiable securities across the financial accounts.
3.2	Attention of the Conference was drawn to the following	◆ Future action in joint data collection (concerns transition economies): UNCTAD and Eurostat will endeavour to resolve the issue, subject to resource constraints. ◆ Problems that countries are facing in collection of good quality data on balance of payments.
3.2	Decisions taken by the Conference	None
3.2	Rapporteur	IMF

3.2	Meetings	♦ ECB Statistics Committee: about 5 meetings per year (Working groups reporting to the Committee meet with varying frequency) ♦ EUROSTAT WG: Financial Accounts, twice a year (13-14 May 2003, 20-21 November 2003) ♦ EUROSTAT WG: Short Term Public Finance Statistics, twice a year (18-20 June 2003, 11-12 December 2003) ♦ (Meeting in June a Joint Eurostat-ECB WG incl. Quarterly Financial Accounts for the Government Sector) TO BE CONFIRMED ♦ EUROSTAT WG: Balance of payments, twice a year (20-21 March 2003, 15-16 October 2003) ♦ EUROSTAT Committee on Monetary, Financial and Balance of payments statistics (CMFB), twice a year (30-31 January 2003, 26-27 June 2003) ♦ OECD: Steering Group on Revenue Statistics, 3 June 2003 ♦ OECD: Steering Group on Revenue Statistics, 25 November 2003 ♦ OECD: Steering Group on Revenue Statistics, 8 June 2004 ♦ OECD: Working Party on Financial Statistics, November 2003 ♦ OECD: Working Group on Insurance Statistics (ad hoc meetings, as required) ♦ Inter-Agency Task Force on Finance Statistics (ad hoc meetings, as required)
3.2	Intersecretariat Task Force on Finance Statistics	The IMF-chaired Inter-Agency Task Force on Financial Statistics (TFFS) has developed, and now disseminates on a quarterly basis, high frequency data on external debt through the joint BIS-IMF-OECD-World Bank Statistics on External Debt. The TFFS, in close consultation with national compilers, has developed new methodological guidelines for measuring external debt, and a final draft External Debt Statistics: Guide for Compilers and Users was published on the IMF's external website in late 2001. The IMF is editing the guide, and expects to publish it in English in early 2003. It is being translated into Chinese, French, Russian, and Spanish. The IMF, with the assistance of other TFFS members, has conducted eight seminars to disseminate the new standards. Other agencies represented in the TFFS have conducted seminars, in collaboration with other TFFS members.
3.2	Activities of CES	None
3.2	Activities of OECD	**Financial statistics:** ♦ Databases on: financial accounts; foreign direct investment (FDI flows and positions); institutional investors; statistics on funded pension schemes; privatisation proceeds; bank profitability - financial statements of banks; central government debt instruments; insurance statistics of which the coverage will be extended to include health insurance. ♦ Follow up from the joint survey with IMF on the implementation of methodological standards of foreign direct investment aiming to assess the implementation of recommendations included in the *OECD Benchmark Definition of Foreign Direct Investment*, 3rd edition and *IMF Balance of Payments Manual*, 5th edition. The activity will continue a) to review the content of survey results; b) to conduct methodological work to clarify specific issues; and c) to provide additional operational guidelines to national compilers. ♦ Task Force on Funded Pension Statistics, created to propose common definitions and methodology for data collection on funded pension schemes, will pursue its work to ensure harmonisation of the statistics in the OECD area. ♦ Task Force on Finance Statistics established to provide guidelines for the revision of the OECD financial statistics series [with special emphasis on financial accounts components according to SNA 93 and ESA 95]. ♦ Other methodological work related to financial statistics [the statistical treatment of non-profit institutions, of write-offs and write-downs, of asset-backed securities; consolidation within sectors and the treatment of holding companies; co-ordination

between financial accounts and income and product accounts; harmonisation of financial accounts statistics and government finance statistics; harmonisation between the rest of the world sector of financial accounts and balance of payments statistics; recording accrual of interest; assessing the methods of valuation and the use of "market valuation" in Member countries; seasonal adjustment of financial accounts; income and holding gains and losses; uses of financial accounts and the presentation of financial accounts; statistical treatment of mergers and acquisitions and the possible use of existing statistics] .

♦ Creation and development of a network of experts of foreign direct investment statistics [under the guidance of the Advisory Group on foreign direct investment statistics].

♦ Technical assistance to China, to Baltic countries and to South East Europe on foreign direct investment statistics and analysis.

♦ Technical assistance to China on financial statistics [developing and analysing financial indicators to meet the requirements of the financial sector reform].

♦ Compilation of FDI statistics for non-Member countries.

Revenue statistics:
This annual publication provides a conceptual framework to define which government receipts should be regarded as taxes and to classify different types of taxes. It presents a set of detailed, internationally comparable tax data in a common format for all OECD countries from 1965 onwards. The structure of the report has been revised to improve its accessibility to users. Future editions will update databases of level and structure of government revenue sources in OECD Member countries (in cooperation with IMF), and update the interpretative guide to accommodate reference to taxes in cooperation with IMF. New OECD Member countrie s will also be included. Special features dealing with specific areas of interest (e.g., the interpretation of tax-to-GDP ratios; the impact of revised GDP figures on reported tax levels) have become a new important component of the annual report. For 2003-4, methodological work will concentrate on the implementation of an accrual basis for reporting tax revenues.

Taxing Wages (previously entitled 'The Tax/Benefit Position of Employees'):
 This annual publication details the tax/benefit position of employees, covering personal income tax and social security contributions paid by employees and their employers, and universal cash benefits received by family units. Taxes and benefits are detailed for eight family-types, which differ by income level and household composition. The report also presents the resulting average and marginal tax rates. Future editions will include data on new OECD Member countries, and will be further revised to accommodate dynamic demand of policymakers.

Other activities:
♦ The Reporting Systems Division of the Development Co-operation Directorate provides statistical support to the Development Assistance Committee (DAC) and to the Inter-Agency Task Force on Finance Statistics. The work covers resource flows to developing, CEEC and NIS countries and norms and definitions for measuring and reporting the stock of external debt and reconciliation of debt flow data with balance of payments and debt stock data. The Division maintains the DAC System of aggregate official and private flows statistics and the Creditor Reporting System (CRS) on individual official transactions. It publishes comparative data on individual donor performance based on this information. It publishes external debt statistics annually and co-ordinates and publishes quarterly data on external debt and reserves taken from OECD sources, the Bank for International Settlements (BIS), the World Bank's Debtor Reporting System, and the IMF.

♦ To work with the ACC Inter-Agency Task Force on Finance Statistics to complete and publish a guide to users and compilers of external debt statistics. The Guide is now on the IMF website and will be published during 2002.

♦ To continue to publish quarterly Joint BIS, IMF, OECD, World Bank Statistics on

		External Debt with improvements to methods, coverage and timeliness as possible.
3.2	Activities of Eurostat	**Overall Goal** During the five year period 2003-2007 the Commission will aim to: ♦ pursue the development and production of statistics in the framework of the EMU Action Plan for the conduct of macroeconomic policy co-ordination and of monetary policy, for the Stability and Growth Pact and for the continued assessment of economic convergence; ♦ intensify the implementation of the Regulation on the European System of Accounts (ESA 95) and related legal acts; ♦ revise the collection system for balance of payments statistics. **Ongoing methodological work**: (i) Financial Accounts: ♦ The first issue of the manual on sources and methods for financial accounts shall be operational and an update could be envisaged. ♦ Regular dissemination of the data via Internet, statistics in focus and a hardcopy with data on CD-ROM should take place. ♦ Moreover, candidate countries will send their financial accounts data on an experimental basis. (ii) Money and Finance: *Government finance* ♦ Follow-up of the action plan of the EFC (Economic and Financial Committee). ♦ Changes to the ESA 95 annual data transmission programme (more detailed tables) ♦ The regulation of the European Parliament and Council on quarterly non-financial accounts entered into force in July 2002 and is implemented. ♦ The regulation on quarterly financial accounts of the government sector will be in force by then. ♦ Publication on "Structures of the taxation system in the EU". *Excessive deficit procedure* ♦ Audit missions in Member States will continue. ♦ A press release on debt and deficit data, will be published twice a year, and will include data on Government revenue and expenditure. *Work for candidate countries through pilot projects* ♦ Candidate countries will notify once a year (1 April) their debt and deficit statistics. ♦ Annual and quarterly government figures will be provided by candidate countries on a regular basis ♦ The collection of representative long-term interest rates of the government sector of candidate countries (Convergence criteria) will be carried out in close collaboration with the European Central Bank. ♦ Training courses by Eurostat staff and traineeships for statisticians from candidate countries in Member States are foreseen under the pilot project. *Financial Indicators* ♦ The work on the euro-yield curve (publication, further refinement, and adaptation for other purposes) will continue. ♦ Establishment of joint reporting to Eurostat and the ECB of financial indicators from Candidate Country central banks (iii) Balance of Payments: See activity 3.6. **Priority objective of the methodological work to be undertaken in the next two years** (i) Financial Accounts: Proposal for a Regulation of the European Parliament and of the Council on quarterly financial accounts for general government. (ii) Money and Finance: ♦ Methodological work on quarterly non-financial accounts for the general government sector especially for the transactions covered by the EP and Council Regulation

		♦ A 'Yellow Book' on the evaluation statistics by Eurostat of Candidate Countries' data on debt and deficit statistics will be made available annually (iii) Balance of Payments: See activity 3.6. A regulation defining the statistics requirements of the Commission will be prepared. **New activities to be undertaken in the next two years** (i) Financial Accounts: Quarterly financial accounts for the central government sector will be submitted for the first time. (iii) Balance of Payments: See activity 3.6.
3.2	Activities of the European Central Bank	**Ongoing methodological work** General: ♦ Development of a comprehensive statistical framework of quarterly financial and non-financial accounts, also aimed at enhancing consistency between different statistics. ♦ Improve statistical recording of securities issues, redemptions, outstandings, and holdings of securities, through implementation of a centralised securities database. ♦ Contribute to further development of seasonal adjustment/working day adjustment techniques, and their application. ♦ Intensify work with acceding countries to prepare them for entry into EU and eventually euro area. ♦ Continue efforts to improve data dissemination and exchange (in collaboration with other European and international institutions). ♦ The ECB is enhancing considerably the range of monetary statistics and MFI (retail) interest rate statistics. ♦ A report was published on the ECB web site following the work of the Task Force on Portfolio Investment Collection Systems in the framework of balance of payments and international investment position statistics. In addition, the document "Balance of payments and international investment position statistical methods" is available on the ECB web site for the European Union (Update of November 2002) and the Accession countries (Update of May 2003). Money and banking and related statistics: ♦ Implementation of new banking (MFI) balance sheet (stocks & flows) and MFI (retail) interest regulations. ♦ Development of new statistics for financial intermediaries (excluding insurance corporations & pension funds). ♦ Contribute to further development of macro-prudential financial stability indicators. ♦ Development of common methodologies for calculating the comparable euro area financial markets statistical indicators. Balance of payments and related statistics: ♦ Contribution to development of b.o.p. collection systems in EU Member States. ♦ Improvements to compilation of portfolio investment account and related income. ♦ Work to improve consistency between monetary statistics, Rest of the World account in national accounts and b.o.p./international investment position (i.i.p.) statistics. Financial accounts: ♦ Amplify present quarterly table on financing and financial investment of non-financial sectors in euro area. ♦ Contribute to development of quarterly sectoral accounts. **Priority objective of methodological work** The objective is always to improve the quality, timeliness, relevance and general usefulness of data needed to support the ECB's conduct of monetary policy and other functions under the Treaty on European Union. In achieving this objective, close attention is paid to ensure that international standards are met as far as possible.

		Completed work is usually embodied in an ECB legal instrument (published regulation/guideline), compilation guide, handbook or similar. **New activities** All of the items listed above contain new elements or a substantial intensification of existing work, but none of them are wholly new. There are no plans to discontinue activities.
3.2	Activities of UNCTAD	**Ongoing methodological work:** ♦ Methodological work: participation in the Globalization Session of the Statistical Working Party of the OECD Committee on Industry and Business Environment, in particular, as regards the preparation of the *Manual of Economic Globalization Indicators.* ♦ Methodological work: participation in the inter-agency Task Force on Statistics of International Trade in Services, in particular, as regards the implementation of the *Manual on Statistics of International Trade in Services.* ♦ Methodological work: participation in the joint working group "FATS", Eurostat. ♦ Data collection and processing: continuous update of the FDI/TNC database (FDI flow and stock; based on the database, the World Investment Directory, volumes on Developed Countries, and on Central and Eastern Europe, are being prepared); data on cross-border mergers and acquisitions; the largest TNCs, information on bilateral investment treaties and double-taxation treaties, changes in national legislation on FDI. ♦ Data collection and processing: in light of the recommendation, by UNSC, compilation of foreign affiliate trade in services statistics (FATS) (SA/2001/6/Add.3, ACC Subcommittee on Statistical Activities, thirty-fifth session, Vienna, 18-20 September 2001). ♦ Methodological work: preparation was initiated of the UNCTAD Manual on Statistics of FDI and the operations of TNCs (draft). ♦ Technical cooperation: joint ESCWA/UNCTAD project on "Strengthening Networking and Expertise on FDI in ESCWA member countries", in particular, regarding capacity-building and implementation of internationally-recommended methodological standards and the development of databases. ♦ Methodological work: participation in the work of the Inter-Agency Task Force on Finance Statistics, in close consultation with national compilers of external debt and balance of payments statistics, in order to prepare *External Debt Statistics: Guide for compilers and Users (*final draft: November 2001). The Task Force was chaired by the IMF, and the work involved representatives from the BIS, the Commonwealth Secretariat, the European Central bank, Eurostat, the IMF, the OECD, the Paris Club Secretariat and UNCTAD. The future activities of the Task Force have to be redefined. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Collection of FDI flow and stock data as well as data on the operations of affiliates in the host economy, in line with internationally-agreed recommendations (such as the 5th edition of the *IMF Balance of Payments Manual* and the forthcoming *Manual on Statistics of International Trade in Services).* ♦ Participation in the preparation of a Common Data Set on trade statistics. UNCTAD will be in charge of LDCs. This interagency project involves Eurostat, OECD, UNSD, WTO and UNCTAD. **New activities to be undertaken in the next two years:** ♦ Guidance to developing countries wishing to adopt internationally-agreed recommendations for the compilation of FDI flow and stock data. ♦ Enhancing the dissemination of such data, including metadata, through the UNCTAD website. ♦ A rebasement of commodity price indices will be implemented. ♦ Project to be carried out on prices of manufactures exported by developing countries

		and manufactures terms of trade indices. ♦ Guidance to developing countries for the compilation of External Debt Statistics, especially through the enhancement of the DMFAS software in order to facilitate the production of these statistics, as well as training advice in collaboration with the IMF.
3.2	Activities of ILO	♦ The ILO has been conducting the Inquiry into the Cost of Social Security since 1949. The data relate to the financial transactions (revenues and expenditure) of social security schemes for over 100 member countries. Data for 1990-1996 are available on the ILO's Web site. ♦ A new on-line database is available, including historical data (1949-1993) on revenues and expenditure of social security schemes from 22 European countries, developed in co-operation with the ILO by EURODATA Research Archive of the Mannheim Centre for European Social Research (MZES). ♦ Current work concentrates on developing and testing a revised methodological approach, compatible as far as possible with SNA, with the EUROSTAT-ESSPROS approach to social protection revenue and expenditure statistics, OECD Social Protection Expenditure data-base and with IMF's new guidelines to the Government Finance Statistics, which would enable collecting, more successfully than in the past, comparable data from both the developed and developing world. This revised methodological approach integrates data on expenditure and financing with detailed information on coverage and benefit levels (See programme element 4.7b). Whereas this framework has been used in a series of in-depth, country reports (Social Protection Expenditure and Performance Reviews, SPER), it is envisaged to apply it in a more standardized and regular form in the future. In the period 2003-2005, pilot statistical surveys will be conduction in a small number of countries.
3.2	Activities of International Monetary Fund (IMF)	The IMF Committee on Balance of Payments Statistics oversees the implementation of the recommendations presented in the reports of the two IMF Working Parties (Report on the Measurement of International Capital Flows and Report on the World Current Account Discrepancy), advises the Fund on methodological and compilation issues in the context of balance of payments and international investment position statistics, and fosters greater coordination of data collection among countries. Preliminary work has begun on the sixth edition of the IMF Balance of Payments Statistics Manual (BPM6). Following a first successful exercise in 1997, the Coordinated Portfolio Investment Survey (CPIS) was repeated in 2001, covering a larger number of jurisdictions, including all industrial countries and a large number of offshore financial centers. Its results will be available to the balance of payments compilers in early 2003. The CPIS will be conducted on an annual basis from 2002. Another important project of the Committee, in collaboration with the OECD, has been the joint IMF/OECD Survey of Implementation of Methodological Standards for Direct Investment. Following the joint survey in 1997, an update was conducted in 2001, and detailed metadata for 55 countries have been published on the IMF's website. The survey will be repeated in 2003. Following the international financial crises of the late 1990s, in response to requests from its member countries, the IMF is working on a Compilation Guide on Financial Soundness Indicators. The focus of the work will be on the financial soundness of banks but will also cover other institutional sectors. Work will involve consultation with member countries and other international agencies. The IMF has also completed work on the revised Government Finance Statistics Manual, which took account of comments received on, and an Expert Group discussion of, an earlier draft version. The new manual was published in December 2001. The IMF has begun working on the implementation of the new methodology, including the conversion of the IMF's database for the Government Finance Statistics Yearbook and the presentation of fiscal statistics in International Financial Statistics (IFS). The database conversion is expected to be completed by the end of 2003. Work is also underway on the preparation of material that

		will elaborate on the new methodology. Following on from the publication of the <u>Monetary and Financial Statistics Manual</u> in 2000, efforts will be made to convert the IMF's database for monetary and financial statistics to meet the requirements in the manual. Work will also begin on the preparation of a compilation guide to accompany the manual. (See also the section on the activities of the "Intersecretariat Task Force on Finance Statistic s")
3.2	Activities of the World Bank	The World Bank has been collaborating with other members of the Inter-Agency Task Force on Finance Statistics on disseminating high frequency data on external debt through the *Joint BIS, IMF, OECD, World Bank Statistics on External Debt* and on developing new methodological standards for measuring debt. The task force is preparing a publication, *External Debt Statistics: Guide for Compilers and Users*. The World Bank has been involved in disseminating the newer standards, that are being developed in this publication, through regional workshops, like the Seminar on External Debt at the Joint Vienna Training Institute. Other regional workshops are planned as well.

3.2	Activities of CIS-STAT	**<u>Ongoing work:</u>**
		Financial statistics over the period 2003-2005:
		♦ Assistance to Commonwealth countries in improving financial statistics, including the formulation of proposals to enhance statistical reporting, adaptation of interstate standards (especially in government finance statistics) to national circumstances in the organisation of statistics in these countries, and formulation of recommendations on the application of new methods and standards in statistics relating to money in circulation and credit;
		♦ Collection, analysis and dissemination of financial and price statistics:
		    (i) State budget income and expenditure in Commonwealth countries;
		    (ii) Money income and expenditure of the population;
		    (iii) Business profits and the settlement situation, both domestically and with other countries;
		    (iv) Banking statistics (credit extended, deposits, utterance of money, interest rates, credit indebtedness, investments, securities and the currency market);
		    (v) Statistics relating to insurance activity;
		    (vi) Analysis and publication of information and statistical bulletins, and of compendia of financial and press statistics (Russian-English).
		<u>New activities:</u>
		♦ Preparation for CIS countries in 2004 of "Basic provisions of a new international standard for monetary, credit and financial statistics".

PE 3. 3

3.3	Title	**International trade in goods**
3.3	Goal	To provide or make available consistent and comprehensive traded goods sector statistics that are up-to-date and consistent with international standards and definitions.
3.3	Issues & problems	♦ Countries generally tend to implement the recommended international concepts and definitions for international merchandise trade statistics. However, there are still differences in the levels and details of implementation between countries. ♦ National authorities also tended to report international merchandise trade statistics to international organizations on different time schedules. In response to this, UNSD and OECD agreed in a Memorandum of Understanding that UNSD sources directly from OECD merchandise trade data for 22 OECD countries in 2002 and for 29 OECD countries in 2003 (Mexico being the exception). ♦ At the international level, organizations adjust the data for comparability and can estimate non-reported data. The methodologies applied are not fully harmonised, leading to different results that unnecessarily confuse users. UNSD and OECD agreed to compare the respective harmonisation and standardisation practices with the aim of identical data published. ♦ The treatment of e-commerce in international trade statistics ♦ Assessment of data quality ♦ Metadata standards for trade.
3.3	Strategic medium-term objectives	♦ To develop implementation guidelines for internationally agreed concepts and definitions in international trade statistics (see also P.E. 2.4). ♦ Reduce the response burden on countries by further rationalizing data collection of international organisations, for example through increased data sharing. ♦ To ensure consistency of data held by each organization, including estimates ♦ To continuously improve the coverage of Comtrade and to develop strategic plans for its platform. ♦ To migrate OECD's ITS database to a new platform (based upon SQL) ♦ To develop a commonly agreed consistent aggregate data set on merchandise trade (WTO,UNSD, OECD, EUROSTAT and UNCTAD) ♦ Consolidation of Intrastat and Extrastat systems (EU)
3.3	Expected outcomes in the next two years	♦ To publish the Compilers' Manual for International Merchandise Trade Statistics and the Technical Report on Index Numbers in International Trade. ♦ New version of Eurotrace software. ♦ Full implementation of the OECD -UNSD data sharing agreement, covering all OECD Member countries (except Mexico) and including processed, published data. ♦ Evaluate feasibility of shared UNSD-OECD trade statistics platform ♦ Resumption of the calculation of volume, price, and terms of trade indices (UNCTAD).
3.3	Attention of the Conference was drawn to the following	♦ The work led by WTO to develop commonly agreed data sets through an interagency cooperation with a view to reducing the response burden on national statistical offices. ♦ <u>Future action in joint data collection UNSD-OECD:</u> agreement to cover 29 OECD countries by end 2003. ♦ <u>Future action in joint data platform UNSD-OECD:</u> testing of feasibility of common approach towards IT solution.
3.3	Decisions taken by the Conference	None
3.3	Rapporteur	WTO

3.3	Meetings	◆ EUROSTAT Committee: Trading of Goods - Intrastat/Extrastat (joint with EDICOM – Electronic Data Interchange for the Commission), 3 times a year (12-14 March 2003, 25-27 June 2003, 10-12 November 2003) ◆ EUROSTAT WG: EDICOM Information & Communication Technology (EDICOM-ITC), twice a year (5-6 February 2003, 15-16 October 2003) ◆ OECD: 4th Meeting of Experts on International Trade Statistics, 7-9 April 2003, followed by the Trade in Services meeting ◆ WTO: Inter-secretariat Task Force on International Trade Statistics, 2004 and 2005
3.3	Activities of Intersecretariat Task Force on International Trade Statistics:	An Inter-secretariat Task Force has been established by the UN Statistical Commission. The World Trade Organisation (WTO) is the convenor of this Task Force. The OECD has set up an electronic discussion forum, which is jointly operated together with the WTO, to facilitate the Task Force's ongoing cooperation work. **Ongoing work:** a) Methodological work: Study country practices and other material for inclusion in a planned Supplement to the Compiler's Manual for International Merchandise Trade. Finalise the publication on national practices for compiling and disseminating trade indices. b) Data collection and processing: Increase shared data collection between international organisations with a view of eventually also sharing data processing. Develop a consistent set of aggregate trade data that includes hard data and estimates. **Priority objectives**: To finalise work on the Technical Report on Index Numbers in International Trade. To develop a commonly agreed, consistent aggregate data set on merchandise trade. **New activities to be undertaken in the next two years:** To prepare a Supplement to the Compiler's Guide that will include country experiences and other materials. To prepare a Manual on Foreign Trade Indices. Collect and exchange information on metadata practices attached to international trade data sets.
3.3	Activities of CES	None
3.3	Activities of OECD	**Ongoing methodological work:** ◆ Collects and maintains two databases for analytical use: ▪ (a) monthly data of exports and imports at current prices by partner countries and main categories of commodities, and volume and average value indices for selected countries and main categories; ▪ (b) detailed annual data of exports and imports by commodities and by partner countries using three classifications (SITC, HS, ISIC). Quality and timeliness of both (a) and (b) has considerably improved since 1999. ◆ Metadata initiative: a standardised and comprehensive set of detailed methodological information has been attached to the database. **Priority objectives of the methodological work in the next two years:** ◆ Full implementation of the OECD -UNSD data sharing agreement, covering all OECD Member countries (from 22 countries in 2001 to 29 countries in 2003). A successful completion of this initiative would result in a reduction of the response burden for Member countries and lead to identical trade figures published by the UN and the OECD (and also WTO and others). ◆ After the successful first three OECD meetings, to continue to use this forum to stimulate the exchange of view and deepen research on methodological issues amongst government officials and trade experts. ◆ To address conceptual borderline issues with respect to trade in services and to balance of payments statistics . ◆ Further complete and make available sources, definitions and methods using an agreed framework. ◆ Online availability of OECD's detailed international trade database on Internet for external users.

		New activities to be undertaken in the next two years: ♦ Contribute, together with other international organisations, to a new unified aggregate trade data set, published by WTO. ♦ Together with other trade organisations, continue the stocktaking of available trade indicators and development of an OECD trade indicators data set.
3.3	Activities of Eurostat	**Overall Goal** The overall goal is to adapt and improve the systems of statistical measurement of the trade of goods between Member States and with third countries, taking into account the development of the information requirements and the economic and administrative environment. The work programme for the period 2001-2005, in conjunction with the Member States, largely depends on the work programme as defined in the Edicom decision adopted by the European Parliament and the Council in 2001 which gives rise to annual Commission decisions for the 5 year period 2001-2005. **Ongoing methodological work**: Consolidation of the Intrastat and Extrastat systems will therefore be intensified. In particular, the Member States will be encouraged to improve data-transmission times by relying, if necessary, on estimates, whilst guaranteeing adequate quality. More systematic quality evaluation and control, both within Eurostat and in the Member States, will allow improved communication and a much-improved service for users of highly detailed statistics. The quality reports distributed to the Member States and Eurostat will be updated. Work on reconciling intra-EU flows will make it possible to provide data with no intra-EU asymmetry, at least at an experimental level. At the same time, work must continue to improve the quality of statistics on bilateral trade flows by means of the bottom-up approach. Increased statistical availability: Priority will be given to the availability of statistics on the EU and Euro Zone entities. The initial results of work on the adoption of a more statistical and far less accountancy-orientated foreign-trade approach should be available. In particular, the pilot studies on the breakdown of external trade statistics according to activity sector of declaring firms should make it possible to produce first estimates at EU level and to supplement the analysis by a more direct comparison of the results with business statistics and national accounts. The emphasis will be on the dissemination of statistics which are better adapted to economic analysis by incorporating value/volume price elements in the same medium. Both the Member States and the candidate countries will be encouraged to make use of import and export price surveys. Attention will initially focus on the analysis of price competitiveness and market shares based on the calculation of revised unit value indices. Services to users will finally be improved by the provision of more easily accessible data (particularly through the Internet server and a new CD-ROM) and better documentation (meta-information). Preparation for the accession of the candidate countries will continue with the consolidation of (current) data collection and preparation of the collection of advanced indicators and volume indices required for economic and monetary policy. Possible ways of ensuring more comprehensive collection of the available customs data will be examined. In defining pilot projects preparatory to the application of the Intrastat system, special attention will be given to testing a simplified version of the system which meets Community requirements. Co-operation will continue in the context of existing projects (Phare, Tacis, Medstat, ACP, Asia, Latin America, etc). Priority will be given to data exchange, improved data quality and harmonisation of the methods used. Harmonisation exercises will also be continued with specific partners on the basis of a method which should be standardised. Other areas of activity At the same time as these priority activities, the continuation of Edicom action should be

		prepared by the definition of a new annual plan to be drawn up by the Commission, with existing projects being subjected to rigorous management, co-ordination and evaluation. In this context, longer-term methodological adjustment of the Intrastat and Extrastat systems will be planned by the definition of preliminary studies and/or pilot surveys within the framework of Edicom. This work will contribute to a better integration of trade statistics in both the European and international statistical systems; Eurostat will also continue to play an active part in the "International trade statistics" Task Force, in order to ensure close links between its activities and those of other international organisations. Some activities (provision of tariff data, harmonisation exercises) could depend on the funding of the RELEX and Trade DGs. Co-operation will depend on funding in the context of the PHARE, TACIS and other programmes. **Priority objective of the methodological work to be undertaken in the next two years** Eurostat's objective is to update the user-guide, to make other guides dedicated to specific users available (compilers manual and guide on concepts and definition). Preparation for the accession of the candidate countries A new improved version of the Eurotrace software should be made available. **New activities to be undertaken in the next two years**: Consolidation of the Intrastat and Extrastat systems ♦ Work will be initiated to improve confidential data processing and the Eurostat data-processing and checking system will be modernised and improved. Action to improve the availability of statistics ♦ Analyses will be conducted to identify the information sources which will make it possible to distribute an extra-EU and extra-EMU balance-sheet evaluated on an FOB/FOB basis. ♦ The content and relevance of the information required for trade negotiations should be evaluated; new machinery or analytical procedures (global matrix, environment, high-tech products, globalisation, e-commerce, etc) should be defined or tested on the basis of a prior assessment of requirements. **Other Activities of the European Commission:** Some analytical and data-collection work might be carried out by other DGs, particularly as regards: ♦ trade analyses and contribution to trade negotiations; ♦ sectoral aspects of international trade: agriculture, industry, etc.
3.3	Activities of UNCTAD	**Ongoing methodological work:** ♦ Methodological work: participation in the work of the Task Force. ♦ Data collection and processing: update of the Database on Trade Control Measures covering tariff, para-tariff and non-tariff measures disseminated in TRAINS (Trade Analysis and Information System). **Priority objective of the methodological work to be undertaken in the next two years:** To contribute in the preparation and dissemination of a consistent set of aggregated trade data by international organizations. UNCTAD will be in charge of total trade statistics of the Least Developed Countries (LDCs). **New activities to be undertaken in the next two years:** Initiating the calculation of volume, price and term of trade indices and trade analytical indicators.

3.3	Activities of UN Statistics Division	**Ongoing methodological work:** ♦ To provide methodological outputs to help improve international merchandise trade statistics at the national level. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ To produce a technical report describing country practices for index numbers of international trade (2003); to produce a supplement to the Compilers' Manual for IMTS (2005). **New activities to be undertaken in the next two year:** ♦ UNSD, OECD and EUROSTAT will extend their cooperation on collection of detailed international merchandise trade statistics to cover all OECD countries to reduce reporting burden on countries and improve the comparability of data maintained by the three organizations.
3.3	Activities of International Monetary Fund (IMF)	Two-to three week on-site missions focus on the review of existing data, institutional arrangements, concepts, methodologies, collection and processing procedures, staffing, and resources. In light of these assessments, recommendations are made based on UN methodologies for international trade statistics, the 1993 SNA and the Balance of Payments Manual. In some instances, related technical assistance and training is provided on foreign trade prices, also drawing on UN methodologies. Collects and maintains the monthly <u>Direction of Trade Statistics</u> database and disseminates associated monthly electronic and quarterly/annual hardcopy publications. Participates in development and promulgation of standards and methodology for trade statistics compilation such as the <u>International Merchandise Trade Statistics Compilers' Manual</u>
3.3	Activities of the World Bank	**T**he World Bank and UNCTAD have developed a web-based trade system containing data on merchandise trade, tariffs, and non-tariff barriers. This system allows for data retrieval based on Standard International Trade Classifications (SITC Rev.1, Rev.2, Rev.3) and Harmonized System classifications (HS 88, HS96). Data is based on bilateral trade between every reporting and trading partners.
3.3	Activities of the World Trade Organization (WTO)	**Ongoing methodological work:** <u>a) Methodological work:</u> Participation in the work of the Task Force. <u>b) Data collection and processing</u>: The WTO is primarily a user of other organization's data. Analytical value is added by WTO trade statisticians. Some trade policy data are however collected from WTO Members, e.g. tariff and non-tariff barrier information. In the context of the WTO Integrated Database, tariff and import statistics at the tariff line level are collected. **Priority objectives:** Improving the coverage of WTO's statistical series and to support the mandated trade negotiations within the Doha Development Agenda. **New activities to be undertaken in the next two years**: As required by Members in the context of trade negotiations.
3.3	Activities of CIS-STAT	**Ongoing work:** In foreign trade in goods over the period 2003-2005: ♦ Practical application of the "Common Methodology of Customs Statistics for the Foreign Trade of States Members of the Commonwealth of Independent States" in CIS States' statistics on foreign trade in goods, taking into account the second revised edition of the "International Merchandise Trade Statistics: Concept and Definitions" approved by the United Nations Statistical Commission at its 29th session; ♦ Work to improve data interchange between CIS-STAT and the Commonwealth countries' national statistical and customs services, which should help to enhance the quality and comparability of CIS countries' two-way trade statistics; ♦ Collection of monthly data on exports and imports in value terms at current prices, broken down by CIS and other countries and by main products, and quarterly data on exports and imports by product group and products, broken down by main trading partners;

		♦ Production of publications on foreign trade statistics with separate data for two-way trade between Commonwealth countries and member countries of the Eurasian Economic Community.
		♦ Advisory assistance is to be provided on methods of calculating foreign trade price and physical volume indices.
		New activities:
		♦ Beginning in 2003, it is intended to produce yearly forecasts of production, consumption, imports and exports of the most important products for Commonwealth countries.

PE 3. 4

3.4	Title	**Transport Statistics** (NOTE: For statistical work in the area of information and communications technology see PE 3.8 - Other marketed services, and non-marketed services)
3.4	Goal	That there exist transport statistics that are consistent with the standards, classifications and needs of mainstream economic statistics and with international standards and definitions.
3.4	Issues & problems	♦ Improve data comparability through the development of a standardized terminology, definitions and classifications in transport statistics. ♦ Develop a set of standard price and quantity indices for transport services. ♦ Monitor developments in the field of transport database and information systems and promote the co-ordination of these.
3.4	Strategic medium-term objectives	♦ Publication of a third expanded edition of the Glossary for Transport Statistics (ECE-ECMT-Eurostat). ♦ Harmonisation of existing classifications for the transport of goods. ♦ Conduct the first Combined Census of Rail Traffic and Inventory of Standards and Parameters in 2005.
3.4	Expected outcomes in the next two years	Inter-secretariat Working Group on Transport Statistics (OECD/ECMT/Eurostat) ♦ Finalise in co-operation with EUROSTAT and ECE an electronic version of the Common Questionnaire. Catch up with the delays in publications and improve their timeliness. ♦ Produce an Internet version of the Common Questionnaire. ♦ 3rd edition of Glossary of Transport Statistics. ECE/Eurostat ♦ Agreement on the second digit of the NST/R classification of transport commodities. Eurostat ♦ Reference manual for road freight transport statistics (1998 Council Regulation). ♦ Reference manual for maritime transport statistics (1995 Council Directive). ♦ Glossaries for air and maritime transport statistics and road accident statistics. ♦ Methodological guidelines for inter-modal freight transport. ♦ Implementation of EU Regulation on rail transport statistics (passengers and freight), rail safety, including draft reference manual. ♦ Implementation of EU Regulation on air transport statistics. ♦ Publication of pan-European survey on long distance mobility.
3.4	Attention of the Conference was drawn to the following	♦ Very little progress has been made in developing price indices for transport, which remains an area of high demand.
3.4	Decisions taken by the Conference	None
3.4	Rapporteur	Eurostat

3.4	Meetings	◆ ECE (ICT) Working Party on Transport Statistics (Fifty-fourth session, Geneva, 11-13 June 2003) ◆ ECE (ICT) Working Party on Transport Statistics (Fifty-fifth session, Geneva, 2004) ◆ ECE (ICT) Working Party on Transport Statistics (Fifty-sixth session, Geneva, 2005) ◆ ECE: Ad Hoc preparatory meeting for the 2005 Combined Census of Motor Traffic and Inventory of Standards and Parameters on Main International Traffic Arteries in Europe, Geneva, 29-30 September 2003 ◆ ECE: Ad hoc Meeting on the Rail Traffic Census, Geneva, 2-3 October 2003 ◆ ECMT: Meeting of the ECMT Group of Statisticians, May 2003 and May 2004 (to be confirmed) ◆ EUROSTAT WG: Co-ordinating Committee for Transport Statistics, once a year, (11-12 March 2003) ◆ EUROSTAT WG: Passenger Transport Statistics, every 1-2 years, (24-25 April 2003) ◆ EUROSTAT WG: Road Transport Statistics, every 1-2 years (9-10 October 2003) ◆ EUROSTAT WG: Rail Transport Statistics, every 1-2 years (April 2004) ◆ EUROSTAT WG: Maritime Transport Statistics, every 1-2 years (23-24 January 2003) ◆ EUROSTAT WG: Inland waterway transport statistics, every 1-2 years (2005) ◆ EUROSTAT WG: Air transport statistics, every 1-2 years (10 March 2003) ◆ EUROSTAT WG: Intermodal Transport Statistics, every 1-2 years (November 2004)
3.4	Activities of Inter-secretariat Working Group on Transport Statistics	◆ The Inter-secretariat Working Group on Transport Statistics (IWG) is made up of representatives from the secretariats of the ECE, ECMT and Eurostat. The IWG meets 2-3 times per year, with the location rotating between Geneva, Paris and Luxembourg. The objectives of the IWG are to promote the cooperation among the three main international organizations involved in transport statistics in Europe with the aim to harmonise the collection, publication and dissemination of transport statistics at the international level, as well as to eliminate duplication of work. ◆ The main vehicle for the harmonised work of the IWG is the Common Questionnaire for Transport Statistics. The Common Questionnaire was developed jointly by the IWG in order to avoid the duplication of efforts by any one organisation and to reduce the response burden of member countries. ◆ Linked to the Common Questionnaire is the Glossary for Transport Statistics, available in all languages of the ECE and the European Union and available on the Internet. The Glossary contains commonly agreed definitions used in transport statistics and is intended to be used by member countries when filling out the Common Questionnaire. ◆ An electronic version of the Common Questionnaire has also been developed and allows the three organisations an easier maintenance and interchange of the datasets in their respective database systems. In order to facilitate further the work from the member states, an Internet version of this questionnaire is under development. In addition, the IWG is developing a Common Questionnaire for Road Accident Statistics.
3.4	Activities of CES	None
3.4	Activities of ECE Transport Division (Inland Transport Committee)	**Publications:** ◆ Annual Bulletin of Transport Statistics ◆ Statistics of Road Traffic Accidents in Europe and North America (annual) ◆ Main Transport Indicators for the UNECE Region (annual) ◆ Glossary of Transport Statistics (Third edition) 2003 ◆ Census of Motor Traffic on Main International Traffic Arteries 2005 (quinquennial) ◆ Census of Rail Traffic 2005 (expected to be done for the first time in 2005 - quinquennial)

		Data collection: Common questionnaires for: ♦ Annual Bulletin of Transport Statistics (with ECMT and EUROSTAT) ♦ Statistics of Road Traffic Accidents in Europe and North America (annual with ECMT)
3.4	Activities of OECD/ECMT	**Ongoing methodological work:** ♦ The European Conference of Ministers of Transport (ECMT) annually publishes a leaflet on Trends in the transport sector, a publication on Transport Statistics, a Statistical Report on Road Traffic Accidents; and a statistical study on Investment in Transport Infrastructure. The ECMT also publishes on its website, the results of its quarterly Short Term-Trends Survey. These cover 42 European countries which are members of the ECMT. ♦ A Common Questionnaire (Eurostat/ECMT/UNECE) is circulated every year and is the basis for the Transport Statistics publication. The Common Questionnaire follows the terminology and definitions from the "Glossary for Transport Statistics", which can be downloaded from the ECMT WEB site (http://www.oecd.org/cem/online/glossaries/index.htm). The annual questionnaire on road accident statistics follows the terminology and definitions set out in "European Rules concerning Road Traffic, Signs and Signals" --- Vienna 1968 and Geneva 1971-1973. . **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Finalise the cooperation with EUROSTAT, ECMT and UNECE in developing an electronic version of the Common Questionnaire. ♦ Catch up with the delay in publications and improve their timeliness. ♦ Also improve the current data collecting system by using internet environment. **New activities to be undertaken in the next two years:** ♦ Develop quicker ways to make data available according to member states needs. ♦ Improve data availability and its dissemination on Internet. ♦ Compare Eurostat, ECMT and UNECE databases in order to eliminate discrepancies and better harmonise transport data information.
3.4	Activities of Eurostat	**Overall Goal** During the five year period 2003-2007 the Commission will strive: ♦ to complete the coverage of Community transport statistics across all modes of transport and all types of information; ♦ to continue to adapt and complete, where necessary, the legal basis for transport statistics; ♦ to promote the collection of additional statistics on inter-modal transport chains as well as those additional data needed to monitor the integration of environmental considerations into transport policies (the TERM exercise). Priorities in transport statistics will continue to stem from the need to monitor the liberalisation and rationalisation of European transport, as well as its impact on regional development, environment and safety. The main effort will continue to be devoted to improving the total quality (coverage, timeliness and statistical quality) of transport statistics. Statistics on each mode of transport, based on legal acts and voluntary agreements, will continue to be the core of the Community system of transport statistics. By 2003, new systems for maritime, air, road and rail transport statistics will be implemented, based on recent legal acts. There will be significant new activity in 2004 to update the legal base for inland waterway statistics and to collect data on intermodal freight transport. Reliable indicators of modal split will be produced and published regularly. The next steps will be towards cost and price indicators for transport and statistics on infrastructure, including investment, as well as service quality indicators. However, the overriding priority in the period 2004-2005 will be the collection of the full range of transport data from the new Member States. **Ongoing methodological work**:

Methodological work on transport statistics aims to increase the quality and cost-effectiveness of Community transport statistics, with a complete coverage of all modes of transport, providing data on passenger transport and safety as well as on goods transport, with a consistent and fully-documented set of concepts and definitions.

The Common Questionnaire and the Glossary established jointly by Eurostat, UNECE and the European Conference of Ministers of Transport (ECMT) are the mechanism for voluntary data collection and for harmonisation of concepts and definitions across all modes of transport and all types of data, including data on infrastructure and transport equipment. Eurostat will work with UNECE to support the introduction of the new classification of goods in transport.

For all areas of transport statistics, work is in progress:

♦ to give additional emphasis to the regional dimension of transport statistics;
♦ to promote the use of EDI both to collect data from transporters as well as to transmit data from national authorities to Eurostat;
♦ to develop automated methods for estimation of data to permit the publication of complete time-series of aggregate EU and euro-zone indicators.

A new Regulation on rail transport statistics will be implemented from 2004, providing statistics on rail freight and passenger transport as well as rail safety (replacing the 1980 Directive, which covered only rail freight statistics).

New arrangements for processing data on inland waterway freight transport, collected under the 1980 Directive, are improving the quality of information for this mode of transport. A new legal act is under development.

For road freight transport, there is regular dissemination of data from the 1998 Council Regulation.

The 1995 Directive on maritime transport statistics provides regular data on the carriage of freight and passengers.

For air transport, data have already been regularly collected since 1993 on a voluntary basis. Formal implementation of a new Regulation starts in2003.

Eurostat will disseminate available data relating to intermodal freight transport, to analyse relevant data from existing legal acts and to support new surveys in Member States based on a harmonised methodology.

For passenger transport, 2003 should see the dissemination of the complete results of the pan-European survey on long distance mobility within the Transport 5th Research and Development Framework Programme, subject to review of the quality of data collected via organisations other than competent national authorities. Eurostat will continue to ask Member States to supply data on short-distance mobility on a voluntary basis. Eurostat will work with Member States to develop plans for regular harmonised surveys of long and short-distance mobility.

A high priority will be given to supplying transport data for transport and environment indicators, which are being developed in PE 2.8 in the context of the ongoing EU TERM (Transport and Environment Reporting Mechanism) project.

Data collection from candidate countries will be gradually extended to cover all areas of transport statistics, not only supporting the enlargement process but also completing the statistical coverage of transport operations in EU territory. Eurostat will also continue to work with the Mediterranean partner countries on the development of their transport statistics.

For goods transport statistics, a new standard classification is being developed by Eurostat, in collaboration with UNECE, to replace the NST/R classification currently used in Community transport statistics and also to replace the UNECE CSTE classification. The new classification, named NST-2000, classifies goods according to the activity which produces them; it is based on the CPA and hence closely linked to the NACE Rev 1/ISIC Rev 3 classifications. Subject to the agreement of Member States, the NST-2000 classification will be brought into use around 2005. The first level as already agreed will be introduced into EU transport statistics legislation in a co-ordinated way. In

addition, to meet the needs of Member States and, for some modes of transport, Eurostat, a second level is being developed, with a joint proposal from France and Poland. The second level will follow the same basic principles as the first level (linkage to CPA etc.), but will allow some important groups of goods to be identified in transport statistics (e.g. crude oil in maritime transport).

Priority objective of the methodological work to be undertaken in the next two years

Eurostat's objective is to provide definitions and methodological guidelines for all areas of regular statistical production. Specific new products foreseen in 2003-2004 are:

♦ Reference manual for road freight transport statistics (1998 Council Regulation).
♦ Draft reference manual for rail transport statistics (Parliament and Council Regulation) covering goods, passenger and accident statistics.
♦ Glossaries for air and maritime transport statistics and for road accident statistics (to be integrated in the third edition of the Glossary, see next item).
♦ The third edition of the Eurostat/UNECE/ECMT Glossary of Transport Statistics
♦ Methodological guidelines for intermodal freight transport.

New activities to be undertaken in the next two years

Eurostat will start to publish statistics on transport safety for all modes of transport on a regular basis, using existing data sources, including data collected under the 1993 Council Decision on the CARE road accident database.

♦ Regulation (EC) of the European Parliament and of the Council on rail transport statistics.
♦ Regulation (EC) of the European Parliament and of the Council on statistical returns in respect of the carriage of passengers, freight and mail by air.
♦ The Commission will propose a European Parliament and Council Decision on a development programme for statistics to be used in monitoring the integration of environmental considerations into transport policy (for the TERM project). A similar approach could also be envisaged for other areas of transport statistics in need of additional resources.
♦ Other new activities will aim at completing the coverage of community statistics on transport, by developing definitions, methods and sources for a complete set of key indicators across all modes of transport for each of the domains of the Common Questionnaire and Glossary: I-Infrastructure, II-Equipment, III-Economic data, IV-Traffic, V-Transport measurement, VI-Energy and environment, VII-Safety). Particular attention will be paid to domains where data are currently insufficient to meet the expressed needs of users: transport infrastructure expenditure, transport prices, traffic data, network-oriented data.

3.4	Activities of UN Statistics Division	The UNSD compiles and maintains its transport statistics database for MBS, MBS Online, SYB and SYB CD-ROM, covering railway traffic, motor vehicles, international maritime transport and fleets, and civil aviation.
3.4	Activities of UNCTAD	Update the maritime transport statistics for the preparation of the annual Review of Maritime Transport.

3.4	Activities of CIS-STAT	**Ongoing work**:
		♦ Collection, processing and publication of transport data on Commonwealth countries:
		  ▪ Monthly: carriage of goods and passengers, cargo and passenger volumes for all modes of transport, and freight carried on main railway lines by cargo type;
		  ▪ Yearly: availability of units of rolling stock by purpose, length of railway lines in operation by category (at end of year).
		♦ Preparation of analytical reports on the transport sector.

3.5	Title	**Distributive trade** (Note: The classification of this activity will be reviewed in October 2003)
3.5	Goal	That there exist internationally comparable and timely statistics on the distributive trades.
3.5	Issues & problems	♦ Keep international manuals and standards in this field up-to-date in the light of changes taking place in the structure of the retail and wholesale sectors. ♦ Provide a forum for transition economies and other countries to discuss methodological problems in this field.
3.5	Strategic medium-term objectives	For Eurostat: ♦ Implementation of the new regulation on business structural statistics (see PE 3.11).
3.5	Expected outcomes in the next two years	None
3.5	Attention of the Conference was drawn to the following	Nothing
3.5	Decisions taken by the Conference	None
3.5	Rapporteur	Eurostat
3.5	Meetings	None
3.5	Activities of CES	None
3.5	Activities of OECD	None
3.5	Activities of Eurostat	**NB:** The statistical work on distributive trades is now entirely integrated into Eurostat theme 44. Work is described under PEs 3.8 and 3.11.

3.5	Activities of CIS-STAT	**Ongoing work**:
		♦ Monthly collection, processing, and analysis and publication of data:
		  ▪ On volumes of retail trade turnover through all sales channels (for commercial organisations and the informal sector, in current prices);
		  ▪ On volume changes in trade turnover (in current and constant prices);
		  ▪ On prices for individual types of consumer goods and trade establishments.
		♦ Quarterly data:
		  ▪ On volumes of retail trade turnover by form of ownership;
		  ▪ On small enterprises (in current prices).
		♦ Yearly data:
		  ▪ On the structure of sales of food and non-food goods in value terms at current prices and as indices of physical sales volume;
		  ▪ Statistics on the intermediation services of various specialized exchanges (goods, raw materials, stocks and shares, currencies etc);
		  ▪ Availability to the public in CIS countries of selected consumer durables;
		  ▪ Consumption of alcoholic beverages.
		♦ Economic reports are to be prepared in 2003-2005 on institutional changes in the distributive trades and marketed-services sector, on the situation in the consumer market for goods and marketed services in CIS countries, on the structure of retail trade turnover and on comparative prices for selected goods in Commonwealth capitals.
		New activities:

		♦ A seminar on improvements to the system of statistical observations of domestic trade for Commonwealth countries' national statistical services is planned for 2003. ♦ Recommendations for improving statistical observations of marketed services are to be produced in 2004.

PE 3. 6

3.6	Title	**International trade in services**
3.6	Goal	That there exist consistent and comprehensive statistics on international trade in services that are consistent with international standards and definitions.
3.6	Issues & problems	♦ To develop suitable international nomenclatures and standards to ensure that national measurements are internationally comparable and consistent with basic economic statistics. ♦ To identify and establish a basic set of comparable data that meet the requirements of revised international standards for reporting Balance of Payments (BOP), National Accounts (SNA) data, the Manual on Statistics of International Trade in Services (MSITS) and of recent agreements on international services trade. ♦ To provide further detail and analysis usable for promoting and developing services trade in a globalized competitive setting; to improve and selectively extend multilateral comparisons and exchanges of partner country data. ♦ To ensure that transition economies have access to the methods and practices developed for the measurement of trade in services. ♦ To contribute to the adaptation of the CPC to the specific needs of international trade in services. ♦ Economic and monetary union has implications for reporting thresholds. ♦ Change from settlements to direct survey/reporting systems (EU MSS).
3.6	Strategic medium-term objectives	For OECD: ♦ Implementation of recommendations of MSITS and the corresponding coordinated collection of data. (OECD, WTO, Eurostat, UNSD, UNCTAD and the IMF) ♦ The OECD-Eurostat trade-in-services statistics expert group will monitor the implementation of the Extended Balance of Payments Services classification and work towards improving questionnaires for reporting data on activities of foreign affiliates in line with the recommendations of MSITS. MSITS provides a link between trade-in services statistics and GATS requirements. ♦ OECD is to work with Eurostat and other international organisations on a <u>Compilation Guide</u> concerning methods of collecting information in line with the recommendations of MSITS. ♦ Defining and measuring international trade in software and online delivery of products ♦ Measuring trade by GATS mode of supply ♦ Reduction of bilateral asymmetries (OECD/EU)
3.6	Expected outcomes in the next two years	♦ Change in data collection systems. This work is top priority, as most MSs will shift from settlements to direct reporting/surveys (DR/surveys) systems. Eurostat (in co-operation with the ECB) will monitor the whole process in following up the national plans. ♦ Expansion of data collection to provide a wider and more detailed picture of trade in services ♦ Issuing of guidance on the compilation of statistics on the activities of TNC's and their affiliates, and their dissemination (UNCTAD).
3.6	Attention of the Conference was drawn to the following	The need for resource to be devoted to technical assistance in development of country reporting of trade in services
3.6	Decisions taken by the Conference	None
3.6	Rapporteur	OECD

3.6	Meetings	♦ Inter-Agency Task Force on Statistics of International Trade in Services, twice a year ♦ OECD: Meeting of Experts on Statistics of International Trade in Services, (9-10 April 2003) ♦ OECD meeting on Measuring Economic Globalisation is provisionally planned for November 2003
3.6	Activities of the Task Force on Statistics of International Trade in Services	♦ The Manual on Statistics of International Trade in Services (MSITS) is now published in English electronically and is available free on the internet from UNSD and from the other joint publishers Eurostat, IMF, OECD, WTO and UNCTAD. UNSD is preparing a hard copy book for sale. Translations into the UN official languages will follow as soon as possible. ♦ The Task Force is giving priority to development of compilation guidance material to aid countries' implementation of the new MSITS's recommendations. The Task Force is developing in 2003 a training module on trade in services with and for the World Bank. ♦ A new UNSD web page is the central reference point for information about MSITS and new developments (http://unstats.un.org/unsd/tradeserv/default.asp). This provides links to the other organisations web pages on trade in services. OECD has established an email hotline for questions <std.servstat@oecd.org>. ♦ Parallel to this, work has begun on promoting implementation of the recommendations of MSITS e.g. through standard questionnaires and codes for reporting the data. Data collection is being coordinated by the organisations. ♦ Further development work is planned on measurement of online delivery of products, trade in software and movement of natural persons.
3.6	Activities of CES	None
3.6	Activities of OECD	♦ Collect statistics for the database: OECD Statistics on International Trade in Services and Foreign Affiliates Trade in Services Statistics. ♦ OECD in consultation with other international agencies and Eurostat is working with OECD Member countries to implement the recommendations of the Manual on Statistics of International Trade in Services (MSITS). ♦ Publication by OECD of trade in services by partner country is planned for summer 2003 with expanded detail. ♦ OECD publishes statistics of foreign affiliate trade in services. In 2003 A Scoreboard of Economic Globalisation Indicators is planned to include FATS statistics. In 2004 another issue of Measuring Globalisation: The Role of Multinationals in OECD Economies (Volume II Services) is planned. ♦ The joint annual publication with Eurostat of trade in services by detailed type of service continues. ♦ OECD is participating actively in the UN revision of CPC and ISIC and the IMF revision of the Balance of Payments manual to try to improve those aspects of these which impinge on the treatment of trade in services (for example, trade in software and its links with new treatment in the national accounts).
3.6	Activities of Eurostat	**Overall Goal** The establishment of Economic and Monetary Union has considerable implications for the balance of payments statistics. Of particular importance here are the reporting thresholds, which if modified as currently foreseen, will require significant development work to ensure that the quality of this data can be maintained. In the five year period 2003-2007, the Commission will aim to: ♦ revise the collection system for balance of payments statistics; ♦ develop statistics on the trade of foreign affiliates: the identification and monitoring of foreign affiliates (FATS) will provide the information needed for the trade negotiations and for other policies related to the activity of multinational enterprises

		(internal market, employment, etc.)
		Ongoing methodological work: ♦ Statistics on FDI, International Trade in Services, geographical breakdown of the Balance of Payments Current Account, Quarterly BOP and Community Institutions BOP and related publications will be produced. ♦ Statistics on foreign affiliates will be further developed. Methodological work in co-operation with the OECD and other international organisations will continue (in particular, the Manual of Economic Indicators of Globalisation will be finalised). ♦ Direct reporting/surveys: The shift from Banks Settlements systems to DR/surveys will be well on the way: most MSs will most probably continue the introduction of direct reporting for collecting information from large companies; most MSs will be prepared to introduce sample survey systems for small and medium size enterprises. Eurostat will continue the monitoring of the national implementation plans. The adaptation of the systems will lead to an improvement of the quality of the information on trade in services as well as on all transactions carried out via non-resident banks. ♦ Reconciliation of Trade and Balance of Payments Statistics: preparatory work is currently being undertaken for the analysis of the CIF/FOB adjustment and freight transport issue. A Handbook in these issues will be produced in the near future. ♦ Travel: Many MSs are already implementing a new data collection system for travel adapted to their specific situation, in line with the conclusions of the report. Eurostat is actively monitoring this process. ♦ Asymmetries: The work on comparing and solving bilateral asymmetries (MS level) has continued within the bottom-up approach. Experimental results of an asymmetry-free Current Account figures calculated using a modelling (top-down) approach has been published as a Working Paper. Improvements are expected in the accuracy of the figures as more MS will participate in the exercise. ♦ Quality report: The quality report will be finalised. ♦ Confidentiality: The data received from some MS has been processed under a secure computer environment as a pilot exercise. **Priority objective of the methodological work to be undertaken in the next two years** ♦ Data collection systems. This work is top priority, as most MSs will shift from settlements to direct reporting/surveys systems. Eurostat (in co-operation with the ECB) will monitor the whole process in following up the national plans which will include for every MS the target system and the implementation timetable. **New activities to be undertaken in the next two years** ♦ Direct reporting/surveys: A regulation defining the statistics requirements of the Commission will be prepared. This will guarantee that the new systems produce the information required at EU level. ♦ In the near future, the introduction of direct reporting and survey methods may imply that data on cross-border trade will be available only for a less detailed geographical breakdown. ♦ Regulation (EC, Euratom) of the European Parliament and of the Council concerning the structure and activity of foreign affiliates (see 3.11) ♦ Foreign Affiliates Trade statistics and Candidate Countries statistics will be developed ♦ Metadata in the databases will be improved and completed.
3.6	Activities of UNCTAD	**Ongoing methodological work:** ♦ Methodological work: participation in the work of the Inter-agency task force on International trade in Services with particular emphasis on FDI/FATS (mode 3) and Movement of Natural Persons (mode 4). ♦ Data collection and processing: update of the FDI/FATS/TNC data (stocks and flows) and Acquisitions & Mergers data. **Priority objective of the methodological work to be undertaken in the next two years**

		♦ Implementation of the recommendations of the manual on trade in services and pursuit of the work undertaken in the field of Movement of Natural persons in order to establish recommendations. ♦ Collection of data on the operations of foreign affiliates in the host economy, in line with internationally-agreed recommendations (such as the 5th edition of the *IMF Balance of Payments Manual* and the forthcoming *Manual on Statistics of International Trade in Services).* **New activities to be undertaken in the next two years:** ♦ Development of statistics that would better describe the Movement of Natural Persons. ♦ Guidance to developing countries wishing to adopt internationally-agreed recommendations for the compilation of data on the operations of TNCs and their foreign affiliates. ♦ Dissemination of such data, including metadata, through the UNCTAD website.
3.6	Activities of the World Trade Organization (WTO)	**Ongoing methodological work:** Active participation in the work of the Task Force on Statistics of International Trade in Services with particular emphasis on: ♦ implementation of the Manual on Statistics of International Trade in Services ♦ development of compilation guidance material ♦ further developments on statistical concepts and methodology on the movement of natural persons. **Priority objectives:** ♦ Within the framework of the Inter-agency task force, assist in the implementation of the Manual on Statistics of International Trade in Services and the development of a compilation guide. **New activities:** ♦ Co-ordinate the development of training courses material on trade in services statistics. Participating organisations include Eurostat, IMF, OECD, UNCTAD, World Bank and WTO.
3.6	Activities of International Monetary Fund (IMF)	The IMF promotes the development and improvement of data on international trade in services as an integral part of its activities related to the implementation of the Balance of Payments Manual. These efforts include (i) technical assistance, (ii) training under the aegis of the IMF Institute, the Joint Vienna Institute, the Joint African Institute and ad hoc courses organized at regional and country levels, (iii) activities undertaken in this area by the IMF Committee on Balance of Payments Statistics, and (iv) collaboration with other regional and international organizations that are members of the Inter-Agency Task Force on Service Statistics.
3.6	Activities of CIS-STAT	**Ongoing work:** ♦ Provision of methodological assistance in the statistical study of international trade in services. Collection, processing, analysis and publication of data on trade in services by CIS countries by basic types of services and trading partners. **New activities:** ♦ Development in 2003-2004 of a classifier for foreign economic services based on the Eurostat Classification of Products according to Activity (CPA)

PE 3. 7

3.7	Title	**Tourism statistics**
3.7	Goal	That there exists a comprehensive, coherent and balanced system of tourism statistics capable of supporting government activities relating to developing and adjusting policy, and deepening the understanding of the determinants of tourism.
3.7	Issues & problems	♦ The development of conceptual frameworks. ♦ Common concepts and methodologies for measurement and integration of data. ♦ Information should also support the broad range of non-government interests (industry, public) including research, and coherent linkages with other areas such as social, demographic, business, economic and environmental studies. ♦ Development of sustainability indicators.
3.7	Strategic medium-term objectives	♦ A **work plan** for a co-ordinated and co-operative development of approaches to ▪ Assess current international tourism-related statistics. ▪ Examine the compatibility and the consistency of concepts, definitions and classifications. ▪ Conclude special agreements with neighbouring countries on the harmonization of methodologies and exchange of statistics on tourism flows between them. ▪ The development of a credible economic statement of the size and significance of tourism industries and their linkages with other industries in the economy. ♦ Manual for measuring the effects of tourism on employment.
3.7	Expected outcomes in the next two years	OECD in co-operation with interested international organisations: ♦ To produce an up-to-date inventory of Member countries' experiences, analysis and problems in regard to Tourism Satellite accounts implementation. ♦ To produce with the Environment Directorate a methodology for developing national sustainable tourism indicators. ♦ To contribute to the update of the 1993 UN recommendations on tourism statistics. Eurostat: ♦ Producing various publications including a Yearbook on CD-ROM; Tourism in Europe, in the Central European countries and in the Mediterranean countries - Key figures; and Tourism in Europe – Trends. ♦ Making regional data available in the TOUR, REGIO and New Cronos databases. ♦ Developing a practical implementation manual adapted to the Community situation to assist Member States starting to produce Tourism Satellite Accounts (TSA). World Tourism Organisation: ♦ <u>Guidelines for estimating tourism expenditure</u>: A specific questionnaire on tourism expenditure will be designed to be applied to non-residents, preferably at national borders on departure from the country of reference. The corresponding guidelines will be prepared to make it operational. ♦ <u>Conceptual framework for a tourism satellite account</u>: Ongoing process for improving and expanding the methodological framework for the development of the TSA, making use of the experience of those countries that have a TSA. ♦ <u>Publications related to the TSA</u>: Set of technical documents designed to be used for the preparation of TSAs in countries with different levels of statistical infrastructure, as well as training material and other instruments of support for the development of ad hoc initiatives with a view to support the WTO-TSA project. ♦ <u>Enzo Paci papers on measuring the economic significance of tourism</u>: Publication to be prepared every year, which may bring a better knowledge in the preparation of a TSA and its use by the different users (public and private).
3.7	Attention of the Conference was drawn to the following	♦ International cooperation in the field of tourism statistics continues to work well. The next important field to work on is the update of the 1993 UN Recommendations on Tourism Statistics.

3.7	Decisions taken by the Conference	None
3.7	Rapporteur	Eurostat
3.7	Meetings	♦ EUROSTAT WG: Tourism Statistics, once a year (16-17 January 2003) ♦ OECD: Statistical Working Party of the Tourism Committee (30-31 October 2003) ♦ World Tourism Organisation: International Conference "Understanding and measuring tourism in a global economy" (First half of 2005) ♦ CIS-STAT: Seminar on tourism statistics to assist CIS countries (2003)
3.7	Activities of CES	None
3.7	Activities of OECD	♦ To guide OECD Member countries towards the implementation of the Tourism Satellite Account; to share experiences, progress and analysis within the aegis of the Statistical Working Party of the OECD Tourism Committee. To examine innovative developments undertaken in OECD countries, like e.g. the regional TSA. Co-operation with the World Tourism Organisation and Eurostat. At that stage, the Secretariat will not undertake a TSA data collection process. ♦ Benchmarking of OECD national policy in the field of tourism statistics and related reports.
3.7	Activities of Eurostat	**Overall Goal** During the 5-year period 2003-2007 the Commission will strive to: ♦ Progress in the development of satellite accounts in the domain of tourism, in order to measure the importance of tourism in the economy, and work on indicators how to analyse sustainable tourism together with sustainable development. **Ongoing work**: ♦ Data collection on tourism statistics. ♦ Implementation of the Council Directive. ♦ Methodological work, especially on classifications, on quality and on measuring the employment in tourism. ♦ Co-operation with OECD and WTO on implementing Tourism Satellite Accounts. ♦ Co-operation with candidate countries. ♦ Dissemination of tourism statistics. **Priority objective of the methodological work to be undertaken in the next two years** ♦ Producing various publications including a Yearbook on CD-ROM; Tourism in Europe, in the Central European countries and in the Mediterranean countries - Key figures; and Statistics in Focus. ♦ Making regional data available in the TOUR, REGIO and New Cronos databases. ♦ Updating a practical implementation manual adapted to the Community situation developed to assist Member States starting to produce Tourism Satellite Accounts. **New activities to be undertaken in the next two years** ♦ Pilot studies on Tourism Satellite Account in a number of Member States. ♦ Making regional data available in the TOUR, REGIO and New Cronos databases. ♦ Implementation of a Community methodology for measuring tourism employment. ♦ Methodological work on measuring sustainable tourism, co-ordinated with the work under PE 2.8. ♦ Implementation of MEDTOUR II under MEDSTAT II, based on the results and achievements of MEDTOUR under MEDSTAT I ♦ Integration of the new Member States in the European System of Tourism statistics
3.7	Activities of ILO	On request, the ILO will provide support for work to develop labour accounts estimates to the Tourism Satellite Accounts. It is expected that experiments will be undertaken with ILO support during the period 2003-2005, of which at least one will be in the region.
3.7	Activities of	**Overall aim:**

	the World Tourism Organization	◆ Provide capacity building for our Member States in relation with tourism statistics developments. ◆ Enhance the capacity for leadership of the National Tourism Administrations (NTAs) as producers and users of tourism statistics. ◆ Develop the Tourism Statistics System (TSS) in each different country. ◆ Raise awareness of the outcome of making quantitative analyses of the economic impacts of tourism and, specifically, of the relevance of the Tourism Satellite Account (TSA). **Ongoing methodological work:** ◆ To promote the preparation of metadata. The international community and, more specifically, the organizations and agencies of the UN System, have made special efforts in recent years aimed at arbitrating systems that explain various aspects connected with obtaining those data, which they send to the International Organizations for their dissemination. Specifically: ▪ the methods used (concepts, definitions, classifications) specially to identify the differences between the domestic methods used and the international recommendations; ▪ the sources of the data; ▪ explanations, as and when necessary, of specific data; ▪ methods used to make the estimates and possible adjustments; etc. WTO considers that tourism statistics cannot stay on the fringes of this tendency to document the content of the data sent in by the countries to be included in our two statistical publications "Yearbook of Tourism Statistics" and "Compendium of Tourism Statistics". ◆ Development of new indicators. WTO is aiming with this initiative to promote the comparative analysis of the economic impacts of tourism and to direct the efforts of the countries towards conducting measurement exercises which, although incomplete, can be used until the country has a TSA, as an approximation of the level which, as a minimum, represents the tourism activity of the country in relation to the principal macro-aggregates. **Priority objective of the methodological work in the next two years:** ◆ Improving measurement tools for international arrivals/ departures of visitors to/from national borders. WTO aims to encourage widespread reflection on the advisability of making a re-qualification of the data currently available on this basic variable for analysing tourism, for two purposes: ▪ to improve the international comparability of arrivals/departures data by more stringent application of international recommendations; ▪ to encourage countries to create so-called "statistical universes" of these flows, so that they can be used as an elevation framework for different types of surveys (such as, for example, surveys on tourism expenditure), aimed at these groups of visitors. ◆ General guidelines for launching a TSA. WTO recommends that development of the TSA should start by conducting a Feasibility Study (F.S.) that identifies the contribution made by tourism to the domestic economy (although limited in number and however partial their coverage is in relation to the different forms of tourism, indicators derived from the National Accounts and Balance of Payments can always be used for exercises such as this). Defining different steps in WTO's proposals for a F.S. is a priority objective. ◆ Extensions of the TSA methodological framework: the regional perspective. WTO considers that among the various different possible extensions of the conceptual framework of the TSA (Tourism Balance of Payments, quarterly macroeconomic indicators, etc.), the regional sphere has top priority. For that reason, the scant experiences available should be borne very much in mind and advances be made from

		the point of view of designing general orientation guidelines for their implementation, starting, in the first place, with the infra-state perspective.

		New activities to be undertaken in the next two years:
		♦ Workshops on Tourism Statistics and Tourism Satellite Account (TSA)
		  This is a technical assistance initiative with which WTO is planning to increase efficiency in relation to statistical capacity building for the countries convened, so that the national technical experts are themselves able to conduct a double set of initiatives:
		    ▪ On the one hand, to promote the development of the System of Tourism Statistics in its respective countries, as a necessary condition for making progress in the measurement and analysis of the economic impacts of tourism;
		    ▪ On the other hand, to start the work associated with the different stages that WTO recommends putting into practice for developing the TSA.
		  WTO will hold a large number of these Workshops, giving preference to a sub-regional context, convening the statistics experts and senior management with responsibilities in that field who render services in different types of institutions:
		    ▪ National Tourism Administrations;
		    ▪ Experts in the preparation of border statistics (arrivals and departures of international visitors);
		    ▪ National Statistics Offices (both in basic-statistics Production Units and in National Accounts Units);
		    ▪ Balance of Payments Departments at Central Banks;
		    ▪ Business Associations that have connections with tourism.
		♦ Ad hoc Missions to resolve technical aspects relative to the preparation of the TSA.
		  WTO will continue with this approach, restricting the Missions to the development of the TSA and only in the two cases indicated below:
		    ▪ When a country has conducted the respective feasibility study according to the orientation guidelines proposed by WTO, and presents a TSA exercise proposal to be discussed by the National Authorities;
		    ▪ When the technical team responsible for preparing the TSA has progressed sufficiently to enable it to deal with the confrontation between consumption and supply (preparation of Table 5 of the publication: *The Tourism Satellite Account - Recommended Methodological Framework*).

3.7	Activities of CIS-STAT	**Ongoing work**: ♦ Collection, processing, analysis and publication of data on tourism between Commonwealth countries. **New activities:** ♦ A seminar on tourism statistics is planned for 2003 to assist CIS countries.

PE 3. 8

3.8	Title	**Other marketed services, and non-marketed services**
3.8	Goal	To provide or make available service sector statistics that are consistent with international standards and definitions.
3.8	Issues & problems	♦ Development of suitable international nomenclatures and standards to ensure that national measurements are internationally comparable. ♦ To support policy-makers' analytical needs with data offering new possibilities for analysis in the areas of emerging activities, small- and medium-sized enterprises, productivity or employment at a disaggregated level. ♦ To ensure that transition economies have access to the methods and practices developed for the measurement of activity in the services industries. ♦ To keep pace with developments in business services and e-commerce. ♦ Supplementary detail in NACE/CPA needed in this area. ♦ International comparison of the public sector and its management. ♦ Measurement of public sector pay.
3.8	Strategic medium-term objectives	♦ To continue to develop the detail, comparability and timeliness of the annual publication giving detailed statistics on output and employment in service activities. ♦ Development of price indices for services purchased by producers. ♦ The measurement of labour productivity in government: to improve output measures in real terms. ♦ Apply existing concepts, definitions and data collection procedures relevant to international comparison of the public sector to all member states (OECD). ♦ The partial integration of the standard balance of payments items on transactions in services with measures of domestic production.
3.8	Expected outcomes in the next two years	♦ Best practice guidance on the compilation of e-commerce statistics (UNCTAD) ♦ Publication of OECD's *Measuring the Information Economy* ♦ Publication of detailed statistics on enterprises by size class (SEC) in 2003 (OECD) ♦ Framework and guidelines for the development and measurement of Indicators for the Information Society (OECD) (see also PE 3.13) ♦ Publication of OECD's *Science, Technology and Industry Scoreboard 2003* ♦ Possible recommendations and guidelines for SME statistics at the Istanbul Ministerial Meeting in 2004 following the OECD workshop 2003 (OECD) ♦ Updating of methodological manual for telecommunications statistics (EU)
3.8	Attention of the Conference was drawn to the following	♦ The 2007 revision of ISIC and the need for substantially better coverage of the information sector and other service sectors. ♦ Information Society Statistics, see also PE 3.11 and PE 3.13: The OECD Working Party on Indicators for the Information Society (WPIIS), after having developed an OECD activity-based definition of the Information and Communication Technology (ICT) sector, is now extending the ICT sector definition to a commodity-based one. ♦ The publication of databases on "Indicators of Industry and Services" and "Services Statistics: Value Added and Employment" are suspended (OECD).
3.8	Decisions taken by the Conference	None
3.8	Rapporteur	Eurostat

3.8	Meetings	♦ EUROSTAT WG: Information Society, twice a year (10-11 February 2003, 29-30 October 2003) ♦ EUROSTAT WG: Communication, once a year (17-18 March 2003) ♦ EUROSTAT WG: Audio-visual services, once a year (2-3 June 2003) ♦ OECD: Working Party on Indicators for the Information Society (WPIIS), 5-7 May 2003 ♦ OECD: CSTP Working Party of National Experts on Science and Technology Indicators (NESTI), June 2003 ♦ OECD: Statistical Working Party of the Industry Committee (SWIC), 1-3 December 2003; (special session on globalisation: 3-7 November 2003) ♦ OECD: ICCP Committee, Working Party on the Information Economy (WPIE), 5-6 June 2003, 2004 ♦ OECD: Short-term Economic Statistics Expert Group (STESEG): 26-27 June 2003 ♦ OECD: SME Workshop: 16-17 September 2003 ♦ OECD-Eurostat Task Force on Services Producer Prices 12-13 Feb 2003 ♦ Voorburg Group: 6-10 October 2003 (Tokyo, Japan) ♦ Voorburg Group: Autumn 2004
3.8	Activities of CES	None
3.8	Activities of OECD	**Services statistics** ♦ OECD is developing a horizontal project on services statistics. In the short-term a different refocused profile of activity is agreed. While work on small and medium enterprises is expanded (SEC and Bologna Process), Structural Statistics on Industry and Services is continuing to be developed through burden sharing with Eurostat. This will result in more attention being paid to OECD's non-EU counties. ♦ The OECD Short-term Economic Statistics Expert Group has set up a Task Force to further develop short-term indicators on services output. ♦ OECD and Eurostat have set up a Task Force on Service Producer Prices. ♦ Other OECD National Accounts Task Forces are seeking to improve the definition of financial services and insurance output.
3.8	Activities of Eurostat	<u>**NB**</u>: Only the information under Eurostat *theme 49 – Communications* is described here. For Eurostat *theme 44 – Industry* the information is described under P.E. 3.11. **Overall Goal:** ♦ The Council's decision on <u>audio-visual</u> statistics will continue to be implemented, Eurostat will thus continue to consolidate the work already undertaken since 1999 to establish a Community statistical information infrastructure relating to the industry and markets of the <u>audio-visual</u> and related sectors. ♦ A flexible and adaptable system for collecting information on <u>information society</u> indicators will gradually be established on the basis of existing or new surveys according to the priorities set by the Council. ♦ A legal basis will be developed to ensure sustainability for such a system on information society statistics During the 5-year period 2003-2007 the Commission will strive to: ♦ Develop a stable and flexible set of indicators on information society, including audio-visual services. **Ongoing methodological work**: ♦ <u>Information society</u> ♦ Priority will be given to the rapid development of Information Society statistics. The conceptual framework will continue to be defined in co-operation with OECD. The Information Society focal point group within Eurostat will co-ordinate the activities of the different units involved. ♦ Data will be collected on ICT readiness and usage in households and enterprises.

		The results of the data collection will be placed in databases and publications produced, and will feed into the benchmarking process of the e-Europe Action Plan. ♦ Communications ♦ Data will be collected on the telecommunications and postal and courier sectors. ♦ Information will be collected on the use of 2.5 and 3rd generation mobile telephones. ♦ The methodological manual for telecommunications statistics will be updated. ♦ Methodologies to measure broadband communications will be studied. ♦ A proposal to develop statistics on postal and courier services will be presented and tested. ♦ Audiovisual The five year programme in the 1999 Council Decision will continue to be implemented by means of an evolving data collection, methodological studies on specific domains, and the production of publications. **Other Activities of the European Commission:** ♦ Statistical data collection is done by DG INFSO to produce benchmarking indicators for the e-Europe Action Plan. **Priority objective of the methodological work to be undertaken in the next two years** ♦ Information society ♦ Co-ordinated micro-data analyses will be carried out in some Member States to measure the impact of e-commerce and ICT usage on enterprises. ♦ Methodological development will concentrate on ICT expenditure, e-skills, e-security and the measurement of the financial sector. Audiovisual ♦ Develop further methodology to cover audiovisual sectors under the framework of Structural Business Statistics. ♦ Harmonise methodology in order to improve comparability and completeness of data. **New activities to be undertaken in the next two years** ♦ Information society The surveys on ICT usage in enterprises and in households will be continued on a regular basis. ♦ Telecommunications and Postal Services A pilot survey on courier and postal services will be carried out. ♦ Audiovisual Pilot studies will be carried out to develop structural business data on the sector, to develop statistics on new media, and to improve completeness and quality of the data.
3.8	Activities of UNCTAD	**Ongoing methodological work:** ♦ Update statistics for the preparation of E-commerce and development report, which provides an analytical overview of measuring e-commerce in the context of developing countries. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Assist developing countries in launching their own statistical compilation programmes on E-commerce and the use of ICT. **New activities to be undertaken in the next two years:** ♦ Organize a meeting bringing together experts from developed and developing countries in charge of collecting statistics on E-commerce; provide guidance to developing countries' officials on best practice in statistical compilation programmes on E-commerce.
3.8	Activities of CIS-STAT	**Ongoing work**: Collection, processing, analysis and publication of data: ♦ Monthly:

		▪ On the supply of marketed services, including personal services rendered by private individuals, in current prices;
		▪ On changes in the supply of marketed services, in current and constant prices;
		♦ Quarterly:
		▪ On the supply of marketed services to the public by form of ownership and for small enterprises, in current prices;
		♦ Yearly:
		▪ On the structure of services in value terms (at current prices) and as indices of physical sales volume.
		New activities:
		In 2003-2004, on the basis of the experience of the Commonwealth countries' statistical services, it is planned:
		♦ To make recommendations on the reporting of producer services (marketing, auditing, advertising etc);
		♦ To produce recommendations for improving the statistical observation of marketed services.
3.8	Activities of the Voorburg Group on Services Statistics	**Dissemination of experiences for the development of service statistics**
		♦ The general purpose of the Group is to address issues related to the production of services statistics including service product outputs and inputs, the estimation of the real product of service activities, price indices of service products and industries, and their implications for product and industry classification (CPC and ISIC). In order to concentrate the issues dealt with, and thus to enable in-depth work on themes handled with some degree of priority, the Group defines a three-year program, with a very limited number of core issues, supplemented with ad-hoc issues which will not always be dealt with at each of the three forthcoming meetings. The current program covers the period 2002-2004.
		♦ Starting from the experiences and the projects of different countries, The Voorburg Group will aim at elaborating guidelines for developing service statistics, taking into account the needs of the users and the specificities of these sectors.
		♦ All papers presented in the different Voorburg Group meetings since 1987 are available on the VG website (http://www4.statcan.ca/english/voorburg/). It is foreseen to improve the content and the design of this website, in order to make the search easier, and to guide the user more closely.
		Producer price indexes
		♦ The annual meetings allow participants to decide on a list of principal papers to be prepared in common and presented the following year. These papers detail a reference methodology for the practical implementation of PPIs in different service industries, supplemented by alternative experiences. Computer services and insurance are planned for 2003, after advertising services, road freight and engineering services in 2002, and telecommunication services, legal services, real estate and accounting services in 2001.
		♦ By sharing the results of surveying activities in different countries, participants can then identify the most typical business model and most effective pricing methodology, which can lead to principal papers for the coming years. Employment services and financial services have been discussed in 2002, but still need investigation.
		♦ Methodological discussions helped identify general approaches for the way that quality effects are taken into account.
		Detailed turnover by product
		♦ The topic of detailed turnover by product, which has been an issue dealt with at the beginning of the Voorburg Group, was reintroduced in the work programme in 2002, due to the large interaction with the matters of classifications and of producer price indices. An inventory of how countries presently do in surveying turnover by (detailed) product will be established. For the longer term, a guide to running

		surveys in this area might be a possible output.
		Classifications
		♦ The Voorburg Group contributes to the 2007 revision of international classifications while affording the point of view of the specialists of service statistics. Concerning the activity classification, the discussion focused up to now essentially on the groupings of the general structure, based on the similarities encountered through the surveys. Concerning the product classification, the experiences in monitoring individual prices and detail turnover learn a lot about the relevance of the disaggregated breakdown level.
		Information society
		♦ On the matter of Information society, the Voorburg Group works in close coordination with the OECD WPIIS, aiming at being another meeting place for discussion on statistical projects such as definitions and classifications of ICT sectors and products, content sector, and the establishment of model surveys and new modules on existing model surveys on ICT usage.
		♦ The objective of the Group is now to enlarge the subject to deal with the topic of the "knowledge based economy". This covers in particular innovation (with the aim of contributing to the Oslo Manual revision), skills and human capital, and intangibles. Even if the knowledge based economy is a crosscutting issue, the experience of specialists in service statistics seems useful from two points of view: on one hand, these themes may have specific features in the service sectors, and on the other they correspond for a large part to a demand for (new) services.

PE 3. 9

3.9	Title	**Price statistics, including purchasing power parities**
3.9	Goal	That there exist internationally comparable and reliable measures of price changes, levels and trends and of purchasing power parities
3.9	Issues & problems	♦ To define standards for the collection, compilation and dissemination of timely, reliable and internationally comparable measures of changes over time in the prices of goods and services acquired by households that are relevant for users' needs, and for their correct interpretation. ♦ To help transition economies convert their measures of price change into internationally comparable indexes. ♦ To calculate regional PPPs to be used, for example, in the allocation of structural funds. ♦ Timeliness of PPP statistics. ♦ Consistency over time between results based on national accounts and those based on PPP (measurement of dwelling services and wages and salaries).
3.9	Strategic medium-term objectives	For Eurostat: ♦ Further work on CPI harmonisation, in particular concerning quality adjustment, sampling, and owner-occupied housing. A consolidated Regulation and a manual are planned. ♦ A formal system of monitoring compliance with HICP regulations has been established, starting in 2001. The system will aim to raise HICP quality standards generally, through observation and dissemination of examples of good practice. ♦ Regarding PPPs, a Regulation has been prepared. It will be adopted in 2003 and will provide the legal basis for PPP work in the EU. The system of organising consumer price surveys in sub-groups comprising EU Member States and candidate countries which was established in 1999 is expected to continue to operate throughout 2001-03 and beyond. ♦ Research is being done into the possibility of obtaining price data more efficiently using existing sources including barcode scanner data. ♦ Contribution to the International Comparison Programme (ICP project) For OECD: ♦ Co-ordinating the methodology used between Eurostat and OECD within the OECD –Eurostat PPP Programme and reinforcing linkage between the European and non-European countries participating in the programme. ♦ Contribution to the International Comparison Programme (ICP project)
3.9	Expected outcomes in the next two years	♦ International manuals on CPI and PPI to be published in 2003. ♦ ECP PPP manual to be drafted (joint OECD - Eurostat project) ♦ ECP 2000 to be published by ECE in 2003. ♦ The 17th International Conference of Labour Statisticians (24 November - 3 December 2003) will adopt new international guidelines for consumer price indices. ♦ Rebased and expanded range of commodity price indices to 2000=100 (UNCTAD) ♦ Pilot index for owner-occupied housing (EU). ♦ Database on quality adjustment methods will be developed (EU).
3.9	Attention of the Conference was drawn to the following	♦ Work on the preparation of new international manuals on price statistics is to be completed in 2003. ♦ PPP work could benefit significantly from the participation of national accountants.

3.9	Decisions taken by the Conference	♦ The Conference approved the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below). ♦ The Conference agreed that the ECE secretariat assume responsibility for the publication of the overall 2000 ECP results by the end of July/August 2003. ♦ The Conference agreed that a joint Consultation with all the international and national statistical offices involved in the calculation of the 2004 results be organised in 2006, provided that the results for the CIS countries are available and that financial provision is made so that they will be able to attend the Consultation.
3.9	Rapporteur	Eurostat (Consumer prices), OECD (other prices)
3.9	Meetings	♦ ECE - Eurostat - OECD Joint consultation on the European Comparison Programme, March 2003 and Spring 2004 ♦ EUROSTAT WG: Harmonisation of consumer prices indices (HICP), 3 times a year (17-19 March 2003, 24-26 September 2003, 9-11 December 2003) ♦ EUROSTAT HICP-seminar: once a year, most likely 25-27 June 2003 in Rome ♦ EUROSTAT WG: Purchasing Power Parities (PPP), twice a year (22-23 May 2003, 15 October 2003) ♦ EUROSTAT WG: Joint meeting on PPP and National Accounts, once a year (16 October 2003) ♦ EUROSTAT WG: Article 64 of Staff Regulations, 3 times a year (27 February 2003, 16 June 2003, 12 November 2003) ♦ EUROSTAT WG: Article 65 of Staff Regulations, once a year (24 March 2003) ♦ OECD: Meetings of 'The Pacific Group' countries on PPPs: end 2003/early 2004 New Zealand ♦ Ottawa Group: 27-29 May 2003 in Paris, France (meeting deferred from 2002) ♦ Ottawa Group: Autumn 2004 in Finland ♦ ILO: 17th International Conference of Labour Statisticians, 24 November - 3 December 2003. ♦ ECE/ILO Meeting on Consumer Price Indices, 4-5 December 2003.
3.9	Activities of the Inter-secretariat Working Group on Price Statistics	**Ongoing methodological work** The technical expert groups set up by the IWGPS to advise the Group on the preparation of the new manuals on CPI and on PPI have nearly completed their work. The IWGPS keeps the Ottawa Group and the Voorburg Group informed about its work. **Priority objective of the methodological work to be undertaken in the next two years** The new manuals on CPI and on PPI are expected to be published by the end of 2003. Proposals for the future work of the IWGPS are under consideration.
3.9	Activities of CES	**Ongoing methodological work**: ♦ Consumer prices: ECE-ILO joint meeting on consumer price indices (4-5 December 2003) to consider: 　▪ *Owner-occupied housing* 　▪ *Families of indices for different purposes – core inflation/forecasting; definition of inflation index; regional indices* 　▪ *Data quality (weights)* 　▪ *Sampling and quality adjustment* 　▪ *Seasonality and seasonal adjustment* 　▪ *Financial services (including report from the November 2002 Ottawa Group Meeting* **Priority objective of the methodological work to be undertaken in the next two years** ♦ Consumer prices: Within the framework of the Intersecretariat Working Group on Price Statistics (IWG.PS) to prepare an updated international manual on CPI. Prepare material for a possible update of the manual as concerns treatment of specific products. Undertake a survey of methods used for quality adjustment. ♦ Producer prices: Within the framework of the Intersecretariat Working Group on

		Price Statistics (IWG.PS) to prepare an international manual on PPI.
		♦ ECP: ECP 2000 to be published in July/August 2003. Joint Consultation with all the international and national statistical offices involved in the calculation of the 2004 results to be organised in 2006, provided that the results for the CIS countries are available and that financial provision is made so that they will be able to attend the Consultation.
		Secretariat resources: Substantial
3.9	Activities of OECD	♦ Calculation of preliminary results for the 2002 round at the end of 2003
		♦ Organisation of the 2005 round, the data collection for which started in the first half of 2000. The 2005 round covers 43 countries as in 1999 (30 OECD countries and 13 non-Member countries). During the 2005 round the OECD is working closely with Eurostat to further harmonise the methodology employed. The OECD is also organising annual meetings with non-European OECD countries ('The Pacific Group') to have closer relationships with countries at all stages of the round. . A meeting to look at the first results (at the survey level) of the 2002 round took place in autumn of 2002 in Mexico. A meeting to discuss the preliminary results of the round 2002 will be organised at the end of 2003 or beginning of 2004 in New Zealand.
		♦ OECD will continue to participate in the Inter Secretariat Working Group on Price Statistics, one of the tasks of which is to update the ILO manual of Consumer Price Indices, and another is assisting in the IMF's work on writing a manual on Producer Price Indices.
		♦ OECD is also participating in the ad-hoc Task Forces set up to discuss various issues associated with PPPs.
		♦ OECD provides practical support to the work of the Voorburg Group by conducting an annual survey of national activity in collecting services PPIs.
		♦ OECD and Eurostat have launched a Taskforce on PPIs for service industries.
3.9	Activities of Eurostat	**Overall Goal:**
		♦ The mission statement of the responsible Eurostat unit (B3) is:
		♦ To produce ever-improving quality data in the fields of intertemporal and interspatial price comparisons, based on sound statistical methodology, developed as appropriate.
		♦ To provide decision makers and the public at large with statistical information, analysis and interpretation in the field of international price levels and trends.
		Ongoing methodological work:
		(i) Consumer price indices:
		♦ Methodological development of the HICPs will continue.
		♦ Compliance with existing regulations by member states will continue, as well as the provision of technical assistance to Candidate countries, who have been producing HICPs since January 2001.
		(ii) Purchasing power parities:
		♦ Work will continue on the PPP development plan, aimed at raising the general level of quality and reliability of the annual PPPs. This includes improvements in methods of data collection, processing and publication, as well as methodological developments. A new data base will be set up at Eurostat.
		Priority objectives of the methodological work to be undertaken in the next two years
		(i) Consumer price indices:
		♦ HICP work will be focussed on (a) development of improved standards concerning quality adjustment and sampling; (b) construction of a pilot index for owner-occupied housing.
		♦ In addition, the existing regulations will be reviewed with the aim of consolidation; this will be linked to the production of a detailed HICP Manual.

		♦ A database on quality adjustment methods and results is being developed. (ii) <u>Purchasing power parities</u>: ♦ The Regulation of the Council and Parliament is thought to be adopted by 2004. It will provide a clear legal basis for PPP work in Eurostat and the member states. **New activities to be undertaken in the next two years**: <u>Planned new legislation</u>: ♦ Regulation of the European Parliament and of the Council on purchasing power parities. ♦ Commission Regulation concerning minimum standards for sampling and quality adjustment. ♦ Commission Regulation concerning the treatment of seasonal items in the HICP. ♦ Commission Regulation concerning the treatment of newly significant products in the HICP. ♦ Commission Regulation on minimum standards for HICP sub-indices. ♦ Commission Regulation consolidating existing HICP regulations. (i) <u>Consumer price indices</u>: The main item of new methodological work will be the development of an index measuring the acquisition costs of owner-occupied housing. ♦ In addition, a new activity will be the consolidation of regulations and the production of an accompanying HICP manual. (ii) <u>Purchasing power parities</u>: ♦ A second 3-year cycle of consumer price surveys will be undertaken in the context of a 31-country multilateral comparison. ♦ Efforts will be made to improve the linkage, both in methodological and organisational terms, between PPP work and national accounts. ♦ Work has begun on the development of regional PPPs and the evaluation of price convergence. ♦ Full integration of data of Candidate Countries will be realised as soon as they become MSs.
3.9	Activities of UNCTAD	**Ongoing methodological work:** ♦ Update of the commodity prices database and calculation of price indices. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Rebase the calculation of commodity price indices on the 2000-year. **New activities to be undertaken in the next two years:** ♦ Review and expand the scope of commodities.
3.9	Activities of ILO	♦ The ILO, as the focal point for consumer price indices within the UN system, continues: (i) to collect and disseminate consumer price indices and to produce and disseminate descriptions of the national methodologies underlying these indices ; (ii) to collect and disseminate data on food prices through the ILO October Inquiry; and (iii) to further develop the international standards on CPI. **Data collection and dissemination:** ♦ The ILO database on CPI, containing annual all-items and group indices for some 200 countries from 1969 onwards, has been added to the ILO statistical Web site (http://laborsta.ilo.org). ♦ The monthly and quarterly CPI series for the all-items and food groups from 1973 onwards have also been added to the Web site. ♦ The possibility of setting up a Web site for disseminating national CPI data and analytical studies on CPI around the world is being examined. ♦ The retail prices part of the ILO October Inquiry will be reviewed with a view to its revision, taking into account the desirability of harmonization with the International Comparison Project. The items covered will be reviewed and possibly extended to

		include some non-food items, and regional lists may be established.
		Development of international standards:
		♦ Development of new draft international guidelines on CPI, for discussion and adoption by the 17th International Conference of Labour Statisticians (ICLS) (24 November - 3 December 2003). The conclusions of the Meeting of Experts on Labour Statistics: Consumer Price Indices and Household Income and Expenditure Statistics (October 2001) have been taken into account in the development of the new guidelines.
		♦ Several sub-regional workshops are planned for 2003, to familiarise national labour statisticians with the major subjects to be discussed at the 17th ICLS, including the new CPI guidelines.
		♦ The revised ILO manual on CPI is expected to be published in 2003 in conjunction with the other international organizations involved in its preparation (ECE, Eurostat, IMF, OECD and the World Bank).
3.9	Activities of International Monetary Fund (IMF)	♦ In consumer and producer price statistics, the IMF will continue to conduct regional courses, provide hands-on training, and develop software packages based on UN and ILO methodologies that can be used by member countries.
		♦ The IMF serves as secretariat for the Technical Expert Group for Producer Price Indices (TEG-PPI) that is developing a revised manual on producer prices, maintains an Internet discussion group on this revision, and is an active participant in the IWGPS and the Technical Expert Group for Consumer Price Indices (TEG-CPI). The new PPI Manual is expected to be published in 2003.
		♦ In late February 2002, the IMF held a high-level seminar on the statistical implications of inflation targeting in Washington. The seminar proceedings were published in 2002 as a book.
3.9	Activities of the World Bank	♦ The World Bank continues its collaboration with OECD, Interstate Statistical Committee of the Commonwealth of Independent States, and the Russian Goskomstat to compile regional data for the International Comparison Program (ICP) 2000 round. Preparations are also underway to launch the ICP 2004 global round in which the Commonwealth of Independent States (CIS) will take part.
		♦ Activities include: (i) integrating ICP with national Consumer Price Indices; (ii) developing a comprehensive and coherent ICP survey framework addressing both conceptual and practical issues; (iii) linking the regional ICP benchmark results to generate a globally consistent framework; and (iv) maintaining a global database that incorporates detailed data at the basic heading level.
		♦ Ensuring the ICP becomes a long-term and sustainable program worldwide is one of the Bank's prime objectives. To this end the ICP exercise and its integration with CPI forms part of statistical capacity building efforts in many countries.
		♦ The output from the ICP, Purchasing Power Parities, are used in a wide range of poverty and economic analyses. However poor data quality in some developing countries has hindered the program's full global potential in the past. The 2004 round addresses a number of problems which have contributed to this to ensure a more reliable and robust database. A formal governance structure is now in place, with global, regional and national coordinators reporting to the ICP Executive Board, made up of eminent statisticians and economists from across the globe. Ongoing research has improved the methodology applied to the survey framework, compilation of expenditure breakdowns at the basic-heading level, and alternative regional linking procedures. These will be thoroughly documented in an updated ICP Handbook, that will establish a set of principles and operational procedures that can guide data collection and processing, document best practices, and serve as a comprehensive reference material and a step-by-step compilation guidebook. The handbook will be available in seven languages, including Russian. Electronic media also provides for easier communications both between the coordinators and with the public, and websites will be set up for each region, including CIS.

		♦ Regional Coordinators are the crucial link between the global office and practitioners in each country. They meet regularly to plan and discuss preparations, methodology and specifications. The first workshop took place in March 2003 in Luxembourg. ♦ Data collection and processing software (CPI/ICP ToolPack) has been under development. The beta version was tested in 12 to 15 countries, including 2 to 3 members of CIS. The primary objective of the ToolPack is to improve national and international data work. It will enable national price statisticians to collect domestic CPI price (and quantity or expenditure) data as well as ICP price data using a common computer program that can be adapted to both purposes. Countries will be encouraged to use the ToolPack for their own CPI programs and it is expected that there will be world wide benefits due to the implied harmonization in constructing CPI's. Data quality will also be enhanced because of the built-in checks in the software. Once the basic data have been entered, it will be a trivial matter to construct the final index and data production will become more timely. ♦ A regional ICP workshop is planned for the CIS region in November 2003 to discuss and agree on the list of items to be included in the CIS regional list of specifications.
3.9	Activities of FAO	**New activities to be undertaken in the next two years:** ♦ FAO has resumed work on collection of producer prices for crop and livestock products and related meta-data. Updated data on producer prices will be released through FAOSTAT. In the next two years, it is proposed to revise estimates of "International $" to provide new base year for compilation of Index Number of Agricultural Production. ♦ Meta-data on producer price series will be released on the Agricultural Bulletin Board on Data Collection, Dissemination and Quality of Statistics (ABCDQ) site. ♦ A new series on Index Number of Agricultural Producer Prices will be introduced. ♦ A handbook on collection and use of producer price statistics for use by developing countries will be published.
3.9	Activities of CIS-STAT	**Ongoing work**: ♦ CIS-STAT collects and processes data on producer price indices, tariffs for goods transport and consumer price indices: ▪ Monthly: producer indices for the main branches of industry and consumer price indices: ▪ Yearly: indices of prices for farm produce sold by commercial farms, indices of prices in the construction industry, including prices for assembly work, and indices of (yearly average) tariffs for goods transport both for the transport industry generally and for individual modes of transport (for Commonwealth countries which keep such records). ♦ CIS-STAT and Goskomstat Russia, as coordinators for comparisons of the gross domestic product and purchasing power parities of currencies of the CIS countries and Mongolia based on data for 2000 as part of the European Comparison Programme, will make individual adjustments to the calculated comparisons and produce a report for subsequent publication. **New activities:** ♦ There are plans to conduct the next round of international comparisons for the CIS countries as part of the European Comparison Programme using data for 2004. To this end, the methodological material on international comparisons of the CIS countries will be updated in 2003 for the new round of GDP and purchasing power parity comparisons, and the principles governing the selection of goods for lists of goods and suppliers will be refined.
3.9	Activities of the Ottawa Group (International Conference on	**Ongoing Methodological Work** ♦ Applied research in the area of price indices, especially consumer price indices. ♦ Papers and Proceedings of the Sixth Meeting (held in Canberra, Australia in April 2001) released in 2002 by Australian Bureau of Statistics **Priority Objective of the methodological work in the next two years**

	Price Indices)	◆ Research papers on
		    1. financial services (including insurance)
		    2. health and social services
		    3. electronic commerce, and
		    4. coping with changes to complex pricing schemes
		as related to the consumer price indices. Papers will be presented and discussed at the 2003 Ottawa Group meeting.
		New Activities to be undertaken in the next two years
		◆ To be identified at the 2003 Ottawa Group meeting

PE 3. 10

3.10	Title	**Agriculture, forestry and fishery statistics**
3.10	Goal	To provide or make available internationally comparable and reliable statistics on sustainable agricultural, forestry and fishing activities as well as on rural development that provides national and international policy makers with adequate information.
3.10	Issues & problems	♦ To adapt the concepts and definitions used in agricultural statistics to encompass a wider view of agriculture reflecting economic, rural, social and environmental linkages. ♦ To exchange information on experiences in collecting and compiling food, agriculture, forestry and fishery statistics including their environmental aspects, to ensure that such data are integrated, comply with comparable conceptual frameworks and help answer current policy concerns. ♦ To develop recommendations for agricultural censuses and to ensure that the concerns and requirements of transition economies are adequately reflected. To assist national statistical offices to develop agricultural statistical systems capable of being used for organizing agricultural surveys for the collection, analysis and dissemination of current data on both crops and livestock. ♦ To continue close inter-organisation co-operation in collecting and publishing forest sector data, relevant to the monitoring of sustainable forest management. For Eurostat: ♦ To provide the essential data required for the Common Agricultural Policy (CAP) within the European Union and the plans for its reform. ♦ Income statistics, productivity, measuring and forecasting food supplies, GIS and administrative data For OECD: ♦ To provide the essential data needed for agricultural policy analyses ♦ Structural and economic agricultural statistics, agri-environmental indicators, agricultural trade and commodity forecasts, fishery
3.10	Strategic medium-term objectives	♦ Building up an agricultural information system with focus on integrated information of the natural resource base of a country (IWG.AGRI) ♦ Progressively implementing the recommendations from the 8th IWG.AGRI Seminar "PARIS" to set up Inter-Agency Task Forces on identified themes requiring intensified attention, such as rural statistics, environmental EAA, review of basic unit. ♦ Agreed concepts and definitions for implementation in the forthcoming round of agricultural censuses. ♦ A centrally developed and supported training programme in food and agricultural statistics for developing countries and transition economies. Training Seminars organized jointly by ECE-OECD-FAO-Eurostat (IWG.AGRI). ♦ Preparation and publication of a new methodological manual for agricultural price statistics is being undertaken by Eurostat. ♦ A work programme to develop the use of agricultural statistics to obtain environmental information. (Cross-reference: See also Programme Activity 5, environment statistics, CES/2003/3/Add.5). ♦ An improved, more comprehensive set of forest sector statistics collected jointly by FAO, ECE, Eurostat and ITTO.

3.10	Expected outcomes in the next two years	Timber Branch of UNECE Trade Division and FAO: ♦ Capacity building in member countries through workshops and meetings of national correspondents. ♦ Agreed plans for next forest resource assessment, closely respond to Ministerial Conference on the Protection of Forests in Europe for reporting on indicators for sustainable forest management. EU: ♦ Rebasing agricultural prices to 2000=100. ♦ <u>Fisheries statistics</u>. In collaboration with FAO particular attention will be given to updating and extending the content of the joint publication "Handbook of Fishery Statistics" and the production of a CD-ROM version of the publication. ♦ <u>Land use and landscape:</u> possible repetition of the LUCAS project in 2003. FAO: ♦ To prepare and publish The Handbook on Food Balance Sheets. ♦ To publish in CD-Rom format Technical Conversion Factors. ♦ To update the information on the web page on agricultural census: www.fao.org/WAICENT/FAOINFO/ECONOMICS/ESS/wcares/wcaresfr.htm ♦ To publish the Handbook on Preparation of Economic Accounts for Agriculture for Use of Developing Countries. ♦ To publish a handbook on collection of data for compilation of environmental indicators and accounts relating to agriculture. ♦ To complete the documentation of the Handbook of Fishery Statistics. ♦ To release the revised and updated version of the Handbook on Internet. OECD: ♦ To release a new series of agricultural accounts with more harmonised data SNA93/EAA97 IWG.AGRI: A manual on statistics on rural development and the agriculture household unit.
3.10	Attention of the Conference was drawn to the following	♦ <u>Existing joint data collection</u>: Eurostat and OECD have implemented a unified and harmonised framework for the Economic Accounts for Agriculture (EAA). ♦ <u>Future action in joint data collection (agriculture other than economic accounts for agriculture)</u>: Eurostat and FAO have agreed to co-operate in the area of agriculture price statistics. Other types of data sets are successively to be identified and included in framework of Common Data Consultation and Utilization. ♦ <u>Future action in joint data collection (fishery statistics)</u>: Following a joint Eurostat/FAO/OECD meeting with national statisticians in February 2000 and discussions on this topic in the OECD Committee for Fisheries proposals are being formulated to minimise the duplication of demands made on the national services and to improve the exchange of data between the international agencies. ♦ <u>Future action in joint data collection (agro-environment indicators)</u>: See PE 5.1.
3.10	Decisions taken by the Conference	♦ The Conference approved and encourages the activities led by the IWG.AGRI. ♦ The Conference approved the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.10	Rapporteur	Eurostat
3.10	Meetings	♦ Inter-secretariat Working Group on Agriculture Statistics (IWG.AGRI, composed of ECE, Eurostat, FAO and OECD. Meetings twice a year on a rotating basis ♦ Inter-secretariat Working Group on Forest Sector Statistics, meetings about twice a year (membership: ECE, FAO, Eurostat, ITTO, OECD, EEA, CEC) ♦ Third International Conference on Agricultural Statistics (ICAS III), Cancún, Mexico, November 2004. ♦ PARIS21 Agricultural and Rural Statistics Task Team. The Team may organize seminars on specific areas of interest to donors and recipients of technical assistance in agricultural and rural statistics.

		♦ Joint FAO/ECE Working Party on Forest Economics and Statistics (March 2004 and 2005)
		♦ Global Forest Resource Assessment Advisory Group
		♦ ECE/FAO: Meeting of national statistical correspondents (as funds allow)
		♦ EUROSTAT WG: Land use statistics, twice a year (10-12 March 2003, 20-21 November 2003)
		♦ EUROSTAT WG: Rural development statistics, once a year (4-5 December 2003)
		♦ EUROSTAT WG: Farm structure survey and typology, twice a year (6-8 May 2003, 2-3 October 2003)
		♦ EUROSTAT WG: Agricultural price statistics + Economic accounts for agriculture, twice a year (30 June – 1 July 20, 2-3 December 2003)
		♦ EUROSTAT: Meeting on Vineyards + Fruit Trees + Crop products, once a year (9.11 July 2003)
		♦ EUROSTAT WG: Animal products statistics, twice a year (19-21 March 2003, 20-21 October 2003)
		♦ EUROSTAT WG + Committee: Crop products statistics + CPSA + 3rd workshop for CCs (8-10 December 2003)
		♦ EUROSTAT WG + Committee: Animal products statistics + CPSA + 3rd workshop for CCs (10-12 March 2003)
		♦ EUROSTAT WG + Committee: Livestock and Meat Statistics + CPSA + Workshop for CCs, twice a year (19-21 March 2003, 20-21 October 2003)
		♦ EUROSTAT WG: Milk statistics, once a year (26-27 June 2003)
		♦ EUROSTAT WG: Agro-industry statistics, twice a year (10-11 April 2003, 17-18 November 2003)
		♦ EUROSTAT WG: Food security statistics, once a year (12-13 May 2003)
		♦ EUROSTAT WG + Committee: Agricultural Statistical Committee (ASC) and CPSA, twice a year (7-11 July 2003 incl. Agriculture Seminar in Poland, 4-5 November 2003)
		♦ EUROSTAT WG: Agriculture / environment statistics, twice a year (6-7 March 2003, 29-30 October 2003)
		♦ EUROSTAT WG: Forestry Statistics, once a year (6-7 November 2003)
		♦ EUROSTAT WG + Committee: Fishery Statistics + CPSA + 3rd workshop for CCs (5-7 May 2003)
		♦ ECE-Eurostat-FAO-OECD Meeting on Food and Agriculture Statistics, 2-4 July 2003.
3.10	Activities of Inter-secretariat Working Group on Agricultural Statistics	**Ongoing methodological work:** The activities of the ECE, FAO, OECD and Eurostat in the field of agricultural statistics are coordinated and integrated by means of the Inter-secretariat Working Group on Agricultural Statistics (IWG.AGRI). Meetings and seminars are convened jointly (additional information on joint work is given below in the section "Activities of CES"). IWG.AGRI is continuously working towards common data consultation among the organizations. The IWG.AGRI meets twice a year and is convened on a rotating basis. IWG.AGRI has agreed to create a Task Force on Statistical on Rural Development and the Agriculture Household Unit. Terms of reference to be submitted to the CES Bureau. **Priority objective of methodological work to be undertaken in the next two years**: ♦ Establish routines for common data consultation to an increasing number of data sets. ♦ Continue the series of focused seminars. ♦ Work on indicators concerning sustainable agriculture and rural development.
3.10	Activities of the ECE	**Ongoing methodological work**: ♦ ECE-Eurostat-FAO-OECD Meeting on Food and Agricultural Statistics (2-4 July 2003), to consider: ▪ Stocktaking of recent developments and future needs in food and agricultural

		statistics (i) the future role of agricultural statistics and (ii) how to meet the needs for ad hoc statistics and flash statistics
		▪ Measurements of farm household income and wealth versus agriculture activity income;
		▪ Statistics related to multi-functionality, sustainability, rurality and environment, and their interaction with agriculture
		▪ Statistics and analysis of food supply, food quality, food safety) including traceability), consumer needs and analysis of trade flows
		▪ Classification systems and their adaptation to new needs
		▪ Implications of new technologies on the production and dissemination of agriculture statistics
		♦ ECE-Eurostat-FAO-OECD-ISI to organize the 3rd World Conference on Agriculture Statistics in 2004. Agenda to be developed by the organizations involved and presented to the CES Bureau.
		Priority objective of methodological work to be undertaken in the next two years: Prepare an inventory of indicators for sustainable agriculture Within the framework of an IWG.AGRI Task Force prepare a manual on statistics on rural development and the agriculture household unit.
		Secretariat resources: **Moderate.**
3.10	Joint activities of the Timber Branch of the ECE Trade Division and the FAO	**Ongoing methodological work:** (data collection, see P.E. 6.1)
		♦ Elaboration of parameters/variables/data items to be reported in Global Forest Resources Assessment 2005, including corresponding terms and definitions under close review by the Joint FAO/UNECE Working Party on Forest Economics and Statistics.
		Priority objective of methodological work to be undertaken in the next two years
		♦ Capacity building in member countries through workshops and meetings of national correspondents.
		♦ Update definitions for HS2002.
		♦ Agreed preliminary plans for next forest resource assessment.
		New activities to be undertaken in the next two years
		♦ Essentially all the activities described above represent a continuation of methods and arrangements already in hand.
3.10	Activities of OECD	**Ongoing methodological work:**
		♦ Maintains a database of producer subsidy equivalents/consumer subsidy equivalents.
		♦ Maintains and further develops an Agri-Environmental Indicators (AEI) Database.
		♦ Maintains an outlook/model database, for analytic and forecasting work on commodity projections using different policy scenarios.
		♦ Maintains a database of economic accounts for agriculture (EAA). The EAA database has undergone substantive methodological review and extension to better meet future analytical needs.
		♦ OECD provides special training on EAA for China.
		Priority objective of the methodological work to be undertaken in the next two years
		♦ The methodology of the Economic Accounts for Agriculture (EAA) has been reviewed with Member countries to implement necessary changes and the addition of capital stock measures be investigated for possible inclusion.. Concrete results of this methodological work have been incorporated into the revised OECD questionnaire 2001 and will result in a revised electronic publication in January 2003.
		♦ OECD has included smaller agricultural units in its questionnaire to take better into account the needs of some of its Member countries.
		♦ As requested by countries, methodological advise and indicator development to OECD countries, developing countries and transition economies on agricultural

		statistics will continue to be provided through the IWG.AGRI mechanism in place (see also "PARIS" Seminar at OECD in November 2002 and 3rd World Conference on Agricultural Statistics in 2004).
3.10	Activities of Eurostat	**Overall Goal** During the 2003-2007 period the Commission will strive to: ♦ Apply the TAPAS (Technical Action Plans for Agricultural Statistics) scheme for progressive improvements to the existing set of agricultural statistics, mainly as far as quality, comparability, efficiency savings, simplification and timeliness are concerned. ♦ Plan the development of agricultural statistics with the aim of meeting the future needs of the CAP (Common Agricultural Policy) in particular the 2010 agricultural census and its connection with other agricultural surveys. ♦ Consolidate and improve the organisation and analysis of results coming from LUCAS project. ♦ Consolidate the Economic Accounts for Agriculture (legal basis). ♦ Provide information on the consumer/welfare aspects of agriculture. ♦ Provide indicators on food quality, safety and traceability in close co-operation with the relevant DGs and Agencies. ♦ Assist in the development of comparable data in candidate countries for accession to the EU. ♦ Consolidate, improve and extend (indicators) forest sector statistics. ♦ Consolidate and improve the quality of fishery statistics. ♦ Definition and measurement of rural development. **Ongoing methodological work**: The principal ongoing areas of work relate to: land use and landscape, farm structures, incomes and prices, crop and animal production, agro-industry, forestry and fisheries. Common features of current activities are: ♦ regular reception, processing, storage and dissemination of considerable flows of data in application of existing legislation and gentlemen's agreements; ♦ 'maintenance' of this framework of legislation and agreements; ♦ quality improvement measures following the screening of agricultural statistics. This third dimension of activity centres on the implementation of the Council Decision on improving Community agricultural statistics (TAPAS). Work to adapt the set of Community agriculture statistics to meet identified new or changing needs continues, although only very limited resources can be found for this work. This involves: ♦ the results of continuing wide-ranging reflection; ♦ regular monitoring of needs and of relevant ongoing and proposed activities; ♦ maximum integration with ongoing work on agricultural and non-agricultural statistics; ♦ continuing attention to efficiency aspects; ♦ implementation of the findings of the authoritative review of the present system carried out in 2002 in collaboration with users and national administrations. Work with <u>candidate countries</u> involves: ♦ consolidating regular flows of data from official statistical services; ♦ planning and organising the execution of country statistical development programmes; ♦ building multi-country capacity in an integrated international framework; ♦ monitoring compliance with the *acquis communautaire* (including gentlemen's agreement statistics). Co-ordinating the thematic component of EU Member States' and Community activities on the above in the framework of the Agricultural Statistics Committee. <u>Land use and Landscape</u>

After the adoption of the EP/Council decision on the application of area frame surveys and remote sensing techniques to the agricultural statistics, the LUCAS project was implemented in 2001/2002 in the Member States. Methodological documentation on sample definition, harmonised nomenclature that classify land use and land cover, surveyors manual and estimation methods was prepared, and the two surveys in which the project is divided were carried out. The year 2002 was devoted to the evaluation of the 2001 results, the improvement of the procedures and the development of a user-friendly database to manage all the data collected. On this basis, a decision was taken on to repeat the survey in 2003. The Commission will propose prolongation of the EP/Council decision on which the project is based to cover the period 2004-2007 which will enable another survey in 2005 and two additional years to assess results and prepare a final report to the Council and European Parliament stating final conclusions.

In the context of the Phare multi-beneficiary programme, the same approach was adopted to implement the same survey in some of the candidate countries.

Agricultural structures

(i) Farm Structure and farm typology:

The work will continue to focus on the data from the latest 10-yearly census on the structure of agricultural holdings and on the preparation of the next 2/3 yearly sample surveys (2003 and 2005). The first results will be published and analysed, both with quality and political issues in mind. The work on the publication programme will be enlarged towards further analytical work and support to studies in the agricultural policies sectors.

Farm structure survey (FSS) results will be integrated with other sources of information, including the development of geographical reference to the database, and new electronic dissemination tools will be developed.

The work on statistical tools for monitoring "sustainable agriculture" will continue along the lines drawn up in the framework of developing a core set of agri-environmental indicators in co-operation with EEA, DG AGRI and DG ENV. Sound co-operation with regional policy statistics for the development of information systems including agriculture and regional policies will be constructed.

Methodological support will continue to be given to the implementation of the FSS in candidate countries, with validation of data collected so far and direct support to development as the main tasks. A methodological publication on typology will be finalised.

(ii) Vineyard surveys and fruit tree surveys:

Strengthening and validation of the results of the 1999/2000 basic vineyard survey. Analysis of the results of the basic Community vineyard survey (1999/2000)**.**
Strengthening and validation of the results of the 2002 basic orchard survey. Analysis of the results of the basic Community orchard survey (2002). Consolidation of the orchard survey methodology taking into account the comments expressed by the European Parliament (nuts and fruit trees nurseries).

(iii) Community surveys on the structure of agricultural holdings:

Work on the Community surveys on the structure of agricultural holdings will continue with financial assistance from the Agriculture DG (About €7 million annually).

Agricultural incomes and prices

(i) Economic Accounts for Agriculture/Forestry (EAA/EAF):

Consideration to extend the sequence of accounts to include certain items (flows) in the account "Other changes in assets" and the balance sheets. Candidate countries: Integration of Eastern European countries in the EAA/EAF system of EU. A proposal for legislation to cover the provision of these data will be made in order to assure their continued flow in the future. (They are currently provided to the Commission on the basis of informal "gentlemen's" agreements.)

(ii) Income of the Agricultural Households Sector (IAHS) statistics:

New approaches, including in particular the possible replacement of agricultural

household income by rural household income as field of activity, require study.

(iii) Agricultural Price Statistics (APS):

Methodological points: Study of practical questions arising from re-basing of the EU agricultural price indices to 2000=100. Maintenance, updating and publication of a harmonised set of EU absolute agricultural price indices (output and input) and price indices. Aligning the list of variables used in EEA and in Agricultural Price Indices. Integration of the candidate countries in the system of EU agricultural price statistics.

(iv) Agricultural Labour Input Statistics (ALI):

Updating of the details of actual methodologies used by the Member States. Database and publications: Management, updating and improvement of the database. Verification of the data. Annual publication of the ALI data and analyses. Methodological issues: Aim to improve methodological harmonisation. Integration of the candidate countries: Establishing ALI statistics for the candidate countries according to Eurostat's target methodology will need support.

(v) Agricultural Sector Modelling (AgrIS):

Database: Updating and maintaining of the new database (AgrIS); Regular revisions and updates of the database in spring and autumn. Medium-term forecasting using a new medium-term policy simulations system. Special attention will be paid to improving the user-friendliness of the existing model. Development of tools to achieve closer co-operation with Member States in the use of AgrIS. Integration of the candidate countries into AgrIS.

Crop production

- The activities already under way or interrupted by a lack of resources will be continued: improving data collection and processing flows; improving delivery times by computerised reminders with human follow-up.
- Computer processing of quality checks for routine statistics and supply balances, all measures being applied to the Member States and the candidate countries by using the reference manuals and, where appropriate, TAPAS actions.
- Development of the model AGROMET for harvest forecasts by quality assessment, in relation with other models, and by increasing its period and the number of crops covered.
- Specific actions for the candidate countries will be developed: evaluation of the official methods in the countries close to accession in the *acquis communautaire* goal, and improvement of the methodologies by using external services in the others.
- An exhaustive publication of data is planned by issuing a CD-ROM, as well as ongoing publication of updated handbooks on EU methodologies.
- The animal feed balance sheet methodology is planned to be completed.
- Implementation of new legislation in the wine sector; improvement of dialogue with other sectors of agri-stats at the level of common definitions or data quality; tighten up links between our activities and JRC in Ispra on Agromet model and land use.

Animal production

- Improvement of the statistics of the sector, particularly on milk and dairy products.
- Extension of the poultry meat statistics.
- Adjusting the weighting coefficients for slaughtering.
- Statistics on the sector for the candidate countries need strong development and improvement.
- Supply balance sheets: continued examination of data quality, particularly external trade data, review of the methodology.
- Publications: intensification 'Statistics in focus'.
- Fodder balances: continued expansion in co-operation with the crops sector.
- Livestock, meat, milk, eggs: application of existing legislation and bilateral agreements.
- Guidance on the use of administrative data for statistical purposes.

Agro-industry statistic s

Table of interrelations within the agri-foodstuffs industry (technical coefficients), development of a comprehensive database on the agri-foodstuffs sector capitalising on existing data (national, PRODCOM). Participation in NACE revision process by co-ordinating the suggestions issued from DG SANCO, DG AGRI, DG ENTR and professional federations.

Reforming agricultural statistics

Implementation of the Council Decision on TAPAS (Technical Action Plans for Agricultural Statistics) which covers selected topics and serves as a tool for improving Community agricultural statistics and facilitating their evolution to meet the challenges of the future.

Steering and co-ordination of work in the field of agricultural statistics.

Implementing actions relating to the evolution of agricultural statistics in the light of current or expected developments.

Further developing statistics and indicators illuminating the agriculture-environment interaction and in particular the integration of environmental concerns in agricultural policy; publishing the results.

Supporting the improvement of agricultural statistics in candidate countries including analysis of the existing agricultural statistical systems and integrating regular data flows into the Eurostat structures dealing with EU data.

Forestry statistics

Regular compilation of Community forestry statistics on forest structure, production and trade of raw wood and wood-based products, supply balance sheets and other forestry related issues (with ECE, FAO, OECD, ITTO); preparation and realisation of publications on Forestry Statistics; co-ordination of forest-related projects with other DGs (Agriculture, Environment, …), international institutions and other units of Eurostat; improvement of the data base; improvement of Forestry Statistics Interest Group on CIRCA; indicators related to forestry.

Analysis of national forestry statistics with a view to improving of the quality of data; new indicators related to forestry; co-ordination work with other DGs for the new regulations on forestry.

Fisheries statistics

Ongoing work related to catch, landings and aquaculture production statistics will still be the major activity in fisheries statistics. Development of statistical work on employment in the fisheries sector, sustainability, environmental and socio-economic indicators and Mediterranean fisheries will continue.

Collaboration with other international agencies will be continued and intensified with the view to further rationalising and reducing the workload on national authorities.

Further developments in FAME and New Cronos databases are foreseen, in order to adapt and complete the work carried out in 2001: including data collection processes and dissemination of statistical information and other services for the Commission and other EU institutions.

Near to the first round of accession, the accuracy of the fisheries data in candidate countries will be assessed with regard to the body of EU law.

Other Activities of the European Commission:

Agricultural structures**:** The Farm Accounting Data Network uses Farm Structure Survey results under the Community typology for calculating raised totals.

Agricultural incomes and prices: The Agriculture DG collects weekly agricultural prices in the context of the management of agricultural markets.

Crop production: The Space Application Institute of the JRC Ispra provides the MARS bulletin on the situation of crops at different stages of the agricultural year.

Animal production**:** The Agriculture DG collects Member States' data on the production and marketing of eggs for incubation and chicks. The results are made available to Eurostat.

		Forestry statistics: Eurostat's work is in co-ordination with and feeds into the European Forestry Information and Communication System being developed by the DG Agriculture.
		Fisheries statistics: Implementation of the EU legislation concerning the collection of basic data (scientific, biological and economic) needed for the management of the CFP.
		New activities to be undertaken in the next two years
		Land use and Landscape
		The year 2002 was dedicated to the evaluation of the LUCAS 2001 survey results in term of methodology, comparability with other sources and possible use to trace evolutions. In the context of the PHARE program, the same LUCAS approach will be tested with candidate countries, especially in view to evaluate the land use and landscape modifications involved by the farms structures evolution.
		Agricultural structures
		♦ Initial reflections on 2010 census.
		Agricultural incomes and prices
		♦ Envisage legislation (Regulation of the European Parliament and of the Council) concerning Agricultural Monetary Statistics;
		♦ Enlargement of the current used sequence of accounts for agriculture;
		♦ Re-basing 2000 = 100 for Agricultural Prices;
		♦ Dissemination of a database (AgrIS) needed for running of the new medium-term policy simulation system.
		Animal production
		♦ Evaluation of data management models
		♦ Production of manuals and reference documentation
		♦ Poultry statistics: link between eggs and poultry meat 'expectation'.
		♦ Commission Decision 97/80/EC of 18.12.1996 (implementing Council Decision 96/16/EC of 19.3.96 (on statistical surveys of milk and milk products) will probably require revision.
		Reforming agricultural statistics
		♦ Install and implement procedures for monitoring and steering the evolution of Community agricultural statistics.
		♦ Implement new TAPAS Decision 2003-2007
		Forestry statistics
		Planned new legislation during 2002/2004:
		♦ According to Council Regulation (EEC) No 1615/89, the Commission is obliged to set up the European Forestry Information and Communication System (EFICS). The main responsibility is with the Agriculture DG but the forestry statistics collected by Eurostat are mentioned as an integral part of EFICS. This regulation will change in 2002 - 2004.
		Fisheries statistics
		Planned new legislation:
		♦ Revision to Commission Regulation no. 1637/01 - modifying Council Regulation no. 3883/91 - on submission of nominal catches by Member States fishing in the NE Atlantic.
		♦ Revision to Council Regulation no.2104/93 – modifying Council Regulation no. 1382/91 – on the submission of monthly data on the landings of fishery products in the ports of Member States.
3.10	Activities of FAO	**Ongoing methodological work:**
		Fisheries statistics
		♦ Ongoing work related to capture, aquaculture production, trade, fishers, fleet statistics will still be the major activity in fisheries statistics.
		♦ Collaboration with other international agencies will be continued and intensified with the view to avoid/reduce discrepancies in published data.

◆ Improved harmonization, data quality, and transparency in information dissemination through the implementation of the Internet-based FIGIS (Fisheries Global Information System).

◆ Drafting general guidelines for fishery statistical development emerging from the Coordinating Working Party on Fishery Statistics (CWP).

Agricultural statistics

◆ To further develop the information system on national methods of data collection and dissemination of crop and livestock statistics under the *Agricultural Bulletin Board on Data Collection, Dissemination and Quality of Statistics (ABCDQ)* Project.

◆ FAO will continue to collaborate in the Inter-secretariat Working Group on Agricultural Statistics (IWG.AGRI) and the FAO-UN/ECE Study Group on Food and Agricultural Statistics in Europe, planned and organized by the Conference of European Statisticians (CES) to be held in autumn 2004.

◆ To develop the information system on national methods of data collection and dissemination of agri-chemical and land use statistics and to document the procedures for ensuring quality and consistency of statistical data for presentation at the Agricultural Bulletin Board on Data Collection, Dissemination and Quality of Statistics (ABCDQ) site.

◆ Further standardization of terms and definitions of agricultural inputs land use statistics to establish appropriate linkages with other socio-economic databases to derive agri-environmental indicators.

◆ Technical assistance will be provided through FAO's Technical Cooperation projects.

◆ Data on structure of agriculture will continue to be compiled from national agricultural censuses. They will be posted on the FAO webpage as and when they become available.

Organic Agriculture

The rapidly growing market for organically produced food has captured the attention of FAO Member Nations. There is a need for reliable, accessible and quality information for informed decision-making in organic agriculture to adequately direct research, extension efforts and investments. Expected outputs for the 2002-2003 period in this field will include the three main areas:

◆ Effective policy and technical decision-support tools for productive and efficient organic farming systems.

◆ Studies, technical assistance and policy advice relating to production and trade of certified organic agriculture products.

◆ Information dissemination systems and networking arrangements for production, conservation, processing, labelling and marketing of organic produce.

Definition, Norms, Methodologies and Quality of Information

Target accomplishments include:

◆ Updated procedures to document and ensure the quality and consistency of statistical data regarding agricultural production, trade, food balance sheets (FBS), inputs, forestry and fisheries products, farm data and land and water indicators;

◆ further standardisation of terms, definitions and categorization schemes regarding land use, plant production and protection, livestock, forestry and fisheries information as well as human nutrition aspects, establishing appropriate linkages among them;

◆ standards and norms regarding country-specific information to facilitate data dissemination and integration on a country basis;

◆ standard data models to describe information resources such as experts, institutions, species and maps to assist in data exchange within and outside the Organization.

Priority objective of the methodological work to be undertaken in the next two years:

Fishery statistics

		♦ Building of new modules and strengthening partnerships to facilitate updates by partners in the FIGIS system. ♦ Enhancing the quality and timeliness of fishery statistics through increased use of computerized data submission and data screening tools. ♦ Improvement of nutritional factors in food balance sheets on fish and fishery products. ♦ Promote the formulation of regional projects for statistical development, continued backstopping and implementation of new projects in Africa, Asia, Caribbean and the Americas, support to regional and sub-regional workshops and training courses. Agricultural statistics ♦ To update the information on the web page on agricultural census: www.fao.org/WAICENT/FAOINFO/ECONOMICS/ESS/wcares/wcaresfr.htm ♦ To develop a methodology for integration of time-use surveys with the cost of production surveys for deriving gender disaggregated data relating to crop and animal husbandry activities. ♦ Handbook on Statistical Aspects of Crop Forecasting. Different methods of forecasting food crop production will be presented.
3.10	Activities of PARIS21	The *Rural and Agricultural Statistics* task team of PARIS21 advocates for greater visibility of Food, Agriculture, and Rural Statistics (FARS) within the overall system of national statistics. The team works on mobilising resources, exchanging innovative experiences and practices, and promoting cost-effective methodologies and stakeholder co-ordination. The team reviewed its work in 2002 and agreed a regional project proposal to attract multi-agency support. The work is expected to concentrate on Africa initially, but plans to extend to other regions at a later date.
3.10	Activities of CIS-STAT	**Ongoing work**: ♦ Collection, processing, analysis and publication of data on agriculture in the Commonwealth countries: ▪ Monthly: output of selected types of livestock products; ▪ Quarterly: agricultural output in current prices and indices of agricultural output in comparable prices, numbers of cattle and poultry, and the progress of crop harvesting (five times a year); ▪ Yearly: sales by commercial farms of principal agricultural products, gross harvests and crop yields (calculated in accordance with FAO recommendations), the balance of resources and produce consumed, per capita consumption of main food products, number of peasant (individual farmers') holdings and associated land and their output of principal agricultural products; ♦ Production of analytical reports on the situation and development of agriculture.

PE 3.11

3.11	Title	**Industrial statistics**
3.11	Goal	To provide or make available industry sector statistics that are consistent with international standards and definitions, and ensure that policy-makers have adequate information in the areas of SME's, productivity, technology and employment at an appropriate disaggregated level.
3.11	Issues & problems	♦ To ensure that industry statistics are consistently classified for purposes of international comparability. ♦ To ensure that all OECD Member countries, particularly those in transition, apply the latest version of international standards and classifications; ♦ To ensure that recent trends in the structure of the economy (industry and services) can be analysed by means of series of statistics that are harmonised, comparable, detailed and up-to-date. ♦ To support policy-makers' analytical needs with longitudinal micro-level databases offering new possibilities for analysis in the areas of small and medium-sized enterprises, entrepreneurship, productivity, technology or employment at a disaggregated level. ♦ To contribute to the development of internationally comparable and policy-relevant indicators such as productivity measures at detailed industry level. ♦ Changeover from ISIC (Rev.2) to ISIC (Rev.3). ♦ To provide relevant short-term economic indicators for industry and services sectors.
3.11	Strategic medium-term objectives	♦ Advance the compilation and publication of core industry-level data in ISIC Rev. 3 (NACE Rev. 1) with the objective of providing time series that can be used for policy-relevant analysis. ♦ Examine measurement issues in industry statistics such as those associated with information and communication technology. ♦ Publish international SME statistics. ♦ Advance the development of a manual for the development of globalisation indicators and for the measurement of productivity. ♦ Creation of Small and Medium Enterprise (SME) database (UNCTAD)
3.11	Expected outcomes in the next two years	♦ Reduced set of Steel Statistics after the expiry of the ECSC (European Coal and Steel Community) Treaty. ♦ Production of PRODCOM methodological manual (EU) ♦ Production of a Short Term Statistics methodological manual (EU) ♦ Production of a methodology of Business Demography (EU) ♦ Production of a methodology of Business Services (EU) ♦ Production of a methodology of Foreign Affiliates Trade Statistics (FATS) (EU) ♦ Publication of OECD's Science, Technology and Industry Scoreboard (2003) ♦ UNIDO's *International Yearbook of Industrial Statistics* will be published in paper form in 2003 and 2004 and also on the Internet ♦ UNIDO's INDSTAT database will cease at the 4-digit level of ISIC (Rev.2) but continue for 3-digit level by conversion from ISIC (Rev.3) data ♦ UNIDO's Set of Industrial Development Indicators will be expanded both in terms of number of indicators and the number of countries covered.

3.11	Attention of the Conference was drawn to the following	♦ Future action in joint data collection (structural business statistics): agreement on joint data collection has been reached between OECD and Eurostat. ♦ Future action in data collection on SME statistics: Data collection will continue to be carried out by OECD. ♦ Development of recommendations and guidelines for the compilation of output indicators for services. OECd work is carried out under the auspices of the newly created Short-term Term Economic Statistics Expert Group (STESEG) which will hold its second meeting in June 2003.
3.11	Decisions taken by the Conference	♦ The Conference approved the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.11	Rapporteur	OECD
3.11	Meetings	♦ EUROSTAT WG: SBS Implementation Annex 6 and 7, once a year (4-5 March 2003) ♦ EUROSTAT WG: Business Statistics Directors, once a year (11-12 June 2003) ♦ EUROSTAT WG: Business Statistics Directors - PHARE, once a year (13 June 2003) ♦ EUROSTAT WG: SBS Implementation + SBS Quality, once a year (29 September-1 October 2003) ♦ EUROSTAT WG: Foreign Affiliates Trade Statistics (FATS), once a year (13-15 January 2003) ♦ EUROSTAT WG: Structural Business Statistics (SBS) Steering Group, once a year (11-12 February 2003) ♦ EUROSTAT WG: Business Services Statistics/Demand for services, twice a year (31 March – 2 April 2003, 3-5 November 2003) ♦ EUROSTAT WG: Enterprises Demography, once a year (10-11 April 2003) ♦ EUROSTAT WG: Short-term Statistics (STS) General Working Party, twice a year (30 June-1 July 2003, 24-25 November 2003) ♦ EUROSTAT WG: Short-term Statistics (STS) Special Thematic Working Party, once or twice a year (15 September 2003) ♦ EUROSTAT WG: Factors of success, once a year (7-8 October 2003) ♦ EUROSTAT: Committee: Statistical Programme Preparatory Committee for European Statistical System Regulation PRODCOM , twice a year (16-17 June 2003, 17-19 November 2003) ♦ ECE/FAO Joint Working Party on Forest Economics and Statistics, spring 2003, Geneva ♦ OECD: Statistical Working Party of the Industry Committee, Autumn 2003 ♦ OECD: Short-term Economic Statistics Expert Group, once a year (two days). Second meeting to be held on 26-27 June 2003 ♦ Joint OECD – European Commission meeting on Business Tendency Surveys and Consumer Surveys to be held around November 2003.
3.11	Activities of the CES	Within the EU 5th Framework Programme on "Specific programmes promoting competitive and sustainable growth", the European machine-tool builders association CECIMO (Comité Européen de Coopération des Industries de la Machine-Outil) has been appointed the co-ordinator of a four year project on socio-economic aspects of manufacturing technologies. CECIMO has asked ECE to participate in the statistics related aspects of this project. This work will focus on: ▪ defining the manufacturing technology sector (in the same way as the ICT sector has been defined and which partly overlap with the manufacturing technology sector), ▪ develop statistics which better capture production and supply of manufacturing systems, in contrast to stand-alone machining concepts, ▪ suggest improvements in the classification systems;

		▪ create short-term indicators; and ▪ establish networks of competence in this area. **Secretariat resources: minimal**
3.11	Activities of OECD	A number of OECD Working Parties regularly meet to examine different aspects of analytical and statistical work related to industry and service activities carried out by the Secretariat in support of the OECD Committees, in particular: ♦ the Statistical Working Party of the Industry Committee (SWIC), ♦ the Working Party on Small- and Medium-sized enterprises, ♦ the Steel Committee, ♦ the Council Working Party on Shipbuilding, ♦ the Short-term Economic Statistics Expert Group (STESEG); ♦ the Committee for Information, Computer and Communication Policy. Work carried out by OECD on business statistics is designed to provide internationally comparable, disaggregated time-series for indicators and analysis, which are required by economic analysts, policy makers and business both internal and external to the OECD. There is a process of on-going review and improvement to the contents of the databases in order to maximise their relevance for economic analysis and to identify and incorporate emerging areas. A dynamic review with regard to consolidation and harmonisation of collected variables is currently implemented with other international organisations (in particular Eurostat), however keeping in mind the OECD bridge function with non European countries to which a greater attention is to be given. The main databases relating to business statistics (see also P.E.3.8) are the following. Most countries have now implemented the ISIC revision 3 and produce several years of observations. However, the transition to ISIC Rev. 3 will continue to pose a significant problem for the availability of coherent time series of international industrial statistics. (a) The database on structural business statistics updated through a joint questionnaire with UNIDO. It contains annual data on core economic variables, relating to both industry and services, at a very detailed level of ISIC revision 3 (up to the 4th digit level) which are published annually in 'Structural Statistics for Industry and Services' (SSIS), previously called 'Industrial Structure Statistics' (ISS). As from 2002, an in-depth comparison of data collected and published by OECD and Eurostat will be carried out in order to harmonise the publication of structural data by different international organisations (as it is already the case between OECD and UNIDO) and to reduce the reporting burden on national statistical agencies. To help users when analysing structural data on business activities, the OECD is collecting, updating and publishing methodological information on the sources, classifications, surveys, methods of sampling, definitions of variables, coverage, processing of data, treatment of confidentiality and dissemination. This database is a key source for STAN, the OECD structural analysis industrial database. (See also P.E. 3.8) (b) The statistical database on enterprises by size class, previously called Small- and Medium-sized Enterprises Database (SME), contains detailed statistical information on core economic variables on industry and service sectors disaggregated by enterprise size. In 2001, the collection of data by size class has been harmonised with the collection of data for the SSIS database [see above (ii)], in order to get more consistent structural statistics and in accordance with Eurostat SBS regulation. Methodological information is collected as well. Statistics on enterprises broken down by size class will be published in tables and graphs in the 2002 SME Outlook. More detailed statistics will form the subject of a specific publication in 2003, depending on the quality and quantity of data provided by OECD Member countries

(See also P.E. 3.8).

(c) The Structural Analysis industrial database (STAN, based on SSIS and compatible with national accounts) has been developed to construct internationally comparable indicators of technology, industrial performance and competitiveness and the database on business R&D expenditures (ANBERD).

(d) The database on Activities of Foreign Affiliates (AFA), covering variables such as employment, production or R&D in conjunction with foreign direct inward investment. This data bank has been extended to the activity of affiliates of national firms abroad (outward investment) and to services, but will be subject to further review (in collaboration with OECD experts on services and with Eurostat).

(e) The trade in high-technology products database. This database includes information on 240 product groups identified in collaboration with Eurostat.

STAN database
The *STAN database for industrial analysis* provides analysts and researchers with a comprehensive tool for analysing industrial performance at a relatively detailed level of activity across countries. It includes annual measures of output, labour input, investment and international trade which allow users to construct a wide range of indicators to focus on areas such as productivity growth, competitiveness and general structural change. The industry list provides sufficient detail to enable users to highlight high-technology sectors and is compatible with those used in related OECD databases. Go to www.oecd.org/sti/stan for more information.

For the database relating to *output and employment in service industries*, annual data are published in "Services: Statistics on Value Added and Employment". A collection of National Accounts data by detailed service activity began in 2000. The value added and employment data for services are a part of that. The publication "Services: Statistics on Value Added and Employment" will be subject to a review in 2002. The data also feed into the STAN database

The OECD also manages a macro-economic database, the Main Economic Indicators (MEI) database which contains a wide variety of monthly and quarterly macro-economic short-term statistics for OECD Member countries and a small number of non-member countries (namely Brazil, China, India, Indonesia, Russian Federation, South Africa). The short-term indicators covered in MEI include: quarterly national accounts; industrial production; composite leading indicators; business and consumer opinions; prices (consumer and producer); labour; finance; international trade and balance of payments. Indicators are primarily published at total national level although some are disaggregated to the 1-digit level of ISIC Rev. 3. The indicators published in MEI are accompanied by summary sources and definitions methodological information (metadata) under five broad headings: definition; coverage; collection; calculation; and source. This metadata is updated on a continuous basis and is readily available of the OECD website.

MEI short-term economic indicators are published in paper and electronic media for the 30 OECD Member countries and selected non-Member countries. Specific MEI activities to be conducted in the context of the OECD Statistics Strategy over the next year includes:

(a) Metadata: The last paper edition of Main Economic Indicators: Sources and Definitions was produced in June 2000 and the next release is scheduled for release in late 2003. Furthermore, additional releases in the series of Main Economic Indicators: Comparative Methodological Analysis publications will be released during 2003. The first publications dealing with industry, retail and construction indicators; and prices (CPI and PPI) were released on the internet in 2002. Publications proposed for 2002 will cover: employment/unemployment indicators; and wage related statistics (earnings, labour cost and labour price indicators).

		The collection and dissemination of metadata is being co-ordinated with other international organisations such as IMF, Eurostat, ILO, ECB and UNSD. This entails reference (via URLs) to detailed metadata collected by those agencies (and by national agencies) in lieu of direct collection by the OECD from national sources.
		(b) Business tendency surveys: MEI work here entails co-operation with Member countries, international organisations such as European Commission and selected non-member countries to develop qualitative measures of economic activities by promotion of such techniques in the areas of business tendency and consumer surveys. The MEI database will be enlarged to cover business tendency survey results in retail trade, construction and the services sector and consumer opinions for both Member and Non-Member countries.
		(c) Leading indicators: The OECD commenced publication of a press release for the Organisation's Composite Leading Indicators (CLIs), which are currently compiled for 22 Member countries. The CLI will be developed for additional Member countries and work will continue to improve the quality of the indicator. Quality improvement work entails investigating alternative compilation methodologies with other national and international agencies (including estimation of missing data) , reviewing and revising component series and improving the presentation and transparency of leading indicators to broaden the audience of users.
		(d) Short-term Economic Statistics Expert Group (STESEG): The primary objective of the new OECD Group, which met for the first time in June 2002, is to improve the quality (including comparability and timeliness) of short-term economic indicators in priority areas of OECD and Member country need. It does this through the provision of a forum for exchanging information on current best practice and the preparation of recommendations to the OECD Secretariat and Member country statistical agencies for implementation. The work of the Expert Group covers an appropriate balance between specific subject areas of short-term indicators (such as demand indicators, output indicators, services, etc) and cross-cutting issues (such as comparability, data presentation, seasonal adjustment, benchmarking, timeliness, etc).
		(e) MEI target indicators: The OECD has developed a list of "target" short-term indicators (with accompanying "target" definitions drawn from existing international statistical standards located in the OECD Glossary of Statistical Terms) in order to provide more transparency on the requirements of the Organisation and to expand the number of common (if not comparable) indicators across as many countries as possible. There is a process of on-going review of the content of MEI which requires the co-ordination of a number of activities with ECE, IMF, ILO, ECB and Eurostat. Over the next twelve months enhancements to the content of MEI will be made to: earnings, labour cost, labour price, additional tendency survey series (see (b) above), output indicators for services, construction.
		(f) Data capture: The OECD is working closely with other international organisations (in particular Eurostat and the ECB) to further co-ordinate and stream line data collection activities by the various OECD Directorates involved in the collection of short-term economic statistics, with the objective to reduce the reporting burden on agencies in Member countries and to increase the efficiency of such processes within the OECD.
		(g) International statistical recommendations and guidelines: Activities here include working with other international organisations to develop standards for the collection and presentation of statistical metadata, and increasing the coverage and quality of statistical metadata, whilst at the same time minimising the reporting burden of member countries. The OECD is working with the IMF and other international and national agencies (Eurostat, UNSD, BIS, ECB) in the SDMX group to develop standards for the transmission of data and metadata. Refer www.sdmx.org for further information.
3.11	Activities of	**NB**: Programme Element 3.11 describes all of Eurostat's activities named in P.E. 3.5 and

		Eurostat	most of the activities named under 3.8 (which, for Eurostat, includes only information society, communications and audio-visual services – *Theme 49*)

Overall Goal

During the five year 2003-2007 programme period work will progress in the following areas:

♦ Improve the system for developing structural business statistics, based on political needs and with a capacity of quick reaction to changing factors such as environment, policies and users.

♦ Strategy for services statistics

♦ Strive for maintaining the infrastructure needed such as Business Registers and Classifications.

♦ Develop a legal basis for information society statistics

♦ Focus on the quality assessment and improvement of the data produced.

♦ Improve the system of short-term business statistics to serve as a tool for monetary policy making.

Ongoing work:

Structural statistics (industry and services)

♦ Collection, validation, processing and publication of the data produced under the SBS (Structural Business Statistics) Regulation up to and including the reference year 2001.

♦ Preparation of estimates for recent years for the majority of countries with publication of the main EU 15 data at the end of the first quarter of 2003.

♦ Publication at the end of 2003 of all the results generated by the SBS Regulation up to the reference year 2001.

♦ Follow-up and report concerning improvement of the quality of SBS data.

♦ Further discuss and start implementing a strategy for services statistics.

♦ Initiation of the adoption of Commission Regulations implementing the new SBS Regulation on financial services (banks and pension funds) adopted in November 2002; collection, validation, processing and publication of data in this field up to reference year 2001.

♦ Development of SBS in the fields of:
  ♦ Demand for services in enterprises
  ♦ Business Demography
  ♦ Statistics on foreign affiliates
  ♦ Business services (supply-side approach with product and client breakdowns)
  ♦ Development of an ad hoc module for enterprise statistics/first ad hoc survey on inter-enterprise relations conducted

♦ Detailed analyses (in conjunction with other Eurostat statistics).

♦ Collection, processing and distribution of structural statistics for enterprises in the candidate countries.

♦ Publication of a "Statistical survey of European enterprises".

PRODCOM (Collection of production statistics based on a product list according to Council Regulation (EEC) No 3924/91 of the 19 December 1991):

♦ Preparation of an interpretation Regulation

♦ Completion of the implementation of the Regulation (completeness, coverage)

♦ Improvements in timeliness

♦ Information on national methodologies and preparation of methodological guidelines.

♦ Improving the dissemination machinery and strengthening of co-operation with data users

♦ Integration of iron and steel, non ferrous metals and other materials

Integration of data from Acceding Countries.

Short term statistics, (STS) (Collection of statistics relevant for the analysis of the business cycle according to Council Regulation (EEC) No 1165/98 of 19 May 1998):

♦ Complete implementation of Council Regulation 1165/98
♦ Preparation of an Amendment Council Regulation to adapt the STS Regulation to user requirements, i.e. recommendations for Principle European Economic Indicators.
♦ Monitoring implementation of the ECOFIN action plan.
♦ Make progress in statistics on service industries through improved data availability and projects for better coverage of service sectors.
♦ Full integration of data from Acceding Countries, other Candidate Countries and EFTA Countries
♦ Improvement of the distribution channels through a revised quarterly publication , more timely SIFs and News Releases.
♦ Revision and continuous improvement of the methodology for data adjustments, i.e. working day adjustment, seasonal adjustment.
♦ Improvement of the methodology for European aggregation of data.
♦ Preparation of methodological guidelines based on gentlemen's agreements.
♦ Completion of the database on national methodologies (STS Sources) and its dissemination.
♦ Improvements of the STS meta data and the change process in dissemination databases.
♦ Advance in the preparation of a common data revision policy.
♦ Stabilisation of the data transmission from Member States (speed, monitoring and coverage of GESMES/CB encoding).
♦ Feasibility studies and subsequent implementation of various projects for the improvement of timeliness and/or data quality, such as the project on 'country stratified retail trade index'.

Priority objective of the methodological work to be undertaken in the next two years
♦ A PRODCOM methodological manual (guideline for harmonisation).
♦ Practical methodological guidelines on gentlemen's agreement to supplement the STS methodological manual.
♦ A methodological manual of Business Demography
♦ Methodology of Business Services
♦ Methodology of statistics on foreign affiliates (recommendations manual for the compilation)

New activities to be undertaken in the next two years
Planned new legislation during 2003:
♦ Regulation (EC; Euratom) of the European Parliament and of the Council on information society statistics.
♦ Introduction of an ad hoc module into Regulation No 58/97.
♦ Further amendments to Annex 1 of Council Regulation No 58/97 concerning structural business statistics
♦ Regulation (EC, Euratom) of the European Parliament and of the Council concerning the structure and activity of foreign affiliates (see 3.6).
♦ Amendment Council Regulation to the Council Regulation No 1165/98.
♦ Commission Interpretation Regulation to assist the implementation of Council Regulation No 3924/91.
♦ Annual Commission Regulations for the PRODCOM list.

Structural Business Statistics
♦ Development of data on factors affecting business success

		♦ Integration of Candidate Countries to ongoing work on Business Demography ♦ Prepare the data collection on statistics on foreign affiliates in Phare candidate countries ♦ Second ad hoc survey; topic to be decided Short-term statistics ♦ Pilot projects to cover import prices, the distinction of the Euro-zone in variables for non-domestic markets and output prices for high priority service sectors. ♦ Improvements in the co-operation with other domains that contain related data, such as national accounts, labour markets statistics, structural business statistics ♦ Pilot projects to increase the frequency of certain STS indicators, such as data on turnover of service sectors and production in construction. ♦ A new quarterly publication on short-term statistics. ♦ Basic review of the IT machinery for the incorporation of data from Acceding Countries. PRODCOM statistics ♦ Interpretation Commission Regulation. ♦ Revision of the Eurostat processing and aggregation of data ♦ Development of proposals for the inclusion of services into PRODCOM.
3.11	Activities of UNCTAD	Maintain a statistical database on Small and Medium Enterprises by collecting existing statistics data and harmonizing it as far as possible.
3.11	Activities of UN Statistics Division	UNSD maintains responsibility for the compilation and dissemination of industrial commodity production statistics and index numbers of industrial production at the global level. **Ongoing methodological work:** ♦ Preparatory research is underway for the planned revision of the standard list of commodities that is currently used for collection and dissemination of statistics on industrial commodity production. ♦ Investigation of possibilities of collaborative arrangements between UNSD, Eurostat and OECD to avoid duplications in data collection has been initiated in the areas of industrial index numbers and industrial commodity statistics. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Development and introduction of the revised list of industrial commodities. ♦ Revision of the Handbook on Index Numbers of Industrial Production.
3.11	Activities of UNIDO	♦ UNIDO, in collaboration with OECD, will continue to assume the sole responsibility for compilation and dissemination of worldwide key industrial statistics at the 3- and 4-digit levels of ISIC(Revision 2 and 3): UNIDO collecting data directly from non-OECD member countries while OECD collecting data from its member countries and providing them to UNIDO to complete the global coverage of the UNIDO industrial statistics database system. ♦ With regard to UNIDO country questionnaire, it is expected that majority of the non-OECD countries would report their data electronically in, for instance, Excel format (Currently, half of regularly reporting non-OECD countries provide their data to UNIDO via electronic questionnaire). After screening, adjusting and supplementing with UNIDO estimates, the reported data will be stored, as before, in the UNIDO Industrial Statistics (INDSTAT) Database system in accordance with the individual reporting systems, Rev.2 and Rev.3 of ISIC. However, it is expected that nearly all regularly reporting countries, both OECD- and non-OECD countries, would have completed a switch-over in their data-reporting system from Rev.2 to Rev.3 of ISIC. Thus, the INDSTAT Database at the 4-digit level of ISIC(Rev.2) will be maintained as the supplementary information supporting the INDSTAT Database in accordance with ISIC(Rev.3). The INDSTAT Database at the 3-digit level of ISIC(Rev.2) will

		be maintained by incorporating the Rev.2-based data that would be converted from reported ISIC(Rev.3) data. UNIDO will continue to maintain the ISIC(Rev.3) version of its Industrial Demand-Supply Balance (IDSB) Database while the ISIC(Rev.2) version of IDSB would be treated as the supplementary file to the Rev.3-based IDSB. The organization plans to implement a major update of its database on industrial statistics by establishment-size of establishment.
		♦ The annual time series that UNIDO compiles and disseminates refer to selected key statistics for employment, production and investment, all pertaining to manufacturing and are arranged in accordance with 3- and 4-digit levels of ISIC. The organization will continue to disseminate INDSTAT as well as IDSB databases on CD-ROM. At the same time, the 2004 and 2005 editions of the International Yearbook of Industrial Statistics will be published in hardcopy. In addition, annual updates of re-designed statistical country briefs, which present selected key statistical indicators that are derived from the UNIDO database system will be made available in Internet on the free-of-charge basis.

3.11	Activities of CIS-STAT	**Ongoing work**:
		♦ Collection, processing and publication of data on industry in Commonwealth countries:
		   ▪ Monthly: output of the main types of industrial products in physical terms, industrial output in current prices, and indices of industrial output (in comparable prices), output (in current prices) and indices (in comparable prices) of main categories of consumer goods;
		   ▪ Quarterly: volume and indices of industrial output by main industrial sectors;
		   ▪ Yearly: output of the main types of industrial products by product category;
		♦ Production of analytical reports on the situation and development of individual industrial sectors.

3.12	Title	**Energy statistics**
3.12	Goal	That there exist energy sector statistics that are consistent with international standards and definitions
3.12	Issues & problems	♦ The integrated compilation of statistics on energy; ♦ The use of internationally agreed and harmonised concepts and definitions; ♦ Proper linkages between energy statistics, other fields of economic statistics (e.g. conventional industrial statistics and transport statistics) and environmental statistics. ♦ Reducing the gap between supply and demand in monthly oil statistics. ♦ Monitoring of greenhouse gas emissions (GHG) (EU) ♦ Development of methods for temperature correction of monthly statistics (EU)
3.12	Strategic medium-term objectives	♦ Consistent, integrated data on energy statistics - flows of production and consumption – compiled according to agreed frameworks. ♦ Assessment of whether different databases for energy statistics are needed. ♦ Dissemination from time to time of updates to existing standards and methods for the compilation of energy statistics. ♦ A PRODCOM/Energy list will be drawn up and published by Eurostat. ♦ Establishing a Renewables database (IEA/OECD) ♦ Improvement of the transparency of oil data (IEA/OECD) ♦ Development of statistics on useful energy (EU) ♦ Define list of indicators of effectiveness of competition in gas industry (EU)
3.12	Expected outcomes in the next two years	♦ Production of a manual on energy questionnaires (IEA/OECD) ♦ An inter-organisations website on monthly statistics (IEA/OECD-EU) ♦ Pocketbook *Sustainable development – Energy Indicators* (EU) ♦ Inventory of national methodologies (EU) ♦ Revised methodological manual (EU)
3.12	Attention of the Conference was drawn to the following	Nothing
3.12	Decisions taken by the Conference	♦ The Conference approved the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.12	Rapporteur	OECD/IEA
3.12	Meetings	♦ EUROSTAT WG: Energy Statistics Committee, once a year (13-14 October 2003) ♦ EUROSTAT WG/TF: Price Statistics, once a year (6 March 2003) ♦ EUROSTAT WG: Energy Efficiency, once a year (26 March 2003) ♦ IEA/OECD-EU: 4th International Meeting on Oil Statistics – Cairo – May 2003 – Joint meeting with Eurostat/APEC/OLADE/OPEC and UNSD ♦ IEA/OECD-EU International meeting on Energy Statistics (2004)
3.12	Activities of CES	No ECE-OECD/IEA-Eurostat joint meeting is planned in the next biennium. The shared work on data collection will continue as before. **Secretariat resources: Minimal**

| 3.12 | Activities of OECD | **Ongoing Methodological Work:**
On 29-31 October 2001, the IEA/OECD and Eurostat conducted a 3 day workshop in order for National Administrations to improve their knowledge of the 5 joint annual OECD-Eurostat-UNECE questionnaires and for the Organisations to better understand the main difficulties encountered by administrations when filling up questionnaires. Participants in the workshop asked the IEA and Eurostat to 1) have a website where they could find practical information on the questionnaires and 2) prepare a manual better explaining the questionnaires and the methodology. Eurostat and the IEA have prepared the website which can be accessed through the IEA home page.
Priority Objective of the Methodological Work to be Taken in the Next Two Years.
♦ The IEA and Eurostat have started to work on a joint manual to ease the completion of annual questionnaires and more generally to facilitate the understanding of energy statistics. The manual should be available at the end of 1st quarter 2003.
♦ Establishing a database on renewables based on the new Renewables questionnaires as well as a country-provided information is also a priority for this year and the next years. A lot of work has been done in that direction in 2002, and the IEA has published a book on Renewables in December 2002. Additional work will be pu by both Eurostat and the IEA to further improve the quality and the coverage of the statistics on renewables.
♦ Last but not least, the IEA and Eurostat, together with APEC, OLADE, OPEC and the UNSD will continue to move forwards with the oil data transparency initiative whose objective is to improve the timeliness, the coverage and the quality of oil statistics.
New Activities to be Undertaken in the Next Two Years:
♦ A manual on the 5 annual questionnaires.
♦ A manual on energy statistics for Non-OECD countries.
♦ A strengthening of the co-operation between international organisations in order to harmonise definitions and methodologies, reduce the burden passed to member countries and organisations, and improve quality.
A special effort will be undertaken to develop statistics on Africa. |
| 3.12 | Activities of Eurostat | **Overall Goal:**
Quality upgraded EU Energy Statistics, in also being able to respond to new and additional user demands on market structure, energy efficiency, sustainable development and emissions.

During the period 2003-2007, the work on energy statistics will consist in improving the quality of energy data and balances, especially in the area of the consumption, in order to respond better to requirements arising from the GHG emissions monitoring mechanism. Also user demands on sustainable development issues (energy efficiency, co-generation, renewables), and the effectiveness of competition in liberalised markets and its impact on consumers and the energy industry will have to be answered better.
Ongoing methodological work:
♦ Collect and publish annual energy statistics (EU).
♦ Collect and publish short term energy statistics (EU).
♦ Collect and publish gas/electricity prices according to the respective legal base.
♦ Collect and publish annual and short term energy statistics on accession countries.
♦ Collect and publish statistics on energy efficiency.
♦ Collect and publish statistics on effectiveness of competition in electric ity and gas markets.
<u>Work dependent on financing from other Commission DGs:</u>
♦ The continuation of the survey on Combined Heat and Power including accession countries (DG-TREN).
♦ Collect statistics on energy efficiency (DG-TREN).
♦ The development of statistics on useful energy (DG-RTD). |

		Priority objective of the methodological work to be undertaken in the next two years Based on the existing annual and short term energy statistics a revised methodological manual will be drawn up and released. In addition, the collection and publications of national methodologies will be emphasised. Work dependent on financing from other Commission DGs: ♦ Prepare and publish a pocketbook on 'Sustainable development - Energy Indicators' (DG-TREN) ♦ The production of inventories on national methodologies ♦ Revised methodological manual **New activities to be undertaken in the next two years** ♦ Review quality and revise price statistics methodology ♦ Development of methodology for the temperature correction of monthly statistics ♦ Review content/structure of paper publications and reference environment ♦ Launch the development project on useful energy ♦ Extend the data collection fully to all accession countries ♦ Analyse internal production processes and amend them
3.12	Activities of UN Statistics Division	UNSD maintains responsibility for the production of global energy statistics. **Ongoing methodological work:** ♦ In collaboration with other international agencies active in this area (APERC, Eurostat, IAE/OECD, OLADE, OPEC) UNSD is working on improving transparency of oil statistics by investigating differences in methods, definitions, and preparing recommendations for their harmonization. ♦ Continuous development of the Energy Statistics Database. Initiating harmonization of definitions, conversions and methods in energy statistics used by different international agencies as well as by countries providing energy statistics. **Priority objective in the next two years:** ♦ To improve timeliness and coverage and quality of energy statistics. ♦ To provide training on energy statistics to countries in the ECA and ESCWA region.
3.12	Activities of CIS-STAT	**Ongoing work:** Collection, processing and publication of data on the electric-power balance of individual Commonwealth countries. **New activities:** Proposals on the formulation of recommendations for comparisons of fuel-energy balances will be drawn up in 2004.

PE 3. 13

3.13	Title	**Science and technology statistics**
3.13	Goal	Establish and maintain international statistical standards in the field of science and technology (S&T) statistics, including definitions and statistical methods. S&T covers research and development (R&D), innovation, patents, -technology balance of payments and human resources in S&T (HRST).
3.13	Issues & problems	♦ Describe statistically the role of S&T in the national innovation systems of member countries and the economic impact and determinants of S&T activities; ♦ Improve the set of internationally agreed standards and conceptual frameworks for the compilation of S&T statistics, adapt them to evolving economic conditions (e.g. emergence of new activities such as IT and biotechnologies) and changing policy needs.
3.13	Strategic medium-term objectives	♦ The review of the Oslo Manual for innovation surveys will start in 2003, with a meeting at OECD in March and a Eurostat conference in April ♦ The work on HRST, for methodological improvement and extension of data collection will continue. ♦ The activity of patents, aimed at building an international statistical infrastructure (methods and data bases) will continue, in co-operation notably with patent offices and the WIPO. ♦ Bridging the gap between the Frascati approach and national accounts for R&D statistics. ♦ Developing countries launch their own statistical compilation programmes on e-commerce and the use of ICT ♦ Development of IT indicators database
3.13	Expected outcomes in the next two years	♦ Development of R&D data consistent with national accounts. ♦ Revised Oslo manual (finalised possibly in 2005). ♦ Revised guidelines for HRST statistics. ♦ Revised guidelines for patents statistics.
3.13	Attention of the Conference was drawn to the following	♦ Finalise improvements of various aspects of the Frascati Manual for R&D surveys and put them into practice. ♦ Continue to develop and improve surveys of technological innovation and the associated indicators and, where necessary, improve the Oslo Manual. ♦ Update and expand existing methodologies and surveys in order to provide better indicators of the internationalization of science and technology and its application. ♦ Improve regional breakdowns within member countries. ♦ Continue analytical and methodological work on patents and where necessary improve the Patent Manual.
3.13	Decisions taken by the Conference	None
3.13	Rapporteur	OECD

3.13	Meetings	◆ ECE/OECD/EUROSTAT/UNCTAD/ITU/UNESCO Workshop on Monitoring the Information Society: Data, Measurement and Methods (8-9 December 2003) ◆ EUROSTAT WG: S&T and Innovation Statistics (19-21 November 2003) ◆ EUROSTAT WG: R&D Benchmarking and Innovation statistics, 3 times a year (7-8 May 2003, 23-24 September 2003) ◆ OECD in co-operation with Eurostat: workshop for launching the revision of the Oslo manual, March 2003. ◆ OECD: workshop on HRST statistics, March 2003. ◆ OECD and WIPO: Conference on Patent indicators, April 2003. ◆ OECD: meeting of the ad-hoc group of NESTI for biotechnology, May 2003. ◆ OECD: Working Party of National Experts on Science and Technology Indicators -- NESTI--, yearly meeting, June 2003. ◆ OECD: Working Party on Indicators for the Information Society (WPIIS), 5-7 May 2003
3.13	Activities of CES	Back-to-back with the World Summit on the Information Society a Statistical Workshop will be jointly organized by ECE, OECD, EUROSTAT, UNCTAD, ITU and UNESCO under the general motto: Monitoring the Information Society: Data, Measurement and Methods. The Workshop, which will take place in Geneva on 8 and 9 December 2003, will consider the following main topics: (i) Overview of ICT Production and Usage, (ii) Household Usage; (iii) Enterprise Usage; and (iv) Government and Social Impact.
3.13	Activities of OECD	**Ongoing methodological work:** OECD work on science and technology (S&T) include R&D, patents, direct measurement of innovation, human resources for S&T, biotechnology statistics and globalisation of S&T including technology balance of payments. This work is carried out under the aegis of the Group of National Experts on S&T Indicators (NESTI) of the Committee for Science and Technology Policy (CSTP). A second area of work is that of statistics and indicators for the information society. This work is carried out under the aegis of the Working Party on Indicators for the Information Society (WPIIS) of the Information, Computer and Communication Policy Committee (ICCP). Both these groups meet formally once a year and organise workshops on specific topics. These meetings and workshops are planned to match those of the corresponding Eurostat experts. **Priority objective of the methodological work to be undertaken in the next two years:** ◆ Management and/or development of internationally comparable statistics on resources devoted to R&D and revision of the OECD international methodology for R&D survey, the *Frascati Manual*, which is a foundation for that work, including corresponding revisions in the OECD international R&D survey. Diffusion of S&T statistics and corresponding metadata via "*Basic R&D Statistics*" and improved "*Main S&T Indicators*" OECD publications and the on-line OECD R&D Sources and Methods database. Improving comparability of R&D expenditures by Industry by developing and publishing the ANBERD database. The country coverage of OECD S&T databases and publications is being expanded to include comparable S&T indicators and statistics for non-member economies such as China, Russia, Singapore, Chinese Taipei and Latin American countries. ◆ Development of Patents statistics: patent families, patents by industries, patents by technology fields; development of a data base of patents by firm. ◆ In co-operation with Eurostat, methodological and statistical work will be pursued on the direct measurement of innovation based on the exploitation of member countries innovation survey. The revision of the joint OECD/Eurostat international methodology for innovation survey, the *Oslo Manual*, which is a foundation for that work, will start with in-depth methodological work (basic definitions etc.). ◆ Measurement of Human Resources devoted to Science and Technology: internationally comparable statistics of HRST, especially for certain categories of

		interest (researchers, IT experts etc.); international mobility of HRST; development of an international framework for doctorate surveys.
		♦ Following the 2000 ad hoc meeting accessing the feasibility of developing internationally comparable statistical indicators of biotechnology, an inventory of Biotechnology statistics was developed and a statistical compilation of existing (non-comparable) was completed. At the 3rd meeting of this ad hoc group scheduled for May 2002, two model surveys on the measurement of biotechnology were discussed. They will be applied in Member countries.
		♦ A final draft of the Manual on Globalisation Indicators, including a chapter on the globalisation of technology (previously discussed at the 1999 and 2001 meetings of NESTI), is still being discussed with national experts. A review of available TBP data in OECD countries will be undertaken in 2003 to assess the utility of this information as an indicator of the international diffusion of technology.
		Communication Indicators Work on Communication Indicators provides data for analysts and policy makers in OECD Member governments and contributes to the indicators framework for global information society. Basic performance indicators and the communication tariff comparison methodology are reviewed every two years. The mobile tariff basket is presently under review and new baskets should be implemented during 2003. Work on the database and compilation of indicators continued through 2001, including publishing the Telecommunications Database 2001 (available as a CD). This database provides 90 time series of indicators on telecommunications such as network infrastructure, revenues, expenses and investment of operators, Internet indicators, trade in telecommunications equipment, etc. The sixth biennial "Communications Outlook" will be published in 2003. It will present data and analysis on market structures, performance indicators for public telecommunications services, broadcasting trends on convergence of information and communications technologies, tariffs and includes Internet indicators.
		♦ A *framework paper* for the development of statistics for the information society will be drafted by the OECD Working Party on Indicators for the Information Society (WPIIS) in 2003 and finalised in 2004. The paper will provide a discussion of data needs and data gaps in the information society and detail ICT concepts, definitions and classifications developed by WPIIS and by other fora. It will then develop a statistical framework to address user needs in this area.
		♦ WPIIS, after having developed an OECD activity-based definition of the Information and Communication Technology (ICT) sector, is now extending the ICT sector definition to a commodity-based one.
		♦ On the usage side, following the OECD definitions of electronic commerce transactions and the OECD model survey on ICT usage in business, WPIIS has recently developed the OECD model survey on ICT usage in households/by individuals. Methodological work will continue particularly in the areas of measurement of electronic transactions in the financial sector and in the measurement of electronic business processes.
		WPIIS has also recently released the first comprehensive OECD compendium on indicators for the information society "Measuring the Information Economy 2002" (publication and underlying data are freely available at www.oecd.org/sti/measuring-infoeconomy). Future work will be aimed at improving the quality and international comparability of the statistics and indicators.
3.13	Activities of Eurostat	**Overall Goal:** To collect statistics on S&T and Innovation, to develop methodology and indicators to monitor research and innovation policies in Europe, responding to statistical needs resulting from the Lisbon strategy. During the next four years 2004-2007, main efforts will be undertaken to: ♦ improve the quality of existing indicators and continue the conceptual work leading to the production and further development of new indicators to benchmark national

		Research and Innovation policies, and in particular, to measure human resources and their mobility in research and development;

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Research and Innovation policies, and in particular, to measure human resources and their mobility in research and development;
♦ develop further statistics on R&D and innovation in the context of the European Research Area, and in particular, to develop a theoretical framework for more frequent R&D and innovation statistics;
♦ extend the R&D data collection in line with the forthcoming Legal Basis on S&T statistics, in close co-ordination with OECD.. ;
♦ measure the technological trends with harmonised statistics on patents;
♦ integrate the acceding countries in the overall framework of the data collection and development of harmonised and comparable RTD and innovation statistics.

Ongoing methodological work:
♦ Data collection work and provision of harmonised and comparable information on R&D activities.
♦ Work on the development of new statistical indicators for the benchmarking exercise of Research and Innovation policies in Europe will continue.
♦ Further harmonisation of regionalisation methods aiming at regional R&D data that is more comparable between Member States.
♦ Methodological work will be pursued for a better definition of high tech in the manufacturing sector and knowledge intensive activities in the service sector.

Priority objective of the methodological work to be undertaken in the next two years:
♦ Implement the new Council Decision on Community S&T and Innovation Statistics.
♦ Provide statistical and methodological support to the relevant Commission services for the benchmarking of Research and Innovation policies
♦ Development of a methodology for the nowcasting of the major R&D indicators.
♦ Improvement and development of new regional S&T indicators.
♦ Work will start on more frequent updates of the main indicators in the Innovation Scoreboard.

New activities to be undertaken in the next two years:
♦ Eurostat will start the activities towards the revision of the Canberra Manual and in close collaboration with the OECD.
♦ The Oslo Manual for innovation surveys will be revised. This revision will be done in co-operation with OECD and will take into account the recommendations and methods used for the third Community Innovation Survey.
♦ Development and maintenance of an interantional statistical database of patents. Eurostat will co-ordinate the Commission Services' requests for patent statistics and participate in the NESTI Task Force. A patents manual will be developed together with the OECD.
♦ The NABS classification will be revised.

Planned new legislation during the reference period
♦ A decision of the European Parliament and of the Council establishing a multiannual programme for the production and development of Community Statistics on science and technology (2003-2007) is expected to be approved in spring 2003.
♦ A Commission Decision for implementation of the Decision will be prepared and presented to the SPC in autumn 2003.
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<tr><td>3.13</td><td>Activities of UNCTAD</td><td>Create a database on indicators of technology development.</td></tr>
<tr><td>3.13</td><td>Activities of CIS-STAT</td><td>

Ongoing work:
♦ CIS-STAT will continue its consultations in 2003-2005 with national statistical services on arrangements for statistical observation of science and technology activities based on accepted international standards for science statistics.
♦ A report on "Scientific research and scientists in Commonwealth countries" will be published in the third quarter of each year.
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PE 3. 14

3.14	Title	**Business registers and administrative records in support of economic statistics**
3.14	Goal	That there exist business registers of sufficiently good quality to support required statistical activity and that the best use is made of administrative records for statistical purposes.
3.14	Issues & problems	♦ Promoting the use of business registers and general purpose survey frames for business surveys. ♦ Dissemination of best practices used by countries in the construction and maintenance of business registers. ♦ Assisting transition economies in constructing sampling frames, in maintaining their coverage and quality with particular emphasis on new business accessions and changes, and in defining their structure and major applications, particularly in the area of statistics on small and medium-sized enterprises and in the long run, to develop techniques for obtaining full information on the demography of enterprises. ♦ The harmonization of the coverage of business registers and the concepts used, and of the uses of business registers. ♦ Training on the definition and application of statistical units in business registers and on the use of business registers as a coordinated survey tool. Although this need is particularly striking in the case of CITs, it is not limited to this group of countries.
3.14	Strategic medium-term objectives	♦ The harmonization of the treatment of enterprise groups, which is essential for improving statistics on globalisation; in this context, the development of the OECD Manual on Economic Globalisation Indicators is important and an agreement at the UN level should be achieved. ♦ Revision of the Eurostat Business Registers Manual of Recommendations. ♦ Occasional bulletins with details on standard frame contents (Eurostat); methods, costs, and pitfalls related to the construction of frames (Roundtable on Business Frames).
3.14	Expected outcomes in the next two years	♦ Recommendations for inclusion in the Manual on the harmonisation of the treatment of enterprise groups. ♦ Completion of the update of the Manual of Recommendations regarding registers.
3.14	Attention of the Conference was drawn to the following	♦ Many countries are still in the implementing phase of the harmonization and development of business registers as a survey frame and source of information. ♦ A global harmonization of the treatment of enterprise groups is necessary, as the information on enterprise groups is essential for improving statistics on globalisation; in this context, the development of the OECD Manual of Economic Globalisation Indicators is important and an agreement at the UN level should be achieved.
3.14	Decisions taken by the Conference	♦ The Conference approved the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.14	Rapporteur	Eurostat
3.14	Meetings	♦ Joint ECE/EUROSTAT Seminar on Business Registers (25-26 June 2003). Agenda items include: ♦ EUROSTAT TF: Statistical Units, 3 times a year (20 May 2003, 15 December 2003) ♦ EUROSTAT WG: Statistical Units – Enterprise Group, once a year, October 2003 (2 days) (not yet defined) ♦ EUROSTAT WG: Business Registers, once a year (24-25 June 2003) ♦ Roundtable on Business Survey Frames: Next meeting is scheduled for October 2003 in Rome, Italy.

3.14	Activities of CES	♦ Joint ECE/EUROSTAT Seminar on Business Registers (25-26 June 2003), to consider: ▪ Development and harmonisation of a common glossary for business registers and of the Eurostat manual; ▪ Quality issues and coverage of business registers; ▪ Implications of globalisation for statistical business registers; ▪ Links between administrative and statistical business registers; ▪ Collection of information and further development of identity cards on business registers within member countries ▪ Uses and dissemination of information from business registers within member countries
3.14	Activities of OECD	It is expected that a final version of the Manual on Globalisation Indicators will be produced in 2003. The initial version of this manual would cover four areas: foreign direct investment; activities of multinational enterprises; technology and trade. Because the subject is wide ranging, an extensive review process by many different groups will be required before its eventual release.
3.14	Activities of Eurostat	**Overall Goal** During the five year 2003-2007 period work will focus on the following areas: ♦ to revise the business register Regulation 2186/93 in order to change recording of enterprise groups from optional to compulsory, ♦ to establish a consolidated system to record multinational enterprise groups, ♦ to further international co-operation to promote harmonisation of business registers and statistical units. **Ongoing methodological work**: The focus during the last years has been in developing the methodology on the treatment of enterprise groups and in promoting their inclusion in the business registers in the National Statistical Institutes, as a basic tool for the statistics on globalisation. ♦ The focal point on globalisation will continue to co-ordinate the different Eurostat activities on measuring the economic impact of globalisation . ♦ Work on enterprise groups will continue until the methodology is completed to include also enterprise group demography and a structure for the consolidation of multinational enterprise groups, on which statistics on enterprise groups could be based. ♦ The work to measure the quality of registers, which has so far produced relatively poor results, will be assessed periodically the measurement. ♦ The remaining problems in few countries concerning the implementation of the Council Regulation on business registers will be bilaterally addressed. ♦ The annual inquiry on business registers will be further developed taking into account the user needs, especially the increased use of business registers as data source. ♦ The present status of administrative simplification (e.g. single business register, …) in the MS and the candidate countries will be investigated relating to that a list of possible actions from the Commission side will be elaborated ♦ Co-operation with several Eurostat projects will continue. With business demography, this ensures the use of common terms, definitions and methods. With trade registers, this concerns strengthening the links between registers, with balance of payments possible new uses of business registers. ♦ Collaboration with city group 'Round table on business survey frames' on quality of registers and other topics related to business registers will continue. ♦ Most of this work will be done in-house and in close collaboration with Member States. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ To finalise the methodology on the treatment of enterprise groups. This work is

		connected to the improvement of the quality of business registers, the statistical units and their characteristics in the Member States.
		♦ The updating and completing of the business register Manual of recommendations was achieved in early 2003. The Manual now includes 21 chapters. Two new chapters, on enterprise group demography and government units will be prepared in 2003-2004. The Manual is available on a web site.
		New activities to be undertaken in the next two years
		The above mentioned work concerning the consolidation of multinational enterprise groups is a new activity. The support Member States have received from Eurostat for their enterprise group work will be enlarged to the Candidate countries.
3.14	Activities of the Roundtable on Business Survey Frames	♦ The 16th annual meeting of the Roundtable on Business Survey Frames was held in October 2002 in Lisbon, Portugal.
		♦ Participating countries presented progress reports on achievements and planned developmental activities related to their respective national Business Registers. Strategic directions, new methodologies, new frame activities and practical solutions to frame issues were discussed under five broad headings: business frames profile; business demography; statistical and administrative units; managing relationships with administrative sources; and developing a strategic plan - balancing output and quality. Papers from the meeting are available at the following website: www.ine.pt/novidades/semin/round_table.
		♦ Two major areas of common interest and future discussions for the Roundtable are the evolving relationships between Business Registers and Taxation/Administrative authorities, and the structuring and treatment of multi-national enterprises on national registers.

PE 3. 99

3.99	Title	**Other work in the field of economic statistics**
3.99	Goal	That there exist consistent and comprehensive statistics on the areas covered below that are consistent with international standards and definitions.
3.99	Issues & problems	♦ Enhancement of euro-zone statistics and indicators.
3.99	Strategic medium-term objectives	♦ To provide a set of high quality short-term indicators for the Euro-zone. ♦ Increase coverage of Eurostat's Concepts and Definitions Database (CODED) to over all Eurostat's work areas.
3.99	Expected outcomes in the next two years	♦ Improvements in the Euro Indicators web site.
3.99	Attention of the Conference was drawn to the following	♦ Short-term statistics are ever more demanded for policy makers and analysts having to monitor the short-term economic situation. Therefore, the production of a high level quality service is regarded as a project of the utmost importance in the euro-zone as well as for the European Union as a whole. ♦ The European Statistical System High Level Group has been created to guarantee the improvement of key EU/EMU short-term economic indicators (define a draft list of Principal European Economic Indicators as well as a plan for improving in particular the timeliness of the indicators) and assure the follow-up of the EMU Action Plan and EU/USA Benchmarking. ♦ The increasing importance of international accounting rules (reference: Enron and similar cases) and the need to study their likely impact on statistics should urge statisticians to: integrate the existing discussion fora; to endorse standardisation of accounting and support reduction of reporting burden for enterprises; and try to have an influence in the use of accounting concepts to statistical purposes.
3.99	Decisions taken by the Conference	None
3.99	Rapporteur	Eurostat
3.99	Meetings	♦ EUROSTAT: WG FEBI-FEBS-UNICE-Eurostat-INS, once a year (10 November 2003) ♦ EUROSTAT WG: Euro-Indicators, once a year (10-11 June 2003)
3.99	Activities of CES	None
3.99	Activities of OECD	None
3.99	Activities of Eurostat	**Overall Goal** Statistical co-ordination The more and more widely applied "open co-ordination method" requires the definition and publication of statistical indicators to monitor European policies and benchmark the progress of Member States against non European countries. For this, Eurostat will continue - to provide a set of high-quality structural indicators - to improve the harmonisation of statistical methodology too improve comparability and consistency of indicators - to improve the diffusion of the relevant methodological information. Other economic statistics Long-term objectives With EMU now in full swing Eurostat has to render a high-quality service that is adequate for policy makers and analysts having to monitor the short-term economic

situation in the euro-zone as well as in the European Union as a whole. For this Eurostat will:

♦ strengthen the co-operation of all bodies involved in short-term statistics (from data collectors to indicator compilers and disseminators), thus maximising the value of their contributions;

♦ provide a set of high-quality short-term indicators (Euro-Indicators) thus becoming a prime source for euro-zone short-term statistics; and

♦ enhance its capacity in the statistical analysis of the European business cycle.

Ongoing methodological work:
Statistical co-ordination
Activities will focus on the following topics:

♦ CODED (Eurostat Concepts and Definitions Database) – The CODED database of concepts and definitions will be further expanded to cover all areas of statistics covered by Eurostat.

♦ Accounting – Co-ordination of accounting work will be continued via the Accounting Focal Point (within Eurostat) and via the Accounting Task Force (with Member States). The work will concentrate on the assessment of IAS on statistics in the Member States, and on the co-ordination of the activities of the different cross national bodies concerned by the topic.

♦ FEBI (Federation of European Business Industries) – Annual FEBI meetings are held. This is supplemented by a limited number of smaller seminars on specific topics known to be of direct interest to particular FEBI organisations.

Other economic statistics
The **Euro-Indicator** site supplies the public with time series, available at a high level of frequency and giving an overall picture of the business cycle in Europe. The underlying database consists of about 350 indicators; most are fully harmonised, some others are national not fully harmonised or even country specific indicators. It covers areas of interest for short-term analysis, aims at consistency, contains long time series and comprehensive metadata.

Eurostat calculates euro-zone and EU15 series, retropolates time series (15 years and more where possible) with the help of its partners, drafts the meta-information for Euro-zone and EU15 figures as well as for Member States, verifies both content and timeliness and develops the database further through reviewing its content in close co-operation with Member States and its main users in the Commission and the ECB.

Euro-Trend contributes to a better monitoring of the short-term situation in the euro-zone. It contains a mix of highly aggregated sub-annual time series (not only observed, reconstructed, interpolated or otherwise estimated series, but also nowcasted, flash-estimated or otherwise extrapolated indicators). Euro-Trend is supposed to draw upon the experience of those already active in business cycle analysis. For this a user group is animated and other fora in statistics are equally being addressed.

Euro-Trend becomes fully operational in the course of 2001. Its results are submitted for analysis and comments to experts and privileged users (DG ECFIN, ECB). Thereafter they will be made accessible through a Euro-Trend site (within the Euro-Indicator site). This site will be in continuous evolution, because recently undertaken research and newly acquired expertise is likely to lead to changes in both content and methods.

There is a clear interaction between the main Euro-Indicators site and the Euro-Trend (sub-) site: The former is much more related to official statistics, but can profit from the methodological development made in the context of Euro-Trend (nowcasting, creation of proxies, etc …). The latter can incorporate all the improvements realised in Euro-Indicators in terms of reliability and quality of historical data (retropolation and estimation procedures).

Priority objective of the methodological work to be undertaken in the next two years:

		Other economic statistics 2003 Priorities: ♦ The Euro Indicators web site giving access to a range of infra-annual economic statistics was opened to the public in summer 2001. After a couple of months of operational experience with the site, stock will have to be taken of still unsatisfied user needs. This will lead to improvements in 2002: e.g. additional templates, additional indicators, etc. Moreover the site has to be supplemented by statistical publications (e.g. SiF). Finally the content of the underlying database will have to be improved as well. ♦ The results of the Euro-TREND projects obtained till now and planned for the next 2 years can considerably increase the length, the rapidity and the coverage of main short-term statistics. Moreover, important results are expected in terms of the adoption of a common Eurostat policy in sensible domains such as seasonal adjustment, estimation strategy, revisions, etc. The Euro-TREND project gives also some relevant reading key of short-term statistics such as cyclical analysis, turning point detection, cyclical convergence and synchronisation. In this field, an increased co-operation with the DG ECFIN, ECB and OECD is considered as an highest priority and can lead to tangible results in the field of business cycle analysis.
3.99	Activities of UN Statistics Division	UNSD is facilitating the work of so-called 'city groups', in order to address issues identified by the Statistical Commission as critical problems. UNSD will continue to encourage countries to actively participate in the discussions of the various groups. It will also disseminate information on the groups and their activities wide ly. Detailed information on the groups and their activities is available at UN Web page (http://unstats.un.org/unsd/methods/citygroup/index.htm).
3.99	Activities of the World Bank	Atlas GNI per Capita ♦ The World Bank estimates dollar converted gross national income (GNI) per capita for all borrowing member countries, as well as most other economies. ♦ Per capita GNI for a country in local currency terms is converted into U.S. dollars by applying the Atlas conversion factor. The Atlas conversion factor is the simple arithmetic average of the current exchange rate and the exchange rates in the previous two years adjusted for the ratio of domestic to international inflation. The change in the GDP-deflator is used as a measure of domestic inflation, and the change in the SDR-deflator to represent international inflation. The SDR-deflator is compiled as a weighted average of the EURO-area, United States, United Kingdom and Japan's GDP-deflators. ♦ The purpose of applying the Atlas conversion factor is to lessen the effect of fluctuations and abrupt changes in the exchange rate, which can be heavily affected by capital flows. Thus, income measures converted using the Atlas conversion factor tend to be more stable over time, and changes in income rankings are more likely to reflect changes in relative economic performance than exchange rate fluctuations.