



**STATISTICS**

# Results of Global Consultation: CM.1 - An Assessment Framework to Measure Alignment with Statistical Standards

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# Outline

- Objective of the guidance note
- Summary of proposals
- Summary of global consultation outcome
- Next steps
- Conclusions and questions for the committee

# Objective of the Guidance Note (CM.1)

Develop a framework to measure alignment to the statistical standards



## Framework

Develop an alignment framework that countries can use to communicate their alignment to the statistical standards – SNA, BPM, and GFSM.



## Communication

Propose guidance on how statistical agencies should complete the alignment framework and how users interpret them.

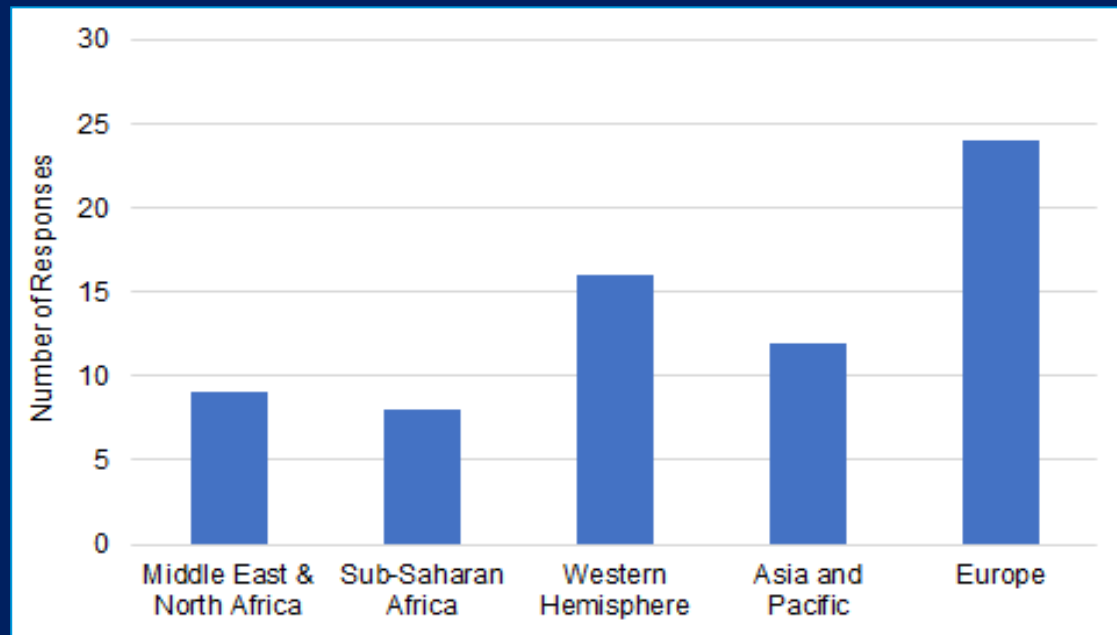


## Uses

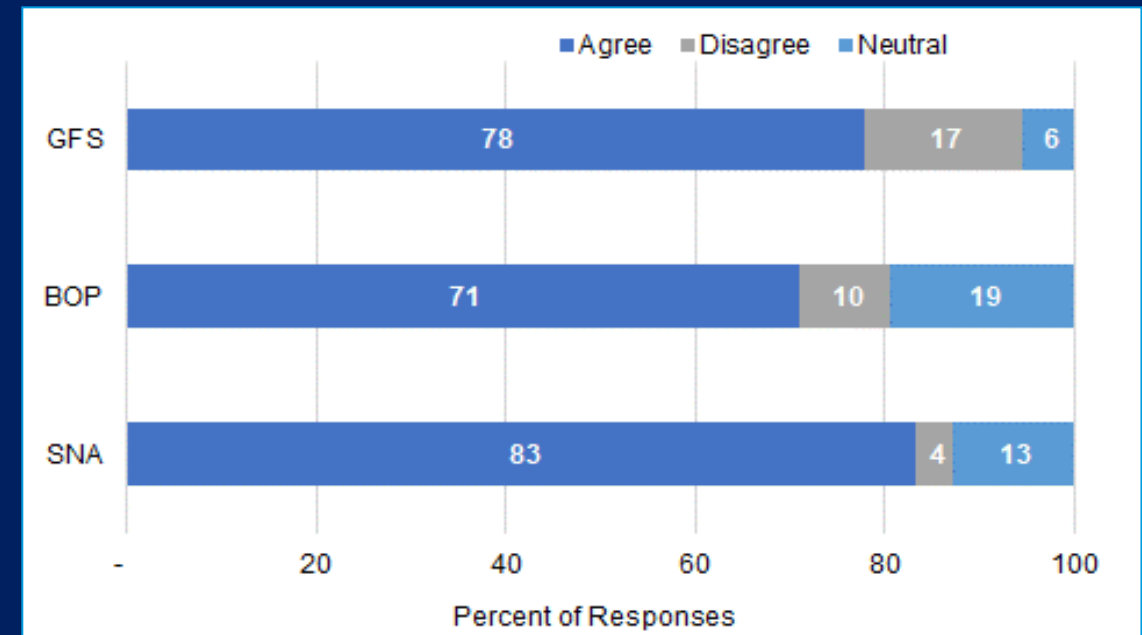
- Explain the uses of the alignment frameworks for users, the economies, and the international community. Including:
  - *Improving cross-country data comparisons.*
  - *Helping NSOs to prioritize resources, planning, and development.*
  - *Signaling the extent of possible future revisions to users.*

# Results of Global Consultation

## Geographical Distribution of Responses



## Views on the Need for Alignment Framework in the Standards

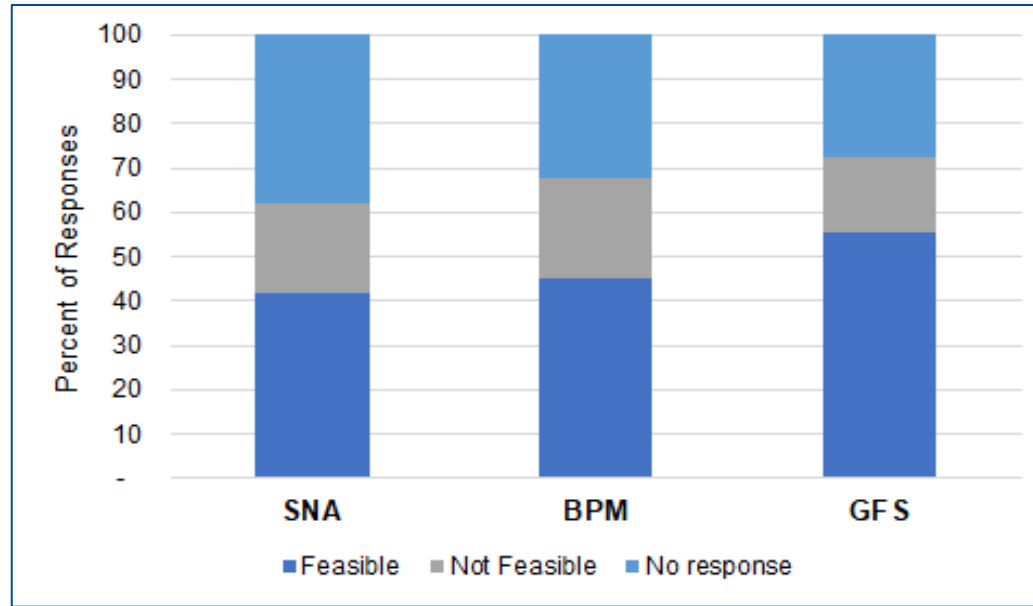


- 69 complete responses were received from 55 economies, reflecting compilers from all three domains.
- Respondents from Europe had the largest participation (35 per cent), followed by those from Western Hemisphere (23 per cent), Asia and Pacific (17 per cent), Middle East (13 per cent), and from Sub-Saharan Africa (12 per cent).
- Majority of the respondents agreed with incorporating a set of alignment frameworks in next update of the statistical standards.

# Results of Global Consultation

- A significant majority of the respondents agreed with the list of concepts and definitions, accounting rules, classification systems, and presentation dimensions (and elements) of the three frameworks.
- Respondents generally agreed with the dashboard presentation of the frameworks. However, there were concerns about relying on the statistical offices to be objective about the degree of alignment of their statistical programs.
- Respondents were also concerned that with the categories (expressed in per cent), it could be difficult for compilers to judge elements that are not aligned with statistical standards.
- Most respondents expressed concerns about the number of elements in each of the frameworks.

# Feasibility of Completing the Alignment Frameworks



- A slight majority of respondents agreed that it would be feasible for their office to update, maintain, and publish the framework regularly.
- Respondents acknowledge the initial upfront resource cost to complete the framework. However, they noted that subsequent updates to the frameworks would require less resources and therefore would be feasible.
- The other half of the respondents argued that their agencies do not have sufficient resources to regularly maintain the frameworks.

# **Some Initial Results From Global Consultation**



## Completed Alignment Frameworks

- Twenty economies agreed to complete relevant alignment frameworks as part of the consultation.
- The economies that participated are from a range of regions, statistical capacity / statistical resource levels, and income levels.
- Most (16 of 20) of the participating economies stated that the alignment framework was straightforward. The others thought that the frameworks were difficult to complete.

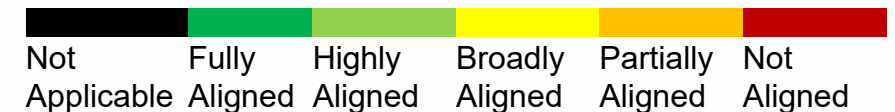
**Some extracts and takeaways from the completed SNA alignment frameworks are presented in the following slides.**

# Extracts from Completed SNA Alignment Frameworks

## Economies (Names Concealed)

Concepts and Definitions (Extract)	1	2	3	5	6	7	8	9	10	11	12
Production Boundary Covers:											
Informal economy	Yellow	Yellow	Yellow	Yellow	Yellow	Green	Green	Green	Green	Green	Green
Underground economy	Red	Yellow	Black	Yellow	Yellow	Red	Green	Red	Red	Green	Yellow
Illegal activities	Red	Black	Black	Yellow	Yellow	Red	Green	Red	Black	Red	Red
Other non-observed activities	Red	Black	Black	Yellow	Yellow	Red	Green	Red	Black	Red	Red
Imputed services (of owner-occupied dwellings)	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Own-account production of all goods for own final consumption	Yellow	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green	Green
Research and development for market and own account	Yellow	Red	Black	Green	Green	Red	Yellow	Green	Green	Green	Yellow
Output of goods for own-account fixed capital formation;	Yellow	Yellow	Yellow	Green	Green	Green	Green	Green	Yellow	Green	Green
Costs of mineral exploration	Yellow	Red	Yellow	Black	Green	Green	Green	Black	Yellow	Green	Green
Production of entertainment, literary, or artistic originals	Yellow	Yellow	Red	Green	Black	Green	Green	Green	Green	Yellow	Yellow
Production of computer software for own account	Yellow	Yellow	Black	Green	Green	Red	Red	Green	Yellow	Yellow	Black

Asset boundary (Extract)	1	2	3	5	6	7	8	9	10	11	12
Dwellings	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Other buildings and structures	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Machinery and equipment	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Weapons systems	Red	Black	Yellow	Black	Green	Green	Black	Black	Black	Green	Black
Cultivated biological resources	Yellow	Yellow	Black	Green	Green	Green	Green	Red	Green	Yellow	Yellow
Intellectual property products	Yellow	Yellow	Black	Green	Green	Green	Yellow	Green	Green	Red	Yellow
Valuables	Yellow	Red	Yellow	Green	Red	Yellow	Yellow	Green	Black	Red	Black



# SNA Alignment Frameworks (Costa Rica and Mexico Comparison)

Concepts and Definitions (Extract)	Costa Rica	Mexico
Production Boundary Covers:		
Informal economy	Broadly Aligned	Highly Aligned
Underground economy	Broadly Aligned	Not Aligned
Illegal activities	Highly Aligned	Not Aligned
Other non-observed activities	Broadly Aligned	Not Aligned
Imputed services (of owner-occupied dwellings)	Highly Aligned	Highly Aligned
Own-account production of all goods for own final consumption	Highly Aligned	Highly Aligned
Research and development for market and own account	Highly Aligned	Not Aligned
Output of goods for own-account fixed capital formation;	Highly Aligned	Highly Aligned
Costs of mineral exploration	Not Applicable	Highly Aligned
Production of entertainment, literary, or artistic originals	Highly Aligned	Highly Aligned
Production of computer software for own account	Highly Aligned	Not Aligned
<b>Asset boundary</b>		
Dwellings	Highly Aligned	Highly Aligned
Other buildings and structures	Highly Aligned	Highly Aligned
Machinery and equipment	Highly Aligned	Highly Aligned
Weapons systems	Not Applicable	Highly Aligned
Cultivated biological resources	Highly Aligned	Highly Aligned
Intellectual property products	Highly Aligned	Highly Aligned
Valuables	Highly Aligned	Broadly Aligned



# Some Takeaways from Completed SNA Alignment Frameworks

- Some positivity bias observed on the part of the compiling agencies.
- The alignment framework clearly communicates areas of possible revisions to users.
- Single, comprehensive framework for users to understand the metadata of one economy relative to others, without the need for extensive metadata research (which may still be incomparable).
- The countries that participated report alignment to both *2008 SNA* and *1993 SNA* . Nevertheless, the alignment framework shows more clearly the variation in methods and concepts underlying the national accounts estimates produced by each economy, and the difficult that less sophisticated users would have to compare the results.
- There is a clear need to provide sufficient explanatory notes and guidance on how to complete all three alignment frameworks.

# Next Steps

# Next Steps

- Test/review the results of the framework with some users.
- Add a section to the guidance note to detail the benefits of the alignment frameworks for users.
- Review completed frameworks and make adjustments/clarifications based on feedback received.
- Adding explanatory notes to all three frameworks.
- Reviewing the elements in each dimension of the framework for elements that could be combined.
- Review whether there needs to be an overall message to communicate the level of alignment.
- Update guidance note with guidelines on appropriately balancing providing information on alignment with statistical standards and providing other metadata (specifically focusing on the statistical offices with limited resources).
- Resubmit to AEG/BOPCOM for final endorsement.

**THANK YOU!**