

## Draft Manual on the Principal Indicators for Business and Trade Statistics

# Fourth Meeting of the UN Committee of Experts on Business and Trade Statistics

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## Outline of the presentation

- Part 1. Overall description of the Manual
  - Main objectives
  - Target audience
- Part 2. Outline of the Manual
  - Including a description of the indicators
- Part 3. Current status and finalization process





# Part 1. Overall description of the Manual





#### The Manual represents a consolidation of the work of the Committee

It aims to provide guidance for the programmes of business and trade statistics to be agile and responsive to new and emerging user needs, integrating the strategic view on business statistics

Its preparation was endorsed by the UNSC in March 2021





# **Objective of the Manual**

- Presents a strategic view on business and trade statistics, including identifying policy needs and data gaps
- Puts forth a list of principal indicators on business and trade statistics, designed to meet users' needs in terms of better quality and increased data granularity and in support of the 2030 Agenda for Sustainable Development
- The indicators are intended to be recommended for compilation by all countries in an internationally comparable, flexible and sustainable approach
- Identifies areas for further development





## **Target audience**

NSOs and the statisticians that are responsible for the compilation and reporting of the principal indicators

Compilers from different statistical domains and institutions may also be involved in the collection and compilation of the data needed to produce the indicators

Data users outside the NSOs will also gain more information on the interpretation and use of the principal indicators presented as well as the data sources and methods of calculation





## Part 2. Outline of the Manual





## **Outline of the Manual**

#### I. Introduction

- A. Objective
- B. Structure of this Manual
- C. Process of preparing this Manual
- D. Intended audience of this Manual

#### II. Framework for Business and Trade Statistics

- A. Strategic View on Business and Trade Statistics
- B. The role of the domestic and potentially globally interconnected SBR as the backbone in the new data infrastructure
- C. Analytical and policy framework
  - i. Analytical Framework
  - ii. The adoption of an enterprise-centered approach
  - iii. Policy Framework

- D. Framework elaboration for the priority areas
- E. Delineation and selection of the principal business and trade indicators
- III. Principal business and trade indicators
  - A. Availability and organization of data and matters of consistency
  - B. Institutional coordination and governance

#### IV. Future agenda

#### Appendix: methodological sheets





### Strategic View on Business and Trade Statistics Main elements of the strategic view:

- Broadening the scope of official business and trade statistics
- Identification of shared priorities to advance with a faster pace
- The adoption of an enterprise-centered approach for official business statistics
- The SBR as the core of the new data production framework for economic statistics





## Role of Statistical Business Registers (SBRs) The SER as the core of the new data production framework for economic statistics

- SBRs play a pivotal role in the process of data integration with different and multiple data sources by generating new information with the desirable characteristics
- Appropriate micro-data linking methodologies based upon unique identifiers could be applied to produce consistent information scalable from micro to aggregated figures
- The SBR provides the sample frame for multiple different surveys but can also serve as a direct source to produce selected business statistics

The manual on the Maturity Model for SBRs and the Manual on the principal indicators are two integral elements of the deliverables of the Committee





## Analytical and Policy Framework

- This section aims to elaborate on the analytical and policy framework for business and trade statistics in general and within each priority areas (namely, business demography, globalization and digitalization, well-being and sustainability)
- The 2030 Agenda for Sustainable Development provided the overarching policy framework, but specific policy priority for each priority area are elaborated as well
- The analytical framework reflects the need to better understand the structure and performance of businesses in an increasingly complex environment
- This section also aims to elaborate on the importance of the integration of business and trade statistics





# Section III on Principal indicators for business and trade

- This section contains a detailed description of the indicators
- It provides a further elaboration of the main concepts for business and trade statistics, covering:
  - the scope of business and trade statistics
  - statistical units
  - importance of adding granularity to existing statistics by exploring relevant breakdowns to address relevant policy questions
  - Identifies main policy questions that core indicators in these areas should be able to measure
  - Identification of integrated approaches that could address existing data gaps (e.g. Micro data linking, data sharing, profiling, etc.)
- It includes references to related indicators and work undertaken by relevant international and regional organizations





## Institutional coordination and governance

- This section addresses issues of institutional coordination and governance for the compilation of the principal indicators:
  - Several institutions in the country may be responsible for the compilation and reporting of the principal indicators
  - There is the need to provide guidance on institutional coordination mechanisms and governance needed for the national reporting of the indicators
- Also, coordination at the international level among international statistical organizations is planned to be addressed in this section





# Current set of principal indicators on business dynamic, demography, and entrepreneurship

- 1. Number of active enterprises
- 2. Number of enterprise births
- 3. Employment created by enterprise births
- 4. Number of enterprise deaths
- 5. Loss of employment due to enterprise deaths
- 6. Number of X-year-old employer enterprises
- 7. Number of persons employed in X-year-old employer enterprises
- 8. Employment in the population of active enterprises

- 9. Employment share of enterprise births
- 10. Enterprise survival rate
- 11. Number of high-growth enterprises
- 12. Employment in high-growth enterprises
- 13. Number of young (up to 5-year old) high-growth enterprises (gazelles)
- 14. Employment in young (up to 5-year old) high-growth enterprises (gazelles)
- 15. Labour compensation paid by active enterprises
- 16. Gross Value Added produced by active enterprises





#### Current set of principal indicators on globalization and digitalization

- 17. Total exports of businesses as a percentage of businesses' gross value added
- 18. Number of trading businesses by number of partner countries
- 19. Export intensity of businesses
- 20. Value of trade by foreign affiliates
- 21. Employment abroad in foreign affiliates controlled by resident enterprises as share of enterprises' total employment
- 22. Entry and exit rates for the digital economy sector
- 23. Average post-entry employment growth for the digital economy sector
- 24. Percentage of businesses with fixed broadband connection
- 25. Capital investment of businesses on ICT as a percentage of total business capital investment
- 26. Capital investment of businesses on ICT as a percentage of total gross value added
- 27. Percentage of businesses using cloud computing services

- 28. ICT-related patents (registered)
- 29. ICT-related trademarks (as a percentage of total trademarks)
- 30. Patents in AI technologies
- 31. Percentage of businesses engaged in sales via e-commerce
- 32. Value of e-commerce sales by businesses
- 33. Labour productivity growth in the ICT sector
- 34. Contribution of ICT sector to labor productivity growth
- 35. Gross value-added of ICT-related businesses as percentage of total gross value added
- 36. Employment in ICT occupations as a percentage of total employment
- 37. Percentage of workers receiving ICT-related training
- 38. Percentage of enterprises reporting hard-to-fill vacancies for ICT specialists





## Current set of principal indicators on on Wellbeing and Sustainability

- 39. Proportion of women in managerial positions
- 40. Annual growth rate of real total gross value added per employed person
- 41. Average hourly earnings for employees in businesses by sex
- 42. Unemployment rate, by sex, age and persons with disabilities
- 43. Gross value added of businesses per employed person
- 44. Sector employment as a proportion of total employment
- 45. Water-use efficiency in businesses
- 46. Water stress
- 47. Share of renewable energy consumption in businesses

- 48. Energy efficiency in businesses
- 49. Green investment by businesses
- 50. Greenhouse gas emissions generated by businesses per unit of value added
- 51. Research and development expenditure as a proportion of gross value added
- 52. Researchers (in full-time equivalent) per million inhabitants
- 53. Number of companies publishing sustainability reports
- 54. Job Openings (Vacancies) in businesses
- 55. Taxes and other payments of businesses to the Government
- 56. Total taxes paid by businesses as a proportion of total government tax revenues





### Template used for the methodological description of the indicators

Name of indicator	Unit of measure
Definition of the indicator	Statistical unit
Objective of the indicator	Reference period
Contribution and usefulness of the indicator	Frequency (periodicity) of data collection and dissemination
Classification	Dissemination format
Industrial Coverage	Timeliness
Breakdown	Source data type
Algorithm	Availability of methodological documents
Description of the calculation of the indicator	





# Part 3. Current status and finalization process





## **Current status of the Manual**

- The outline was prepared together with the Task team leads and the UNCEBTS Bureau
- The current draft was put together by UNSD based on
  - The strategic view on business statistics of the UNCEBTS
  - The work of the task teams (i.e. the task team on business dynamics, demography and entrepreneurship, the task team on globalization and digitalization, and the task team on well-being and sustainability) on the principal indicators and their policy and analytical frameworks
- Some sections of the manual have to be further elaborated, for example
  - description of the scope of business and trade statistics
  - presentation of the indicators by common themes (e.g., labor market indicators) rather than by the task teams
  - presentation of the methodological sheets
  - elaboration of the text on the institutional coordination and governance
  - future work agenda





## **Finalization process**

The Manual will be reviewed in detail by each task team to refine the text, fill the gaps and reduce overlaps

The feedback from the pilot survey on the principal indicators has to be reviewed and incorporated

A global consultation on the Manual and indicators is expected to be conducted in the Q3 of 2021

The final draft will be submission to the 53<sup>rd</sup> session of the UNSC (March 2022)





# Thank you!

