Strategic discussion paper on the future of UNCEBTS work programme
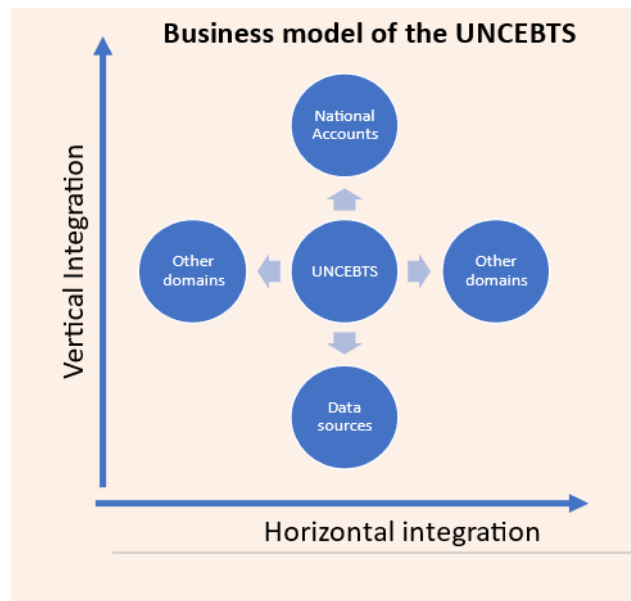
1. Introduction:

The UNCEBTS was established by the United Nations Statistical Commission at its 50th session in March 2019 to provide coordination and guidance for the development of business and trade statistics and foster their integration and harmonization.

The Committee has adopted an integrated economic statistics approach based upon an enterprise-centered perspective to foster integration across domains covering both a production and an output framework.

The production framework corresponds to an integrated statistical production process based on statistical business registers, the use of common definitions and classifications and the integration of survey and administrative and other data sources. While the System of National Accounts (SNA) and Statistical Regulations on Business Statistics will be the central organizing framework used to define business units, it is important to note that other statistical frameworks, notably the Balance of Payments (BOP) and the System of Environmental-Economic Accounting (SEEA) will be used as well. The establishment of a statistical business register and its evolution according to a maturity model are considered as key elements to support integration between business and trade, to be expanded to other statistical domains. National based best practices are often used as driver to boost innovation and learning in other countries, following a pragmatic and peer to peer knowledge sharing approach.

The output framework aims at exploiting relevant information from data integration, based on high data quality standard. The Committee shall also highlight the feasibility and relevance of identifying and developing new business and trade indicators based on data integration and promote their adoption and international comparability by countries. An integrated approach between business and trade statistics shall be extended, to the largest extent possible, to further integration and harmonization with socio-demographic, environment and multi-domain statistics, taking into account relevant differences in terms of statistical units, classification schemes and methodological approach.

In this respect both vertical and horizontal integration is pursed by the Committee. The vertical integration refers to the integration from input data sources of the statistical business register up to the business surveys and administrative and other data sources finalized to the production of business and trade data and indicators. It is also linked upward to a more general frameworks such as national accounts and other economic and environmental accounts. On the other hand, the horizontal dimension focuses on the integration between business and trade statistics and extends to the integration of business and trade statistics with other statistical domains, such as environmental and social statistics through the linkage to their registers.

Business model of the UNCEBTS

Within the broader context of an integrated business and trade statistics framework, the programme of work of the Committee focuses on the following five strategic areas:

- coordination,
- methodology and concepts,
- capacity building,
- data integration and new data sources
- communication.

The Statistical Commission at its 55th session in March 2024 endorsed the amended mandate and governance of the Committee to facilitate stronger integration between business and trade statistics and stronger coordination across other statistical domains and with the macroeconomic framework and approved the work programme of each task team under the UNCEBTS supervision.

The final report of the UN Statistical Commission also provided an overall picture on the challenges and evolution patterns of the UN Statistical System and to identify possible areas of integration and cooperation across statistical domains.

In terms of decisions on UNCEBTS, the UN Statistical Commission:

a) Endorsed the amended mandate and governance of the Committee to facilitate stronger integration between business and trade statistics and stronger coordination across other statistical domains and with the macroeconomic frameworks;

b) Approved the note on mainstreaming a gender perspective into trade and business statistics, and encouraged the Committee to strengthen ongoing collaboration with the Inter-Agency and Expert Group on Gender Statistics;

c) Expressed its appreciation for the progress on integrating geospatial aspects into business and trade statistics;

d) Commended the work on the global initiative on unique identifiers for businesses;

e) Underscored the importance of capacity development to strengthen the capabilities of the national statistical system for the compilation of business and trade.

2. Strategic view for the UNCEBTS:

<u>Main challenges for the future:</u>

Based on the resolutions recommended by the UN Statistical Committee for adoption by the Economic and Social Council, the main challenges for the future are the following:

- An inclusive and representative Statistical Commission to leave no one behind,
- That the work in the field of statistics and data is adaptive to the changing statistical and data ecosystem,
- The need for technological innovations to systematically modernize statistical offices and national statistical and data systems and to promote practices for the generation of information aligned with principles,
- Confirmation of the Fundamental Principles of Official Statistics,
- Leading role of the Global indicator framework for the Sustainable Development Goals and targets.

<u>Identification of new priority areas and coordination of activities for UNCEBTS:</u>

In elaborating its work programme, the Committee shall identify the most promising avenues to foster the expansion and integration of business and trade statistics, to increase the quality and relevance of official statistics with respect to the needs of users.

The Committee has an umbrella function in providing overall vision, coordination, prioritization and direction in the field of business and trade statistics and their integration. The Committee will ensure that it works in a complementary manner with existing or new groups covering business and trade statistics and it will also coordinate its activities and findings with related groups and bodies, such as those working in the areas of national accounts and other economic statistics, labor and other social and demographic statistics and environment and multi-domain statistics

New priority areas call for the identification and development of cross-cutting activities between the Committee's Task Teams as well as for a more intense collaboration between the Committee and other United Nations bodies responsible for other statistical domains, such as national accounts, social and environmental statistics. A relevant business case in this respect is represented by the inclusion of the gender dimension into Business and Trade Statistics.

In its recent meetings and reports, the Committee discussed and identified emerging areas of work such as:

- integration of business and trade statistics with the environment domains,
- entrepreneurship,
- digitalization and production automation technologies in manufacturing and services
- multinational enterprises and GVC,
- entrepreneurship and gender
- the global initiative on unique identifiers,

The Committee is also exploring the need to develop a handbook of business statistics to address emerging needs. A concept note will be developed to review the business case of developing such a handbook and brought forward to the seventh meeting of the Committee in September 2024 for discussion and recommendation.

The Committee and the respective Task Team also discussed the plans to update the draft Note on Measuring Entrepreneurship that was developed in 2021, based on the OECD-Eurostat Entrepreneurship Indicators Programmeme. The draft Note will be expanded to include determinants such as ICT usage, innovation, training, digitalization, and other factors that foster entrepreneurial activities in micro, small, and medium enterprises. It is also expected that the perspective for measuring entrepreneurship based on the Evidence and Data for Gender Equality project will be incorporated in the note.

During 2024 and 2025, a broad profile on entrepreneurship will be started to be developed through the elaboration and application of a questionnaire in selected countries inquiring about some determinants and variables related to entrepreneurship in businesses.

Given the potentially wide scope of both globalization and digitalization, a limited workplan has been proposed to maintain capacity to expand the scope of projects or add deliverables as priorities may emerge. With a stepwise approach, the Committee and the respective Task Team will prioritize its effort in providing practical advice and potential methodological guidance to portray e-commerce and its impacts more efficiently and accurately. It is envisaged the draft report will provide recommendations on best practices and future areas of study with respect to new data sources and methods for measuring e-commerce to serve as an input and complement to the United Nations Trade and Development Working Group on Measurement of E-commerce.

Regarding the statistical business registers, the Committee and the respective Task Team will continue to work on the preparation of training materials and technical assistance related to statistical business registers and the organization of webinars on specific topics related to statistical business registers.

The identification of new priority areas shall also be considered in the light of the priorities defined recently by the UN Statistical Commission. Thus a selection of emerging topics can be

made, with relevance with the work being developed by the UNCEBTS and to be allocated to their existing Task Teams according to the respective scope and work programme:

- The 2030 Agenda for Sustainable Development
- Environmental-economic accounting and more indirectly Climate change
- Gender statistics
- Use of data science for statistical production and dissemination
- Marco-economic accounts and statistics
- Geospatial data

The need to expand the set of indicators for the 2030 Agenda for Sustainable Development calls for a better planning and focus on the production of new indicators based on the integration of business and trade statistics. This goal should be achieved through national best practices and a more explicit linkage between SDGs and Business and trade statistics, that is actually largely underestimated.

The increasing demand of new data and indicators based on Environmental-economic accounting is well documented in both the forthcoming revision of National Accounts and the increasing demand of information from national and local authorities to better design policies integrating economic and environmental goals.

The integration of business and trade with the social domain should not be limited to the gender, but should be also extended to other dimensions, based on policy priorities. In many advanced countries, GDP is growing at a slow pace, productivity is stagnant, while employment is expanding. In association with that working poor's are growing. This dilemma should be better analyzed with a focus on employment linked to business characteristics (employer-employee databases) in order to exploit new data and indicators on which business characteristics can guarantee a more resilient economic growth with better conditions for workers.
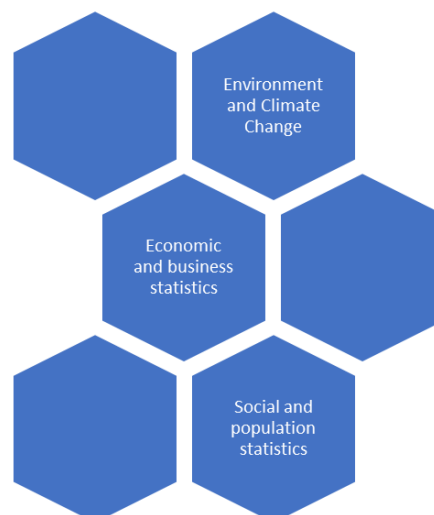
Data science can help to improve the efficiency in statistical processes and to better exploit new data sources, such for instance the increasing availability of data on environmental sustainability of companies mostly available as text/pdf files.

Macroeconomic accounts and statistics provide a comprehensive overview of a country's economic performance and are essential for understanding the broader economic environment. Business and trade statistics are essential data sources to compile macroeconomic statistics, and the new 2025 SNA and the updated BPM7 will imply additional challenges with impact in business and trade statistics, to be aligned with the SNA e BPM recommendations to the best extent possible. A strong coordination and the follow up of the implementation of the new standards by the UNCEBTS and its Task Teams will be extremely relevant, to achieve the necessary alignment.

Geospatial data is increasingly relevant for producing economic statistics due to its ability to enhance the analysis and visualization of economic patterns and trends. Combining geospatial data with traditional economic datasets enhances the depth and accuracy of analysis, leading to better-informed policy decisions. The UNSC expressed its appreciation for the progress on integrating geospatial aspects into business and trade statistics and supported continued collaboration between the Committee and the Expert Group on the Integration of Statistical and Geospatial Information to develop guidelines to assist countries in integrating geospatial information into statistical business registers.

The UNCEBTS should also continue playing a relevant role regarding the governance of statistics and data, one of the key priorities enhanced by the UNSC, namely by updating the necessary frameworks, policies, and practices that ensure the quality, integrity, and ethical use of data and statistical information. Effective governance is crucial for producing reliable statistics that inform decision-making across various sectors, including government, business, and academia. In line with its strategic view on business and trade statistics, the Committee continued to actively reach out to groups of experts in other statistical domains to improve the coordination of activities and identify areas of common interest. A consolidation of traditional statistical domains should also be pursued, and the UNCEBTS should work to strengthen cooperation with the respective areas:

Consolidation of traditional statistical domains

Environment and Climate Change

Economic and business statistics

Social and population statistics

3. Proposals and way forward:

As mentioned, the internal activities of the UNCEBTS are already well defined in the work programme recently approved by the UNSC and should be fine-tuned with respect to emerging priorities and cross cutting goals set by the UNSC across all statistical domains.

A stronger integration between business and trade statistics and stronger coordination across other statistical domains and with the macroeconomic framework should be pursued and strengthen by the UNCEBTS.

Thus, the Committee should continue to coordinate with the relevant City groups and other UN Working Groups and Committees, to strengthen the consolidation and coordination with the relevant areas.

The interaction between the UNCEBTS and the other relevant groups should be made in an effective and sustainable manner, namely:

- By identifying the relevant Groups and Committees responsible for the emerging topics identified above, with the support of the UNCEBTS Task Teams, and working together in the definition of the work programme of the UNCEBTS, namely defining specific areas of cooperation.
- By promoting specific thematic meetings of the UNCEBTS with the relevant Groups and Committees, to understand the priorities and how the UNCEBTS can cooperate to envisage the consolidation of traditional statistical domains.
- Taking the relevance of the topic, by organizing a joint event with other Groups and Committees to discuss the production of statistics based on new data sources and in addition to the Statistical Business Register, and to discuss what should be the role of the SBR in the new era of producing integrated statistics and its linkage to other statistical or administrative registers.
- By promoting the share of knowledge and best practices in relevant common topics (using the several Task Team meetings to share specific presentations and developments in relevant topics), and whenever necessary, opening the UNCEBTS Task Teams to additional members from the relevant Groups and Committees.
- By developing pilot projects and training programmeme to support capacity development works on common issues.