5ᵗʰ Meeting of UN Committee of Experts on Business and Trade Statistics (UNCEBTS)
6 – 9 September 2022
Background Note on 2023-2024 Work Program for the Task Team on Well-being and Sustainability
Prepared by the Task Team on Well-being and Sustainability

Background and purpose

This note is prepared by the UNCEBTS task team well-being and sustainability (TT W&S) as a background document for session 3 at the 2022 meeting of the UNCEBTS. **The purpose is i) to get UNCEBTS' feedback and input regarding the suggested direction (topics / work areas) and targets (deliverables) and ii) to hear UNCEBTS' input and ideas for the further work of TT W&S, including how it complements other parts of UNCEBTS' work, and how it contributes to describing progress towards the UN Sustainable Development Goals. Also, we would like iii) to discuss the balance between activities contributing to broad compilation and delivery of already agreed indicators (and available data) vs. innovation of new indicators, which fewer countries will be able to deliver (i.e., what should the success criteria be?).**

Since the finalisation of UNCEBTS' deliverables for the 2022 UN Statistical Commission (UNSC) in March 2022, TT W&S has i) reviewed the input received from the global consultation of the indicators suggested in the handbook, ii) presented and discussed recent development work done by TT members and iii) discussed possible future orientations of the TTs work. In this context, the TT has made a transparent ranking / prioritization of possible topics to work on in the next 2-3 years. This resulted in four topics, which the TT suggests/recommends to focus on (shown in non-prioritised order):

1. Support of the implementation of the already agreed-upon UNCEBTS indicators, especially by raising awareness and identifying training needs.
2. Develop indicators on selected key aspects about the enterprise sector's effect on *equality and social inclusion* (including, but not limited to, gender, vulnerable groups, and social enterprises).
3. Develop indicators on selected key aspects about the enterprise sector's *'green transition' and its environmental / climate effects*.
4. Contribute to further develop and promote integration of data and statistics from different domains, including micro data linking (MDL) with a focus on data related to well-being and sustainability.

Thus, the four comprise: one topic related to starting the actual implementation/delivery in the short to medium term of previous development work endorsed by UNSC; one topic related to further methodological development, and two topics related to possible new output in the medium to longer term.

Re 1: Awareness raising and implementation of indicators in UNCEBTS Manual vol. 1

In the beginning of 2022, the TT W&S' initial tasks were concluded with a list of 17 indicators covering economic, social and environmental issues related to business activities. The purpose, definition and compilation was described in technical sheets, and vol. 1 of the comprehensive manual, also comprising the indicators in other domains (i.e., adhering from the work of other task teams), is currently being finalized.

It is crucial for the benefit of the work done, that member countries give priority to start the compilation of the indicators and that the statistical results are delivered from all parts of the world in a foreseeable time. To reach this aim, the TT must encourage member countries, in particular those with few resources for statistical tasks, and/or maybe lack of data sources for the indicators, to start working on the actual implementation. Facilitating implementation of the principal indicators is a longer-term goal and will likely be ongoing throughout the biennium and beyond.

Against that background, the TT will conduct activities to raise awareness of the new indicators and propose interested member countries to discuss implementation aspects with members of the TT. This will be done via online seminars and short training courses during 2023 and 2024. In parallel, the UNSD will establish

collection of the indicators – directly from member or via existing national statistics collected via international organisations – and publication via UNSD's normal dissemination channels.

Re 2 and 3: Development work in relation to UNCEBTS handbook vol. 2

As stated in UNCEBTS' position paper delivered to the UNSC 2022 there are policy needs for new indicators where the enterprise sector is measured on aspects that go beyond their contribution to GDP. For the two topics ranked highest by the TT W&S, emerging and foreseen needs point to additional metrics and details about, e.g.:

- Regarding *equality and social inclusion*, emerging and foreseen needs point to additional metrics and detail about: The composition and diversity of the enterprises' employees in relation to gender, age, education, disabilities, origin/ethnicity, etc., and enterprises' behaviour and performance in relation to inclusive recruitment and social responsibilities vis-à-vis labour market and social policies and in relation to non-discrimination.

  This work could involve i) a review of the policy / information needs context; ii) identify how to address these in business statistics (e.g. a few key SDG relevant indicators resulting from integration of data/statistics from different domains) and iii) identify how to compile the information by using existing data sources (including those used to maintain SBRs), linked data sources (e.g. LEED (Linked Employer and Employee Databases)), and possible new data sources (e.g. from non-financial reporting), including for different types of industry, size classes etc.

- Regarding the *'green transition' and environmental / climate effects*, the measurement goal is twofold: to assess the environmental/climate sustainability of businesses and industries, as well as the impact of the green policies as a driver of businesses' competitiveness and entrepreneurship. Harmonized non-financial reporting (ESG reports in XBRL format) will be a key priority, as well as the access to and use of new (big) data sources such data on use of energy and water resources, which hold a huge potential.

  This work could involve i) a review of the policy / information needs context; ii) analysis of current information gaps; iii) how to address these in business statistics, e.g. in the form of a few key SDG relevant indicators, via changes to business surveys, utilization of admin data sources and non-financial reporting; refined concepts (e.g., green investment) and classifications, and – not least – integration of data along the value chains of enterprises / life cycles of products, including for different types of industry, size classes, etc.

Re 4: Generation, integration and linking of data

The interlinked nature of sustainability; economically, socially and environmentally; calls for integration of data / information about the three aspects - and in UNCEBTS' context, from an enterprise angle. This integration comprises official statistics in its traditional formats, but, increasingly, it comprises so-called micro data linking (MDL) based on registers with (close to) full coverage and unique identification of persons/households; enterprises/establishments, and buildings/dwellings/locations as the backbone through which other data can be linked. One example is LEED.

This work could involve the collection and sharing of country practices and the developing of guidance on the use of MDL for business statistics on social inclusion and sustainability. The guidance material should take into account that circumstances for data access and statistics compilation differ significantly in different parts of the world.

A crucial element for working in this direction is that data on social and environmental issues – to the largest extent possible – are generated at the enterprise level according to international standards, also having the SDG-framework in mind.

Broader involvement

Obviously, the ability of the TTs to deliver on the work program hinges on the active involvement of participants from a 'critical mass' of countries and organisations - and countries with different circumstances, characteristics and resources in order to ensure a global relevance and applicability of the TTs output, whilst at the same time being innovative. Currently, the TT W&S has too few members and the majority are from EU and OECD member countries or from international organisations and private bodies (e.g., standard setters).

Against that background, the TT W&S invites everyone interested to sign up for the work on well-being and sustainability, and it encourages colleagues from regions currently with low representation to join the TT. This way a revitalized TT could resume the work in sub-groups soon after the UNUNCEBTS plenary.

Coordination with other UNCEBTS task teams and international fora

So far, TT W&S' work has mainly worked 'internally' with coordination with other UNCEBTS' work taking place via UNCEBTS' Bureau or via TT members participation in international organizations or private associations like e.g. standard setters. It is suggested that the Bureau agrees to a coherent strategy for i) the implementation (training, compilation, delivery and communication) of the indicators in the UNCEBTS handbook vol. 1 and ii) the development of vol. 2 (level of ambition, priority areas and timetable) in order to ensure balance and avoid overlap.

Secondly, the 'interfaces' between the different UNCEBTS TTs should be managed (which is already discussed and managed in UNCEBTS' Bureau e.g. vis-à-vis TT Trade, but this equally important for TT W&S) due to the crosscutting nature of well-being and sustainability as statistical domains. One possibility could be to 'overlap intentionally' and nominate TT members to actively coordinate between TTs.

Finally, it is to coordinate and cross-fertilize with related work taking place in other international fora and initiatives. This will be ensured via TT members from those organizations (incl. UNSD) and via the Bureau.

Summary

Topics and activities	Proposed deliverable	2022	2023	2024	Lead	Involve
Planning						
- Work planning	- Detailed plan until UNCEBTS plenary 2023 - Overall plan until end-2024	X				
Broader involvement						
- 'Recruit and onboard' new TT members ensuring broad representation	- Recruitment campaign - Creation of subgroups – e.g. for the selected four topics, cf. above	X				
Coordination with other for a						
- Knowledge sharing	- Input to UNCEBTS wiki	Ongoing				
Awareness raising and implementation of indicators in UNCEBTS handbook vol. 1						
- Awareness raising	- Promotion material		X			

- Develop training	- Training programs and –material
	   ○ Webinars (short open events)
	   ○ Training courses (groups of countries / regions)
	   ○ Etc.
			X			

- Collect indicators / statistics from international organisations or member countries	- Data and metadata delivered to UNSD		X		UNSD	

Topics and activities	Proposed deliverable	2022	2023	2024	Lead	Involve
- Disseminate and communicate data and metadata	- Data and metadata published		X	X	UNSD	
Development work in relation to UNCEBTS handbook vol. 2						
- Analyze user needs and data availability	- Review note		x			
- Select indicators	- Technical sheets			x		
- Consult handbook vol. 2	- Contribution to vol. 2			X		
Data integration and micro data linking						
- Collect country practices	- Guidance material for data integration and MDL on sustainability topics shared on wiki		x	X		