

Meeting on Scaling up the coordination and resources for the implementation of the SNA, 28-29 May 2013, Luxembourg

Scaling up the global initiative on the implementation of the System of National Accounts and supporting statistics

I. Introduction

1. Increasingly, data users¹ are raising their voices about the data gaps in national accounts and supporting statistics of developing countries in terms of their scope, timeliness and quality. Moreover, the recurrent occurrence of double digit revisions of the levels and significant changes in the structure of macroeconomic statistics at country level and the lack of observable progress in formulating national strategies in remedying these data gaps have led to heightened concerns about the effectiveness of development policies and their funding.
2. Policy analysts, representatives of academia and members of the general public require data that extend in scope and timeliness, among others, to analyse the external and internal economic and financial vulnerabilities due to the interconnectedness of the global production and the global financial system; to identify the causes of low growth and unemployment patterns in many countries and regions; and to inform about the trade-offs between fiscal, monetary and debt reform and initiatives to increase growth, employment and equity.
3. The national statistical offices and other statistical agencies at country level are committed and reconfirmed to uphold the values and principles of the United Nations Fundamental Principles of Official Statistics as expressed in recent (sub) regional seminars organized by the UNSD and the United Nations (UN) regional commissions. Moreover, they have subscribed to common high-level goals for the implementation of the System of National Accounts 2008 (2008 SNA) and supporting statistics by improving the scope, timeliness and quality of economic statistics, while minimizing response burden, progressively increasing the use of administrative data for statistical purpose, achieving cost effectiveness by using best practices, and raising awareness for the use of national accounts and economic statistics for evidence-based policy making.
4. Although fully committed to uphold values, principles and goals, the mobilization of political motivation at the highest levels of government is encumbered by the absence of adequate statistical management and communication strategies. The absence of strategies continues to constrain national statistical systems and impede the required actions to reform the regulatory and institutional environment needed to modernize the statistical infrastructure and statistical operations. Despite some progress in a number of countries, many developing countries are still a long way from actually adjusting their supporting institutional arrangements, statistical operations and infrastructure for implementing the SNA. In addition, countries are not putting in practice strategies at the national level, although countries are subscribing to their respective regions' strategic programmes for the implementation of the 2008 SNA and the exhaustive measure of economic activities.

¹ By way of example: Morten Jerven, *Poor Numbers: How We Are Misled by African Development Statistics and What to Do about It*, Cornell University Press, <http://www.cornellpress.cornell.edu/book/?gcoi=80140100939320>.

5. The global governance, coordination and effective management of the global implementation programme on the 2008 SNA and supporting statistics need to be stepped up to demonstrate its response to the heightened concerns about the poor quality of statistics. This could be done by scaling up global and regional efforts to fill the national data gaps and by addressing the institutional arrangements, statistical operations and statistical infrastructure at the country level.

6. The urgency of addressing the comprehensive and exhaustive measure of the national accounts and supporting statistics for evidence-based policy making requires the international statistical community and in particular the members of the Inter Secretariat Working Group on National Accounts (ISWGNA) and regional commissions to revisit the present global strategy for the implementation of the 2008 SNA and supporting statistics. Recognising the urgency to address this issue the United Nations Statistical Commission (UNSC), at its forty third session, requested UNSD, in collaboration with the ISWGNA, supporting countries and other regional organizations, to scale up coordination, advocacy and resources for the implementation of the SNA and supporting statistics at the national level where required by promoting stronger commitment by national governments to advance the work programme for national accounts and supporting statistics.

7. In addition the UNSC requested countries to support UNSD with this task, taking into account, among others, coordination, political engagement and resources at the national level, lessons learned from other international statistical initiatives (like the International Comparison Program and the Global Strategy to Improve Agricultural and Rural Statistics), sharing of national experiences, engagement of the national statistical system (including central banks and other ministries), as well as the data and meta data reporting mechanisms to regional and international organizations, common existing software and other tools for the compilation of national accounts and the broader measures of progress presently considered by countries.

8. This note aims to facilitate a dialogue between the members of the ISWGNA, the AEG and other stakeholders on ways to scale up the global initiative on the implementation of the SNA to increase the technical support at the country level. The objective of the dialogue is to determine proposals for scaling up the global initiative on the implementation of the SNA and to establish a working group to assist the ISWGNA in preparing the report on this topic as requested by the UNSC for consideration at its meeting in 2014.

9. Following the introduction, Section II will briefly set out the objective, principles and elements of the existing global implementation programme, Section III introduces the activities of the members of the ISWGNA, regional commissions and other regional organizations aimed at supporting countries with the implementation of the SNA and supporting economic statistics. Section IV provides possible mechanisms to facilitate the coordination of the activities of various stakeholders aimed at the implementation of the SNA and supporting economic statistics. Points for discussion are contained in Section V.

II. The Global Implementation Programme for the 2008 SNA and supporting statistics in brief

10. The Implementation Programme for the 2008 SNA and supporting statistics represents a global statistical initiative, which was mandated by the Statistical Commission at its fortieth

session following the adoption of the 2008 SNA as the international standard for the compilation and dissemination of national accounts statistics. It has the dual objective in assisting countries in developing the statistical and institutional capacity to (a) make the conceptual change over from the 1968 or 1993 SNA to the 2008 SNA and (b) improve the scope, detail and quality of the national accounts and supporting economic statistics.

11. The efficiency and sustainability of the implementation of the 2008 SNA rest on the agreed principles of the implementation strategy, namely: (a) strategic planning, (b) coordination, monitoring and reporting; and (c) improving statistical systems. The strategy takes as a starting point the different levels of implementation of the SNA in various countries. It acknowledges the need for coordinated action, not only at the international level, but also at regional and sub-regional levels and emphasizes the need for close cooperation with regional commissions and sub-regional organizations.

12. The principles of the implementation strategy are operationalised in the implementation programme for the 2008 SNA and supporting statistics by four elements, namely: (a) using a strategic planning framework, (b) building a programme information structure around the statistical production process, the scope and the compliance for the national accounts and supporting economic statistics, (c) the modalities of statistical capacity building comprising training and technical cooperation, publication of manuals and handbooks, research and advocacy, and (d) the stages of implementation leading to the change over to the 2008 SNA.

III. Activities of ISWGNA members aimed at building statistical capacity for the implementation of the SNA

13. The modalities of statistical capacity building comprise training and technical cooperation, publication of manuals and handbooks, research and advocacy. At the time that the global implementation programme of the 2008 SNA and supporting statistics was adopted by the UNSC, the ISWGNA concluded that the best way to execute the global initiative was through light coordination. This light coordination mechanism allows the individual ISWGNA members, the regional commissions and other regional organizations to pursue their own programmes for the SNA implementation.

14. The most recent activities of the ISWGNA members and the regional commissions are presented annually in the report of the ISWGNA to the UNSC. In addition, all these agencies also disseminate supporting materials through their respective websites. Annex I and II report on the activities of the ISWGNA and regional commissions during 2012.

IV. Mechanisms to strengthen global coordination for more effective management

15. Despite the broad range of activities and the funding available for activities supporting the development of national accounts and supporting statistics, there seems to be a lack of progress in many developing countries. It is evident that the global initiative for the 2008 SNA implementation and supporting statistics needs to be strengthened. For this purpose, the following mechanisms may need to be taken into consideration.

Global governance

16. Establishing a global governance structure with a global office needs to be considered to strengthen the global coordination for more effective management. More effective management is instrumental in delivering a harmonized and better coordinated technical support and assistance for the implementation programme of the SNA. Moreover, an organizational management model could be developed that builds on ongoing and time bound sub-regional initiatives. Clusters of multi-year (sub) regional programmes can be envisaged that are characterised by common but differentiated actions (CBDAs). These CBDAs could be based on sub-regionally agreed priorities for the modernization of the regulatory and institutional framework, statistical infrastructure and operations at country level. Such an organizational management model will allow for the adoption of a scalable and time bound matrix organizational structure by sub-regional programmes and functional CBDAs. Examples of global governance structures are those for the ICP (see Annex III) and the Global Strategy to Improve Agricultural and Rural Statistics (see Annex IV)

17. Apart from the ISWGNA, AEG and regional commissions, other major stakeholders need to be consulted and taken on board for establishing the global governance structure for stronger global coordination arrangements with a view to improving the effectiveness of management and delivery of technical support at sub-regional level. The main stakeholders at the sub-regional level are the donors (i.e. donor countries, international agencies and regional development banks); sub-regional agencies mandated for (sub) regional economic integration; lead pilot countries in the sub-regions and lead supporting countries with advanced statistical systems (representing the link to country implementation at the sub-regional level).

Coherent global programme

18. The proliferation of overlapping regional and national technical assistance initiatives and drafting of overlapping normative compilation guidance can be avoided by mandating and adopting a strongly coordinated coherent global programme with clear division of responsibilities among the international and regional institutions and lead supporting countries. These activities may include those focussed on fund raising, drafting normative and compilation guidance by statistical domain, training and capacity building at country level (through sub-regional approach). Having a coordinated and managed global programme would also facilitate the statistical capacity development activities to be lined up on common sub-regional priorities and policy needs and prevent other activities to crowd out limited institutional capacities at national level.

Communication strategy

19. A central web portal could be developed using common language, tools and programmes to ensure system coherence among international and regional organizations. As a starting point, the current SNA and VSS web portals can be extended to provide updated and comprehensive information and technical support material for the implementation of the SNA. This information, by way of example, could include a forward looking calendar of events of the members of the ISWGNA and regional commissions in conducting training and workshops (by Eurostat, the IMF Headquarters, IMF regional technical assistance centres, IMF regional training centres, UNSD, the regional commissions, and the (sub) regional agencies), e-learning modules, wikis and knowledge bases for training and compilation guidance by main statistical domains, FAQs, funding mechanisms, country profiles, etc.

20. More broadly, a common communication strategy could be developed to address the concerns of and inform the main stakeholders by providing regular updates/briefings on the status of progress and outcomes of the global initiative on the implementation of the SNA and supporting statistics.

Common monitoring and reporting mechanisms

21. Supplement the current minimum required data sets (MRDS) and data quality assessment tools (DQAF) with common tools to evaluate progress with the implementation of the 2008 SNA and supporting economic statistics. These could include[to be elaborated]

V. Way forward

22. Establish a working group to assist the ISWGNA in preparing the report on this topic as requested by the UNSC for consideration at its meeting in 2014. The working group needs to take into consideration the proposals of the meeting for scaling up the implementation of the SNA in preparing the report.

VI. Points of discussion

23. The following questions may facilitate the discussion:

(a). **Are the suggested mechanisms of strengthened global governance, improved coherence of the global programme, enhanced communication strategy and common monitoring and reporting mechanisms sufficient to accelerate the implementation programme on the 2008 SNA and supporting statistics?**

(b). **What other mechanisms could be considered for scaling up the implementation initiative?**

(c). **What issues need to be included in the terms of reference of the Working Group to be established for developing proposals on scaling up the implementation of the SNA and supporting statistics, to be presented to the UNSC at its session in 2014?**

Annex I

Activities of the Intersecretariat Working Group on National Accounts during 2012¹

¹ Extract from the report of the Intersecretariat Working Group on National Accounts to the forty fourth session of the United Nations Statistical Commission in 2013

- (ii) *Guidelines on Statistical Business Registers* (ECE);
- (iii) *Monetary and Financial Statistics Manual and Compilation Guide* (revision) (IMF);
- (iv) *Handbook on quarterly national accounts* (IMF);
- (v) *System of National Accounts, 2008* in Spanish (preliminary draft is available on the website of the Economic Commission for Latin America and the Caribbean);
- (vi) *Revised Handbook on Prices and Volumes* (Eurostat);
- (vii) *Compilation Guide on Goods for Processing* (Eurostat);
- (viii) *Compilation Guide on Research and Development* (Eurostat);
- (ix) *Statistical guide for the short-term indicator data template and metadata structure.*

IV. Activities of the members of the Intersecretariat Working Group on National Accounts and of the regional commissions

A. Activities of the members of the Intersecretariat Working Group on National Accounts

Eurostat

31. The 2008 SNA will be implemented in the European Union in the form of a revision of the ESA, which is the European version of the SNA. The implementation of the new ESA methodology and transmission programme by European Union member States will commence in September 2014. This implementation will be supported largely by preparatory work, including discussions on specific topics and the development of guidelines in the context of working parties and expert groups of the European Union.

32. In addition to the above-mentioned activities, Eurostat has set up task forces on goods for processing, prices and volumes, and consolidated versus non-consolidated data. The reports from those task forces will be available in 2013.

33. Eurostat has also launched a training programme in 2012-2013, open to non-European Union countries, mainly on the following subjects: pensions; insurance; FISIM; goods for processing; research and development; and general government accounts.

International Monetary Fund

34. The IMF Statistics Department assists its member countries in developing capacity to compile and disseminate national accounts statistics. In addition to the technical assistance, it conducts training on national accounts methodologies and compilation practices to officials from statistical offices and other statistics-producing agencies.

35. The technical assistance activities of IMF in national accounts are designed as medium-term projects with overall objectives, specific outcomes, outputs and

implementation dates. Overall planning and strategy for technical assistance in national accounts are managed from IMF headquarters, which also supervises and monitors the quality of technical assistance provided through the eight IMF regional technical assistance centres — four of which are in Africa, one in the Middle East, one in Central America, one in the Caribbean region, and one in the Pacific region. The technical assistance projects are undertaken mostly through short-term missions conducted by IMF staff and externally recruited experts. During the financial year ending April 2013, IMF will undertake around 350 technical assistance missions on national accounts and price statistics in more than 100 member countries. It has placed 11 long-term resident national accounts advisers — eight in IMF regional technical assistance centres and three in Eastern Europe. In addition, over 70 experts in national accounts and price statistics are actively involved in undertaking short-term missions.

36. IMF technical assistance projects in national accounts are funded by its own resources as well as through topical trust funds established with financial support from donors. Currently, IMF undertakes four major programmes in national accounts financed by topical trust funds: (a) a three-year technical assistance project (2011-2014) aimed at the implementation of the SNA and the International Comparison Programme for 12 Asian and Pacific countries funded by the Government of Japan; (b) a five-year Enhanced Data Dissemination Initiative for Anglophone Africa (2010-2015), funded by the Department for International Development of the United Kingdom of Great Britain and Northern Ireland, that supports the compilation of quarterly and annual national accounts in selected African countries; (c) a three-year technical assistance project for capacity-building (2012-2015) to compile and disseminate national accounts and prices statistics in nine Eastern European countries funded by the Government of Japan; and (d) a statistics module under a five-year multi-donor technical assistance project for managing natural resources wealth, aiming at improved recording of natural resources in national accounts statistics.

37. IMF also provides training on national accounts through its Institute for Capacity Development at headquarters, its regional training centres, and ad hoc training workshops under the topical trust funds. IMF also collaborates with other international and regional organizations in their delivery of training courses. Currently, IMF provides training on the 2008 SNA, sectoral accounts and balance sheets, quarterly national accounts compilation, as well as linkages of macroeconomic accounts. During the current financial year, IMF will provide: (a) two regional courses on the 2008 SNA — one in Europe and one in Africa (in collaboration with the Macroeconomic and Financial Management Institute of Eastern and Southern Africa); (b) two training courses on sectoral accounts and balance sheets (Asia and Europe); and (c) one training course on quarterly national accounts (Africa). In addition, 12 training workshops on national accounts and price statistics compilation issues are planned under the topical trust funds — two in Africa, four in Asia and six in Europe.

Organization for Economic Cooperation and Development

38. In addition to organizing and co-organizing various task forces and workshops, OECD organizes an annual workshop on the implementation of the 2008 SNA, for the combined meeting of the OECD Working Party on Financial Statistics and the OECD Working Party on National Accounts. The meeting in 2012 (held in Paris on

3 October) was devoted predominantly to the issue of holding companies, head offices and special purpose entities; the measurement of derivatives; and the measurement of Financial Intermediation Services Indirectly Measured. Also, the Working Party on National Accounts discussed issues related to the implementation of the 2008 SNA, such as the recording of global production and the measurement of non-financial assets.

39. Furthermore, related to the above, two surveys among OECD countries were conducted in 2012, one on the measurement of derivatives and another on the recording and measurement of Intellectual Property Products. Synthesis papers on the results of both surveys are available. The same is true for the results of a survey previously held on the non-observed economy.

United Nations Statistics Division

40. As a follow-up on the seminar series, organized during 2010 and 2011 in collaboration with the regional commissions, to establish regional implementation programmes for the 2008 SNA, the Statistics Division has initiated during 2012 a new series of seminars upon requests from a number of countries to help them with formulating a plan for the implementation of the 2008 SNA. For this seminar series pilot countries are identified that could take the lead with the implementation of the 2008 SNA in their subregions. A subregional seminar is then organized in collaboration with the regional commissions and relevant subregional organizations. The aim is to initiate the formulation of a national strategy and implementation programme for the 2008 SNA and supporting socioeconomic statistics, with the objective of strengthening the national statistical system in support of improved policymaking.

41. The first seminar of this series was held for countries in southern Africa from 15 to 19 October 2012 in Pretoria, South Africa. It has led to country commitments to draft national implementation programmes for the 2008 SNA in a phased changeover to the 2008 SNA starting in 2014. These commitments warrant action at the country level to be coordinated by the national statistical offices and other stakeholders in the national statistical system. An agreed outline of the statement of strategy will form the basis for drafting the programme and will cover both the statistical and institutional elements to improve the scope, detail and quality of their national accounts.

42. This renewed subregional approach, launched by the Statistics Division, the Economic Commission for Africa and the African Development Bank in collaboration with relevant subregional organizations, holds promise, but may warrant the scaling up of interventions at the country level by international and regional organizations. At the time of finalizing the present report, the holding of similar seminars was under consideration in other regions and subregions, such as the Caribbean Community (CARICOM), Latin America and North Africa.

43. During 2012, the Statistics Division also: conducted a training workshop on the theme “the 2008 SNA and its implementation” jointly organized by the Statistics Division and the Economic Cooperation Organization from 14 to 17 October 2012, in Tehran; provided a resource person for an advanced training course on the 2008 SNA organized by the Statistical Institute for Asia and the Pacific in Incheon, Republic of Korea, from 11 to 15 September 2012; and collaborated with the Bank of Korea and ESCAP in organizing the International Seminar on the Implementation

of the 2008 SNA in Asia and the Pacific Region and Its Challenges, hosted by the Bank of Korea on 18 and 19 September in Seoul.

44. During the past year, the Statistics Division and the European Central Bank circulated for comments the second draft of the *Handbook on Financial Production, Flows and Stocks in the System of National Accounts*. Those comments are being incorporated, and the revised draft will be discussed by a review group in February 2013. It is foreseen that the handbook will be finalized during 2013. The aim of the handbook is to provide guidance on compilation issues of the financial corporate sector and its links to the other institutional sectors.

45. During 2012, the Statistics Division consulted with users on the development of a handbook on the compilation of input output tables. It is expected that this handbook will be prepared during the course of 2013. In addition, as part of the Statistics Division/Eurostat programme on short-term economic indicators, the Statistics Division is developing guidance for a data template for short-term economic statistics and contributes to the handbooks on rapid estimates, composite indicators and tendency surveys, the drafting of which is led by other agencies and countries. Those handbooks are expected to be completed during 2013.

World Bank

46. The World Bank continues to support the implementation of the 2008 SNA through activities related to its regular programme of work for improving statistical capacity, particularly in developing countries, and work related to the International Comparison Programme.

47. The Global Office of the International Comparison Programme at the World Bank furnishes support to regional coordinating agencies and provides technical assistance to countries for activities related to national accounts. Although the 2011 round of the International Comparison Programme is based on the 1993 SNA, technical assistance for helping countries improve their national accounts according to international standards, and to improve their estimates of GDP expenditures, also contributes to the implementation of the 2008 SNA. In addition, the International Comparison Programme provides guidance on: price issues for areas such as owner-occupied housing; the measurement of government outputs and non-market services; the measurement of financial services; and gross fixed capital formation.

48. The World Bank is continuing to work with other key donors on scaling up its support for developing countries. Financing mechanisms available through the World Bank include the Trust Fund for Statistical Capacity-Building, the Statistics for Results Facility Catalytic Fund, the Multi-donor Programmatic Trust Fund to support statistical capacity-building in Eastern Europe and Commonwealth of Independent States countries (ECASTAT) and the STATCAP lending programme. Although the World Bank support mechanisms available to countries for improving their statistical systems are broad based, those facilities could also be used to address country-specific needs aimed at the implementation of the 2008 SNA. ECASTAT is also likely to support regional training initiatives in economic statistics, including national accounts.

49. Two handbooks that complement the 2008 SNA and that are aimed specifically at supporting national accountants in small developing countries will soon be

published: one is entitled *2008 SNA — Concepts in Brief*, and the title of the other, an accompanying implementation guide, is *2008 SNA — Compilation in Brief*.

50. E-learning courses on national accounts, including lessons on GDP calculation, supply and use tables, data sources, exhaustiveness of national accounts estimates and estimates beyond GDP, such as institutional sector accounts, part of a library of e-learning courses on selected topics, are available on the web through the Virtual Statistical System and are free of charge to all interested parties.

B. Activities of the regional commissions

51. The regional commissions continued to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the countries of their respective regions. Their activities are coordinated by the regional advisory bodies established for that purpose. Considerable progress has been made in developing programmes for the implementation of the 2008 SNA and supporting economic statistics.

52. The regional commissions, in collaboration with the Statistics Division, will monitor the progress on the implementation of the 2008 SNA and supporting statistics according to the agreed timelines and set of actions to accomplish statistical and institutional goals for the sustainable improvement of the economic statistics programmes, while ensuring adherence to best practices in official statistics.

53. The regional commissions were also engaged in developing compilation guidance, notably the work on developing guidelines on global production facilitated by ECE and the training on national accounts compilation provided by the Statistical Institute for Asia and the Pacific of ESCAP. More detail on the activities of the regional commissions can be found in the background document entitled “Activities of the regional commissions on national accounts and economic statistics”.

V. Reporting of national accounts data

54. In accordance with a request from the Statistical Commission, the Statistics Division regularly evaluates the availability and scope of official national accounts data reported by Member States and their conceptual compliance to the recommendations of the System of National Accounts.

55. An assessment of this kind is presented in this section according to the recommendations of the 1993 SNA and based on replies to the United Nations National Accounts Questionnaire for the last five reporting periods, that is, 2007 to 2011. The data are reported directly to the Statistics Division through ECE, or OECD, or the Caribbean Community secretariat.

56. In taking into consideration at least one submission over the last five reporting periods (2007 to 2011), 94 per cent of Member States (182) reported national accounts data to the Statistics Division, that is all developed countries and 93 per cent of developing countries. On a regional level, 97 per cent of Asian and all Latin America and Caribbean countries reported national accounts data. In Africa and

Annex II

Activities of the United Nations regional commissions on national accounts and economic statistics during 2012

Statistical Commission
Forty-fourth session
26 February – 1 March 2013
Item 3(c) of the provisional agenda
National Accounts

Background document
Available in English only

Activities of the regional commissions on national accounts and economic statistics
Prepared by UNSD in collaboration with the regional commissions

A. Introduction

1. The regional commissions continued to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the countries of their respective regions. Their activities are coordinated by the regional advisory bodies established for that purpose. Considerable progress has been made in developing programmes for the implementation of the 2008 SNA and supporting economic statistics.
2. The regional commissions, in collaboration with the United Nations Statistics Division (UNSD), will monitor the progress on the implementation of the 2008 SNA and supporting statistics according to the agreed timelines and set of actions to accomplish statistical and institutional goals for the sustainable improvement of the economic statistics programmes, while ensuring adherence to best practices in official statistics.
3. This report describes the activities of the United Nations regional commissions related to national accounts and economic statistics.

B Economic Commission for Europe (ECE)

4. In 2012 the ECE continued to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the countries of the region. The work includes: (i) support to the countries of Eastern Europe Caucasus and Central Asia (EECCA) and South-East Europe (SEE) in the implementation of the 2008 SNA; (ii) contribution to the SNA research agenda through development of methodological guidance on emerging issues; and (iii) work to improve the quality and comparability of related economic statistics. The activities are coordinated by the regional advisory body – the Steering Group on National Accounts, whose Terms of reference were reviewed and renewed in November 2012 by The Conference of European Statisticians (CES) Bureau in order to reflect the new needs and priorities of national accounts work in the region.

Strategies of Implementation

Regional Strategies

5. The ECE countries vary significantly in terms of SNA implementation and challenges for their statistical systems. The ECE region includes the European Union (EU) members and part of the Organisation for Economic Cooperation and Development (OECD) countries, as well as the EECCA and SEE countries. The implementation of the 2008 SNA in the first two groups of countries is coordinated by Eurostat and OECD respectively. The main focus of the work of ECE is the implementation of the 2008 SNA in the EECCA (including Mongolia) and SEE region.
6. As a follow up to the workshop on Implementation Plans for the 2008 SNA, organized jointly with UNSD and European Free Trade Association (EFTA) in Kiev in December 2011, ECE developed an implementation plan template which aims to help countries to formulate structured national implementation plans in accordance with the three stages for the change over to the 2008 SNA identified by the Inter Secretariat Working Group on National Accounts

(ISWGNA). In March 2012, all 19 countries from the region submitted to ECE their implementation plans according to the provided template and they were uploaded to the ECE website devoted to the Implementation of the 2008 SNA.

7. The national implementation plans and the summary results of the survey were presented and discussed at a Special Session for Transition Economies, which was organized jointly with EFTA in May 2012 in conjunction with the meeting of the Group of Experts on National Accounts. The purpose was to identify key priorities and challenges for the region. The meeting agreed that ECE should (a) Continue its work to support countries in their implementation of 2008 SNA, (b) Strengthen coordination of activities with other regional and international organizations, and (c) Support a coordinated implementation of 2008 SNA and Balance of Payments Manual, 6th edition (BPM6) and the involvement of Central Banks and Ministries of Finance in the process. It was also agreed that a generic presentation on the challenges with the implementation of 2008 SNA should be developed for use by countries in their communication strategies.

8. In April 2012 ECE launched a website on 2008 SNA Implementation: <http://www.unece.org/stats/2008sna.html>. It also includes links to relevant material on the websites of ECE, UNSD, Eurostat, IMF, OECD and World Bank. To the extent possible all training material, guidelines and recommendations are presented both in English and in Russian.

9. In December 2012, ECE produced a set of regional recommendations for the 2008 SNA implementation based on the information collected through surveys and the feedback received at the Special Session for transition economies. The recommendations will be finalized in the beginning of 2013 with the help of the Steering Group on National Accounts. They outline activities, priorities and timeframes which countries should consider in the implementation process in order to strengthen the quality and international comparability of their national accounts statistics. Recommendations for the improvement of national accounts and related economic statistics have also been provided through the Global Assessments of National Statistical Systems, carried out in cooperation with Eurostat and EFTA, and through the United Nations Special Programme for the Economies of Central Asia (SPECA).

10. In 2013 ECE plans to carry out a number of follow-up activities with the EECCA and SEE countries in terms of regional workshops, technical assistance, methodological guidance and provision of training materials. In October 2013 ECE together with EFTA and other regional partners will organize a workshop on Implementation of the 2008 SNA and Linkages to the Government Finance Statistics for EECCA and SEE countries. The purpose of the workshop is to support the implementation of the SNA by strengthening the links between the compilers of national accounts and government finance statistics in the participating countries. It is expected that as a result of the discussion the participants will be able to identify common challenges and discuss priorities and plans to further improve statistics on the government sector.

National Strategies

11. The 1993 SNA is not fully in place in the EECCA and SEE countries and the 2008 SNA changes will have to be dealt with while the national statistical offices (NSOs) are still implementing programmes on the outstanding issues from the 1993 SNA. Most of the countries

produce the minimum required data set recommended in the ISWGNA guidelines for monitoring the implementation of the 1993 SNA. GDP and its main components are compiled by all 19 countries in the region and, in general, they comply with the provisions of the 1993 SNA. All countries produce annual GDP by activity at current and constant prices. Expenditure data at current prices are published by all countries and 16 have series at constant price too. Quarterly accounts, gross national income and other primary balancing items for the total economy and rest of the world are published by 16 countries.

12. In early 2012 ECE collected information on the status of country implementation plans in accordance with a predetermined template, which followed the three stages for the change over to the 2008 SNA identified by the ISWGNA. According to the results the implementation of the 2008 SNA is already included in the overall strategic plan of the NSOs in 5 countries. Another 7 countries are currently adjusting their statistical strategies. At the same time work with the main outstanding issues of the 1993 SNA is on-going in almost all countries. However, these issues (improvement of quality, coverage, data sources and compilation practices) continue to be relevant with the 2008 SNA.

13. The development of more detailed action plans for the mid-term is the next step on which countries will focus. The task is already completed in 2 countries; another 11 will finalize it over the course of 2013. The countries have agreed that at this stage the main focus should be on issues affecting GDP and its main components. The work on integrated economic accounts and major indicators, such as GNI and saving, is also a high priority for the region. Many countries will work to strengthen the quality of integrated economic accounts in parallel with the improvements of the GDP estimates. The changes would be linked to the work on implementation of the BPM6. The timeframe for implementing the changes is 2014-2015.

14. In respect to the availability and quality of institutional sector accounts the countries in the region differ to a greater extent. Institutional sector accounts up to net lending are compiled by 14 countries, but few of them have addressed quality issues or the 2008 SNA recommendations in their statistical programmes. Only four countries publish estimates of financial accounts by institutional sector. The implementation of changes and/or introduction of the institutional sector accounts and other data systems are expected gradually after 2015.

15. The accomplishment of the statistical programmes for the 2008 SNA is highly challenged by the lack of human and financial resources. The effective cooperation with other institutions involved in collecting and producing relevant data is also seen as main prerequisite and challenge for the successful implementation of the 2008 SNA. Support by international organizations in terms of technical assistance, exchange of experience and best practice is needed to facilitate the process.

Methodological work

16. The meeting of the Group of Experts on National Accounts (organised jointly with Eurostat and OECD) discussed in May 2012 issues related to the implementation of the 2008 SNA, which are of common interest to the ECE member countries: measuring of financial services; volume measurement of services; sub-sectoring of financial corporations; globalization and global manufacturing; household sector and unincorporated enterprises. The participants

encouraged an increased involvement of representatives of Central Banks and, when relevant, of Ministries of Finance in the work of the Group of Experts on National Accounts to ensure a coordinated approach to the implementation of the major macroeconomic standards. The next meeting of the Group of Experts in 2014 will continue the discussion of topics stemming from the 2008 SNA such as: revision adjustments; measurement of financial services, including insurance and pensions; expanded accounts for the household sector including non-profit institutions serving households (NPISH); globalization and national accounts, etc.

17. The Task Force on Global Production (TFGP) was established by the CES to follow up on issues identified in the research agenda of the Guide on the Impact of Globalization on National Accounts (published in January 2012). The Task Force is established jointly with OECD, Eurostat, IMF, WTO and UNSD. Its objectives are to address conceptual issues arising from the 2008 SNA and BPM6 in relation to global production as well as to provide practical guidance on implementation aspects. In 2012 the TFGP developed a detailed outline report presenting an overview of the chapters to be covered in the final report. The outline report together with a more detailed presentation of the main research issues was presented and discussed at various international fora such as the meeting of the Group of Experts on National Accounts, the OECD Working Party on National Accounts, the Advisory Expert Group on National Accounts and the IMF Committee on Balance of Payments Statistics. The draft chapters of the TFGP report will be available in spring 2013 for country consultation. A special meeting of the Group of Experts on National Accounts will take place on 3-4 April 2013 to review the draft report on global production and provide recommendations for its finalization. The TFGP will submit an issues paper on the main issues which may affect the interpretation of the 2008 SNA, including recommendations on the typology, classification and recording of the various types of global production arrangements, for consideration by the AEG.

Other Related Work in Economic Statistics

18. ECE promotes the implementation of internationally agreed standards and good practices in other areas of economic statistics, including business registers, short-term economic statistics and price indices. In May 2012, the Group of Experts on Consumer Price Indices, organized in cooperation with the ILO, discussed the upcoming Manual on Residential Property Price Indices, new data collection methods, scanner data, quality adjustments and improved calculation methods.

19. The CES Task Force on Statistical Business Registers is working to develop methodological guidance for setting up and maintaining statistical business registers. The task force is expected to submit its final report to the CES plenary session in 2014. The Group of Experts on Business Registers, organized jointly with Eurostat and OECD, will discuss the draft recommendations in September 2013 before wider consultation and submission to the Conference of European Statisticians.

20. In 2011-2012, ECE conducted a capacity building programme on economic statistics in Central Asia and Eastern European Countries with the financial support of the World Bank. In addition to national accounts, the programme included a number of regional training workshops on short-term economic statistics, seasonal adjustment and consumer price indices. In total, 150 experts from 26 countries participated in the programme. In spring 2013 a workshop on

International Classification, organized jointly with UNSD will discuss implementation challenges for ISIC Rev4 and CPC Ver.2 in the countries of the region.

B. Economic Commission for Africa (ECA)

21. The ECA continued working along with other Pan-African Institutions, Regional Economic Communities (REC), and other Development Partners to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the member States on the African continent. The work includes: (i) to develop and carry out the African Strategy and Implementation Action Plan to support member States with the implementation of the 2008 SNA; (ii) to support the formulation of national programmes for the implementation of the 2008 SNA at the national level; (iii) to contribute to the development and promotion of the application of the SNA compilation software ERETES; (iv) to disseminate and apply the international recommended methodologies and to share and exchange country experience in measuring informal sector activity and improve the exhaustiveness of GDP; and (v) to provide technical advice and assistance on the use of national accounts and economic statistics in policy analysis and formulation for sustainable development and mainstreaming gender in macroeconomic accounting and policy making.

Strategies for the implementation of the 2008 SNA

Regional Strategy

22. The results of the survey on the implementation of the 2008 SNA conducted in Africa demonstrated that on one hand, the continent is still in a rather early stage of the development of national accounts and that the national accounting systems are not harmonised between countries yet. There are limited human, financial, and technical resources as well as weak statistical infrastructure in many countries. The problems with the implementation of SNA are not restricted to the national statistical offices alone, but involve the entire national statistical system. On the other hand African countries in general recognize that the SNA is providing a fundamental statistical framework for a comprehensive and integrated set of macroeconomic statistics to compile harmonized national statistics required for economic, financial, and social integration in Africa. In addition, growing globalization and foreign direct investment also require comparable and reliable statistics for adequate policy and decision making. These demands call for a common regional project for all the African countries to work together on the implementation of the 2008 SNA.

23. The African Implementation Plan for the 2008 System of National Accounts (SNA) was endorsed and adopted by the third session of the Statistical Commission of Africa (StatCom-Africa III) at the beginning of 2012. The African Implementation Plan has been developed by the African Group on National Accounts (AGNA) in the past two years. It shows the commitment of the African statistical community to adopt and apply one of the most important international standards and systems in official statistics, the 2008 SNA, as the first pillar of the “Strategy for the Harmonization of Statistics in Africa” (SHaSA) in support of regional integration for a prosperous and united Africa. In order to carry out the project, the StatCom-Africa III urged pan-African institutions, regional economic communities, and member States to take ownership of the African Implementation Plan and for all African countries to work together to implement the

2008 SNA; urged African countries to allocate, and development partners to mobilize, necessary funds to support the implementation of the five-year Regional Programme as laid out in the African Implementation Plan.

24. To push forward and speed up the implementation of the African Strategy in supporting the member States in Africa to change over to the 2008 SNA, a special session of the African Group on National Accounts (AGNA) Meeting on the African Strategy for the Implementation of the 2008 System of National Accounts (2008 SNA) was held in Addis Ababa, Ethiopia on 11-13 February 2013. Representatives of the Pan-African Institutions, i.e. the African Development Bank (AfDB), African Union Commission (AUC), and ECA, a selected group of countries (Cameroon, Cote d'Ivoire, Ghana, Morocco, Nigeria, Senegal, South Africa, Tunisia, Zambia), Regional Economic Communities (RECs) (COMESA, EAC, ECCAS, ECOWAS), and AFRISTAT attended the meeting.

25. The meeting reviewed the progresses achieved; prioritized the activities in the Action Plan for the African Strategy; and discussed on how to mobilize financial resources for the execution of the activities and the roles played by different stakeholders. Recognizing that the importance and urgency for development partners, pan-African institutions, RECs, AFRISTAT, and member States to work together; and for the AGNA to take leadership to coordinate and synchronize the joint efforts for the implementation of the 2008 SNA on the continent, the meeting decided that: A Task Force, comprising the Pan-African Institutions, RECs, and member States, to finalize the Action Plan (i.e. the Project Document) on the prioritized 21 activities will be set up by the end of February 2013; a joint Secretariat of Project by ECA, AfDB, and AUC will be established by April 2013; and a donor round-table meeting will be organized by the Secretariat in June 2013 to solicit and mobilize financial resources for the African Strategy.

26. The whole programme of the African Strategy will be carried out in a phased approach. Activities prioritized and identified to be carried out in Phase I include the following: to conduct a further and in-depth assessment on national accounts status and capacity and constraints in production of national accounts statistics; to establish and/or strengthen governance structures for the implementation of the African Strategy at the continental, sub-regional, and national levels; to create an African national accountants network and set up a team of continental advisors in national accounts; to prepare advocacy materials and tools and organize advocacy activities; to mobilize resources for the continental project and increase national resources and involve the development partners for funding of national accounts at national level; to launch technical assistance for countries lagging behind; to make an inventory and provide guidance of administrative data sources required for national accounts compilation; to promote the utilization of modern and country - adapted IT tools; and to explore the available monitoring and evaluation of tools and best practices and to develop a standard framework for monitoring, evaluation, and reporting of the implementation of the 2008 SNA at various levels.

National Strategies

27. To increase statistical capacity building, to alleviate the difficulties faced by countries, and to assist the countries with developing a programme for the implementation of the 2008 SNA and supporting statistics, a sub-regional seminar on Developing a Programme for the

Implementation of the 2008 SNA and Supporting Statistics for Southern African Countries was organized in Pretoria, South Africa in October 2012 jointly by the United Nations Statistics Division (UNSD), ECA, the African Development Bank (AfDB), the Southern African Development Community (SADC) and the Southern African Custom Union (SACU). The seminar was attended by participants from Botswana, Malawi, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

28. At the seminar, countries were encouraged to establish a statement of strategy at the national level as the first step and to incorporate this statement of strategy in the review of their national strategies for the development of statistics (NSDS). By taking into account the national and regional policy needs, a statement of strategy would be an important step to establish a roadmap for developing the required scope, detail, and quality of national accounts needed for assessing economic progress. The basic elements of a statement of strategy included a mandate, a mission statement, values, high level goals, specific goals and required activities. These activities could be grouped in three categories: (a) regulatory and institutional framework – strengthening the functioning of NSS, its programming, management and performance; (b) statistical infrastructure – strengthening of use of standards (2008 SNA), classifications (ISIC Rev 4), registers and frames; and (c) statistical operations – strengthening of data collection, compilation, dissemination and analysis.

29. A follow-up is scheduled in February 2013 based on the preparation of the first drafts of the national statements of strategy for the change over to the 2008 SNA. In the near future, similar sub-regional workshops/seminars will be organized by UNSD, ECA, and other regional and sub-regional partners in the North African and the Southern African countries (such as in ECOWAS and COMESA). This approach will lead to country commitments to drafting national implementation programmes for the 2008 SNA in a phased changeover to the 2008 SNA starting in 2014 which warrant action at the country level coordinated by the national statistical offices and other stakeholders in the national statistical system. To make it a success, it requires continued engagement by all international and regional organizations with the individual countries. Therefore, it should be part of the African Strategy and Implementation Plan.

Methodological work

30. To apply ICT technology to modernize the national accounts compilation process, ECA works closely with member States and partners to introduce and to further develop national accounts compilation software ERETES. At the beginning of 2012, a study tour was organized to bring national accounts experts from a group of countries to Mauritius to observe the application of ERETES in daily data processing and operation. As a follow-up to the conclusions and recommendations of the ECA Workshop on ERETES, the ERETES technical team sponsored by Eurostat and the French statistical office (INSEE) completed an additional module to facilitate countries to regularly produce data required for the International Comparison Programme (ICP).

31. ERETES has been considered as a computer tool to harmonize the production of the national accounts on the continent by the African Union Commission (AUC). This was reiterated by the Sixth Meeting of Directors General of African National Statistical Offices. To share country experience and practice in the compilation of the Supply Use Tables (SUT), one of the outputs of ERETES, a handbook on SUT was compiled with the contributions by a group of

national account experts on the Continent. At ECA, after necessary technical preparation was made, including obtaining both technical expertise and accompanying database software, a team was set up with both inside and outside staff and technical experts who are ready to be deployed to assist member States that are willing to adopt ERETES in their countries. A training workshop on ERETES and SUT will be organized in the Western Africa jointly with ECOWAS and AUC for 15 ECOWAS member States in April 2013.

32. The proper measurement of informal sector activity and incorporating its contribution to GDP is an important part of the 2008 SNA implementation. An expert group and consultative meeting was held in Yaoundé, Cameroon in April 2012 on informal sector statistics. The meeting was organized by ECA in collaboration with ILO and AfDB to bring together a strong international resource person team together with senior managers of national accounts and senior managers in charge of designing and administering survey programmes for labour and economic statistics from member States. The purpose of the meeting was to review and learn from experience and practice inside and outside of the region and to identify the most appropriate methodologies and procedures for the participating countries to apply in their work plans and for the implementation of the coming UN Development Account Inter-Regional Project on Informal Sector led by ECA.

Other Related Work in Economic Statistics

33. Both the data and techniques of economic statistics and national accounts have been used for policy analysis and formulation. ECA has been making a significant progress at this front along with other partners and the member States. In support of the Programme of Work on Broader Measures to Complement Gross Domestic Product (GDP Plus) proposed by the Rio+20, ECA has been working closely with its member States to develop a set of reference indicators to assess the economic, social and environmental performance of their economies for integrated policy making. The set of reference indicators was developed on the basis of the international statistical standards including the 2008 SNA and the latest version of the System of Environmental-Economic Accounting (the 2012 SEEA), particularly on the capital and asset accounts. A questionnaire based on this set of sustainable development indicators was sent to 15 pilot countries for collecting data to be used in the Sustainable Development Report on Africa (SDRA). A series of training workshops will be organized for technical capacity building. The first of such workshops was organized in Addis Ababa in December 2012.

34. In addition, for capturing the contribution of women made to the society and economy, ECA is assisting its member States to undertake time-use studies and compile Satellite Accounts of Household Production by providing technical assistance. In applying the concepts of satellite accounts for household production and applying time-use survey data to compile them, A *Guidebook for Mainstreaming Gender Perspectives into National Accounts, Policies and Budget* is currently under revision and finalization. Since the 1995 Beijing Declaration and Platform for Action (BPfA) recommended that countries undertake time-use surveys (TUS) to quantify unpaid work, at least 39 surveys have been conducted in Africa. Among them, quite a number of countries will continue to apply the data collected from time use surveys to construct the satellite account on household production. Training workshops and technical assistance missions are organized and undertaken.

C. Economic Commission for Latin America and the Caribbean (ECLAC)

35. During 2012, activities in National Accounts and Economic Statistics carried out by the Statistics Division at UN-ECLAC have largely followed the programme of work of the 2011 Round of the International Comparison Program (2011 ICP). Thirty-seven countries from the region are actually participating in the programme, seventeen from Latin America and twenty from the Caribbean. In this framework, during 2012 three meetings were organized for price data validation, national accounts and special survey issues for Caribbean countries, while two meetings were organized for Latin America countries. Seven technical assistance missions were delivered to Caribbean countries on prices and national accounts, and seventeen were finalized for Latin American countries. The activities will continue for the next year, as the final data will be officially released in December 2013 at both the regional and global level.

36. The traditional annual meeting on National Accounts organized by ECLAC for Latin America countries in November 2012 went back to its original format, after the meeting in 2011 was mainly dedicated to the 2011 ICP. The sessions were mainly dedicated to discussing the implementation of the 2008 SNA and the status of basic economic statistics in the region, with particular focus on prices, household and labour surveys, establishment surveys, exhaustiveness and volume indicators. Special sessions were also dedicated to users' perspectives, as well as countries' experiences in the 2008 SNA implementation. A complete day of the meeting was dedicated to the definition of a regional action plan for the 2008 SNA implementation and the discussion of the role and future work of the Working Group of National Accounts established by the Statistical Conference of the Americas (SCA).

37. The activities of the new working group established by the SCA on international classifications have continued during 2012 with the organization of a sub-regional workshop for Latin American countries, while the activities on environmental statistics have mainly developed following three main lines: the development of environmental-water accounts for selected countries in the region, the overall strengthening of environmental statistics (with funds from the Inter American Development Bank), and environmental protection expenditure statistics (with funds from a UN Development Account). The Latin America project on KLEMS has continued its activities under the co-ordination of the UN-ECLAC in eight member countries of the region.

38. Technical assistance missions have been provided through advisory services directly by UN-ECLAC staff to three member countries in the area of National Accounts and eleven countries in the areas of price statistics. The Statistics Division has also provided technical support in a number of initiatives organized by other agencies in the region, with a view to giving impetus to the development of satellite accounts in a number of areas (i.e. health, social economy, unpaid work) and increasing capacity in selected economic statistics areas of work (i.e. statistics on the service sector and international trade in services).

39. Activities during 2013 will continue being finalized to the development of national accounts, prices, satellite accounts, environmental statistics, classifications, and statistics on international trade in services. The ICP 2011 will continue to have high priority in the programme of work, as well as on the organization of the next 2013 Seminar on National Accounts and the finalization, hopefully by the end of the first quarter of 2013, of the Spanish translation of the 2008 SNA.

40. The SNA implementation survey recently carried out – based on a UNSD questionnaire – has shown that in Latin America countries, although substantial improvement have been made in the last few years, the road to the full implementation of the new recommendations is still long, especially considering the advances that are needed in terms of basic data availability and their overall quality.

41. The analysis of the replies during the 2012 UN-ECLAC Seminar on National Accounts, and the discussion that followed, has confirmed that the development of a strategy should be based on four steps: (1) assessment (based on the replies of the UNSD questionnaire); (2) identification of commonalities in terms of challenges, on which regular activities of the UN-ECLAC Statistics Division should be based (i.e. exhaustiveness of the accounts, estimation of stock of capital, allocation of FISIM etc.) and identification of clusters of countries and sub-regions with common implementation problems; (3) support in the development of national strategies in pilot countries for each cluster identified in step (3); and (4) horizontal cooperation aimed at helping non-pilot countries in delineating and implementing the national strategy.

42. The strategy model described above has been recently tested in Uruguay, where a national action plan has been signed by all major data producers in the country and the UN-ECLAC, identifying steps and timetable for the development of basic statistics, the strengthening of the national statistical system, and the implementation of the 2008 SNA.

43. In cooperation with UNSD and CARICOM, a national and a regional meeting have been organized in Jamaica recently, identified as one of the pilot countries in the Caribbean. The purpose of these meetings was to identify the main issues for a national implementation programme, identify main gaps and challenges at national and sub-regional levels, establish links with data providers and stakeholders, and identify actions and timetable for future activities. Additional and similar sub-regional interventions are planned for the near future in Brazil and other potential pilot countries in South and Central America and the Caribbean in order to give impetus to the implementation programme in the region, following the actions described above.

44. A project proposal for the development and concrete implementation of the national action plans (step 3 of the strategy) and the realization of horizontal cooperation (step 4) in the countries of the region has been developed and recently submitted for approval in the framework of the 9th Tranche of the UN Development Account programme for the period 2014-2015.

D. Economic and Social Commission for Asia and the Pacific (ESCAP)

Economic statistics and national accounts

45. In 2012, the Steering Group for the Regional Programme on Economic Statistics in Asia-Pacific developed a comprehensive implementation plan for member States in the region to develop the capacity for producing a core set of economic statistics in line with current international standards. The regional goal and the contents of the core set were adopted by the Committee on Statistics at its second session in 2010 and subsequently endorsed by the Regional Commission in 2011 as a guide for setting the scope and prioritizing capacity-building activities for economic statistics. While the scope for the core set is broader than the national accounts,

implementation of the 2008 SNA is an essential component towards achieving the overall goal of the Regional Programme.

46. The Committee on Statistics endorsed the Implementation Plan for the Regional Programme on Economic Statistics at its third session in December 2012. The Implementation Plan was developed through close consultations with members of the Programme's Steering Group, which is chaired by Australia and Philippines and includes membership by eleven other national governments as well as by Asian Development Bank (ADB), Association of Southeast Asian Nations (ASEAN), Eurostat, FAO's Regional Office for Asia, ILO, IMF, and the Secretariat for the Pacific Community (SPC).

47. In 2013, ESCAP will continue to facilitate the work of the Steering Group. ESCAP is also engaged in promoting greater awareness of the regional core set and its importance for defining the scope for capacity development and linking with the agreed international standards and guidelines for economic statistics. Regular monitoring of progress, including the implementation of the 2008 SNA, is an important part of the Implementation Plan. An initial assessment, organized in the first quarter of 2013, was designed to establish a baseline screening of capacities of the statistical systems in each country. The results of the capacity screening will be shared with all of the relevant partners as a foundation for effective coordination and prioritization of activities in Asia-Pacific. More in-depth assessments of individual statistical systems may follow, with assistance, by request, from ESCAP and other partners.

48. The Steering Group identified the existence of an effective national strategic plan for statistics as a fundamental requirement prior to investing in other developments such as strengthening components of the statistical infrastructure (e.g. business registers or quality assurance frameworks) and human resources skills (e.g. national accounts training). Therefore, developing and improving the national strategic plans for improving economic statistics is expected to be an important component of activities in 2013. Whereas many countries in Asia-Pacific are already implementing plans designed with guidance from the National Strategies for Development of Statistics (NSDS) approach of Paris-21, many others still lack sufficient strategic planning. Also, in 2013, ESCAP will continue to provide training courses on national accounts and related statistics through the Statistical Institute for Asia and the Pacific (SIAP)

Training

49. During the calendar year 2012, the SIAP integrated SNA and other topics of basic economic statistics, agricultural statistics and environment statistics in the training syllabus of the 4-month¹ and 2-month² SIAP/JICA group training courses. In addition, SIAP conducted four training courses focusing on the 2008 SNA. About 160 statisticians from 36 countries in the ESCAP region participated in these courses.

¹ Third Group Training Course in Production and Development of Official Statistics (PDOS) - Module – II, (08 October to 09 November 2012), Chiba Japan

² Integrated Economic Statistics, including SNA, for Central Asian Countries (23rd January to 23 March 2012), Chiba Japan

50. Two of the 2008 SNA-focused courses were 2-month internet-based e-learning courses designed for junior-level government statisticians engaged in national accounts compilation and use of economic statistics or performing tasks relating to compilation of national accounts. The instructor-guided e-learning courses provided a fairly comprehensive overview of the 2008 SNA as a framework for macroeconomic statistics. Two others were 5-day advance level courses designed for experienced middle level officials to strengthen capacity to implement the recommendations of 2008 SNA and improve the quality and coverage of national accounts statistics.

51. Training contents have been updated on the basis of the latest recommendations, using international manuals and handbooks on the respective subjects as references. Experts from ADB, ESCAP, FAO, IMF and UNSD served as resource persons in the various courses.

52. SIAP will offer the basic e-learning course on SNA on a regular basis—both as a guided course and as self-learning training. It will develop training modules for advanced topics on SNA and offer at least one regional course. Course development will be done in collaboration with NSOs and international organizations pursuing related initiatives. SIAP also intends to design and co-organise short-duration regional and sub-regional courses on economic statistics relating to the production of the regional core set of economic statistics pursuant by Asian and Pacific countries.

E. Economic and Social Commission for Western Asia (ESCWA)

53. The normative and operational work at ESCWA on economic statistics aims to strengthen the statistical capacity of member countries for the compilation of national accounts and economic statistics including short-term economic statistics, such as, price statistics, industry, trade and energy statistics.

Regional and national strategies on 2008 implementation

54. A technical cooperation project on the 2008 SNA implementation is being implemented in 2012 to 2013 in four pilot countries. Due to the diversity of the national accounts systems and different levels of implementation among countries in the region, the implementation of the plan at the national level was started in four pilot countries, which are regarded as representative of the status of national accounts compilation and implementation in the entire ESCWA region. Technical advisory missions to the four pilot countries will be conducted for the assessment and tailoring of a national strategic action plan that best fits each country's specific needs and a regional workshop will then be organized to share the experience, knowledge and implementation techniques of the four pilot countries with the rest of the region. The outcome of the regional workshop will provide material that will be documented into a guidance manual for the ESCWA region on the implementation of the 2008 SNA.

55. Two missions have already been conducted in 2012 to two of the pilot countries, where, after evaluation of the current status of the national accounts system of each country, focus was directed towards improving the existing statistical infrastructure and treating the major gaps and deficiencies in the sourcing and compilation of data. The missions tackled specific issues in each

of the two countries and recommended a national roadmap to be followed while attempting to build a national strategic action plan for the implementation of the 2008 SNA.

56. By 2012, ESCWA also overcame an important challenge for the implementation of the 2008 SNA in the Arab region by providing an Arabic version of the 2008 National Accounts System as a joint output by the Central Statistical Office of Kuwait and ESCWA, and which is now being reviewed and prepared for publication. A preliminary version of the translation is available on the UNSD website at: <http://unstats.un.org/unsd/nationalaccount/docs/SNA2008ArabicPrelim.pdf>. ESCWA also developed an English-Arabic glossary on national accounts terms and definitions, and on other areas of economic statistics³.

57. To overcome the lack of short-term economic indicators and their metadata in the ESCWA region, ESCWA planned an EGM on National Accounts and short-term economic statistics for June 2013 and a study on "Priority short-term economic statistics for the Arab region"; this was based on the general framework developed by the United Nations with a view to providing the needed information to analyze the economic cycle, monitor economic performance and forecast the repercussions of financial crises and economic shocks.⁴ In addition, a project on "Short Term Economic Statistics" was submitted to the United Nations Development Account to enhance the regional capacities of National Statistical Offices in this specific area and in the overall field of Economic Statistics and National Accounts.

58. Within the same framework, the International Comparison Programme in its 2011 round continues to play a crucial regional role in the involvement of Western Asia national accounts experts in training and experience-sharing activities, and building capacity in the field of national accounts compilation, specifically from the expenditure side. Thus, under the framework of the 2011 round of the International Comparison Programme, a regional meeting for the National Accounts experts of ESCWA member countries was held on the fringe of the 5th ICP regional workshop in March 2012 followed by a separate training dedicated solely to the ICP national accounts activities in July 2012. The training focused on guiding the countries on improving the sources and methods used for compiling the GDP expenditure weights and provided a general assessment of the exhaustiveness and quality assurance questionnaires which the countries were asked to complete.

59. The Statistics Division at ESCWA took initiatives to secure extra budgetary funds to carry out proposed additional projects and activities for the improvement of data sources of national accounts statistics, its compilation, the transition to the 2008 SNA and the improvement of short term economic statistics indicators, which forms a major part of the overall work plan. Moreover, ESCWA is planning to take part in the Development Account Project on "Interregional Cooperation on the use of Data on Informal Sector and Related Information to Achieve Exhaustiveness of National Accounts" led by UNECA, to enhance exhaustiveness of GDP and improve the coverage and comparability of national accounts.

³ www.escwa-stat.org

⁴ E/ESCWA/SD/2012/IG.1/CRP.3.

Methodological work

60. ESCWA published a study in 2011 of available data sources for national accounts estimates in member countries.⁵ It was based on a survey conducted by the Commission, about the extent of the implementation of the 1993 SNA, the methodologies used for estimation and the statistical coverage and quality of economic statistics required for the compilation of national accounts. In addition, a parliamentary report on the progress made in economic statistics was presented to the tenth session of the ESCWA Statistical Committee for discussion and recommendations by the committee⁶

Other Related Work in Economic Statistics

61. ESCWA has cooperated with a number of international and regional organizations on capacity-building activities in the area of industrial statistics. Those activities include the collection and dissemination of data, raising awareness of modern standards and techniques and training officials from national statistical offices on relevant issues. ESCWA and the Arab Industrial Development and Mining Organization jointly publish a biannual bulletin on industrial statistics for all Arab countries to promote that important area of the field. Recently, ESCWA, UNSD, the United Nations Industrial Development Organization and the League of Arab States collaborated in organizing two activities on the latest classifications including ISIC Rev. 4 and CPC ver. 2, and the use of business registers as a sampling frame for economic surveys. Furthermore, work on industrial production indices is anticipated with respect to short-term and early warning indicators.

62. As for the statistics of international trade, ESCWA continued working with main partners from UNSD, the World Trade Organization (WTO), AITRS and others to build capacity in the region in SITS. With the introduction of MSITS 2010, it became necessary for the region to implement the recommendations in view of the increasing number of revisions of related classifications and standards, such as the extended balance of payments services classification. Priority issues for ESCWA include assisting member countries in establishing national working groups to coordinate collection and dissemination of SITS, conducting regular surveys of foreign direct investment and Foreign Affiliates Statistics and assisting in hands-on training on the compilation of SITS using the forthcoming guide. In addition, ESCWA assisted in the translation of the most relevant classifications into Arabic, in response to the delay in disseminating the official Arabic version. Recent examples include the MSITS 2010 and related questionnaires.

63. ESCWA is currently implementing a capacity-building project for the compilation of energy statistics, energy balances and accounts in coordination with regional and international organizations such as UNSD, MEDSTAT, the International Energy Agency (IEA), the Organizations of Arab Petroleum Exporting Countries (OAPEC)⁷. Within the scope of that project, ESCWA convened an expert group meeting, organized study visits and technical

⁵ ESCWA, *Study on Economic Statistics in the ESCWA Region: Sources and Methods* (E/ESCWA/SD/2011/10), available from: www.escwa.un.org/information/pubaction.asp?PubID=1158.

⁶ Progress Achieved in the Field of Statistics since the Ninth Session of the Statistical Committee; Economic Statistics, Including Energy And Environment Statistics. *E/ESCWA/SD/2012/IG.1/5(Part III)* (<http://css.escwa.org.lb/sd/1986/17e.doc>)
E/ESCWA/SD/2012/IG.1/5(Part III) (<http://css.escwa.org.lb/sd/1986/17e.doc>)

⁷ <http://web.escwa.un.org/esab/>

assistance missions, undertook an in-depth needs assessment for four member countries to evaluate energy data availability and internal data flows, and prepared a manual on estimating energy consumption in the transport sector in the Arab region. A workshop on energy statistics and balances will be hosted by the National Bureau of Statistics in the United Arab Emirates in February 2013, in coordination with IEA and UNSD.

Annex III

Governance Structure of ICP

Governance Structure of ICP 2005

PAUL McCARTHY

The 2005 round of the International Comparison Program (ICP) was the first since 1993. The main reasons for the long gap between rounds were the problems encountered in finalizing the 1993 data, in particular insufficient resources (both financial and staff) for the program and the inability to properly link the regional results because the processes were not standardized across regions. A perceived shortcoming in the process was the inadequate coordination, mainly between regions but also within some regions, which was attributed in turn to the lack of a formal governance structure. As a result, planning for the next ICP round was delayed pending the outcome of a wide-ranging review of the 1993 process.

At its 29th session, held in 1997, the United Nations Statistical Commission (UNSC) agreed both on the need to conduct an evaluation of the global International Comparison Program to address the reservations by certain member states about ICP implementation and the uses of ICP results, and on the need to seek ways to improve the credibility of ICP data.

On the basis of that evaluation, a report was prepared and presented to the UNSC during its 30th session, held in March 1999 (UNSC 1999). One of the recommendations was that the program have “a global or world coordinator.” The UNSC also noted other problems identified by the report and appointed a group, coordinated by the World Bank, to advise on steps to overcome these shortcomings and to report back to the UNSC at its 31st session at the end of February 2000. At that meeting, the UNSC considered the World Bank’s report and recommended (among several other recommendations) that the start of the next ICP round be postponed by one year while an adequate management structure was designed and instituted at both the global and regional levels. It also empowered the chair of the UNSC to appoint a group of “Friends of the Chair” to review the World Bank’s implementation plan.

The World Bank presented a detailed implementation plan to the 33rd session of the UNSC in March 2002. The plan provided details about a proposed research and development program, financing arrangements, country participation, and governance arrangements, including regional

management. Under the governance arrangements proposed, the ICP secretariat (better known as the ICP Global Office) would be based within an existing international organization, an international governing body would be responsible for the overall strategic management, an advisory group would provide technical advice, and regional organizations would manage the ICP in countries other than those coordinated by Eurostat (the European Union's statistical office) and the Organisation for Economic Co-operation and Development (OECD) as part of their ongoing purchasing power parity (PPP) program. The UNSC accepted the recommendations of the report and endorsed the World Bank as the most appropriate location for the international secretariat for the global coordination and management of the ICP. The secretariat was duly established within the Development Data Group (DECDG) of the World Bank. As a result, the staff of the Global Office were subject to the World Bank's rules and procedures on working conditions, travel, managing ICP databases, and data confidentiality.

The Friends of the Chair participated in the formulation of the final plan and the selection of the ICP global manager. The Friends of the Chair, in conjunction with the World Bank, also established the ICP Executive Board.

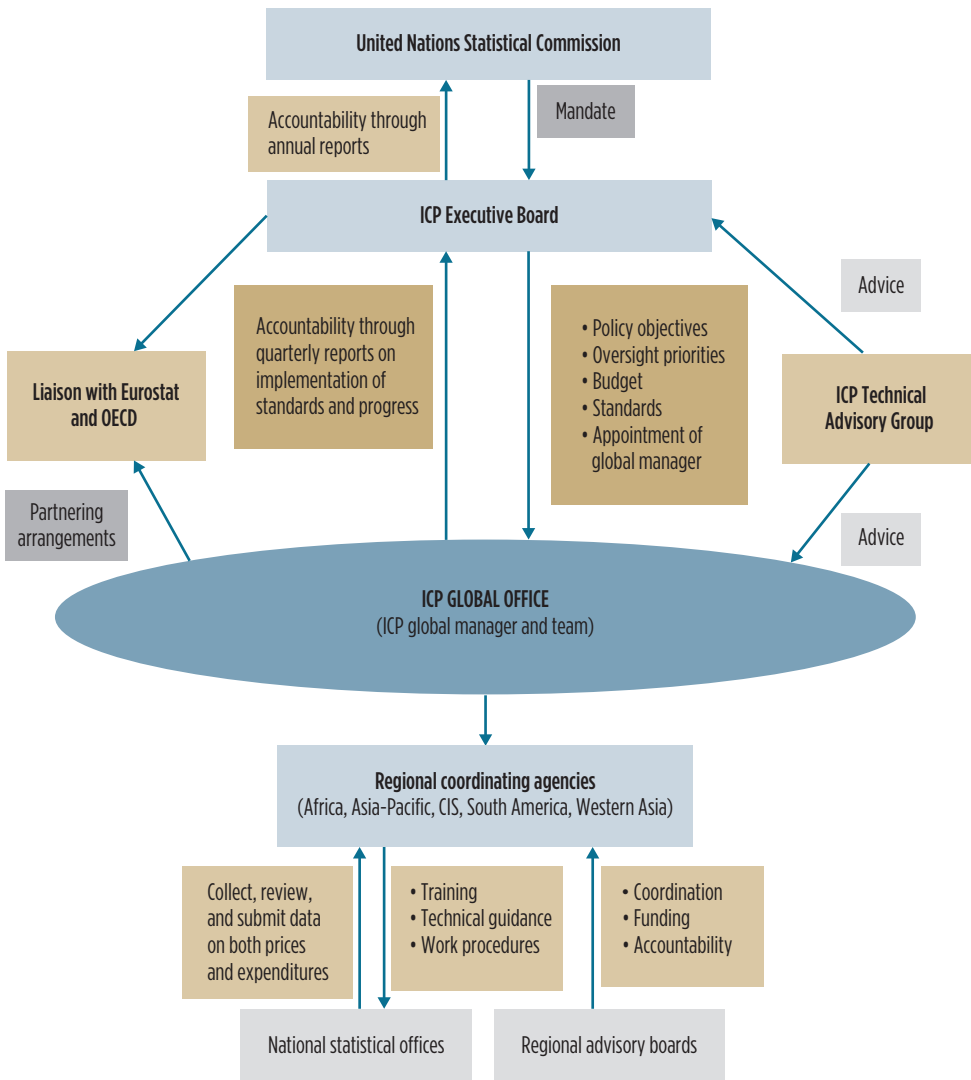
Figure 2.1 is an overview of the governance structure of the 2005 ICP, which essentially will be replicated for the 2011 ICP. The next section provides detail about the different levels of the governance structure and the roles and responsibilities of each.

Governance Structure of ICP 2005

A governance structure was implemented to ensure that consistent results would be produced in each region. This outcome would be achieved by coordinating the work globally, establishing a single set of standards, providing centralized technical and practical guidance, and ruling on issues that had the potential to be interpreted in different ways in the regions. Several tiers of governance were needed, ranging from worldwide coordinating groups to regional bodies. However, the basic level of governance comprised the national coordinators in each economy to ensure that the relevant agencies in their economies approached the ICP with a consistent view of what was required and how to achieve it. An important element of the governance arrangements was to ensure that sufficient financial resources were made available to implement them fully. In addition, each region required sufficient finances to employ the skilled personnel needed to successfully complete the 2005 ICP round. The nature of the ICP and its global reach meant that the UNSC should be the apex governing body. Because the membership of the UNSC includes national statistical offices and other international organizations, it was well suited to provide the overall oversight of the functioning of the ICP. To provide a more hands-on overview, an Executive Board was formed. The director of the United Nations Statistics Division (UNSD) was a member of that board to facilitate communications among the UNSC, the Executive Board, and the Global Office at the World Bank.¹

Executive Board

The Executive Board was established to provide strategic leadership and to make decisions about the ICP's priorities, standards, overall work program, and budget (see annex A for a list of members). It also was given a key role in overseeing the activities of the ICP Global Office. Representation on the Executive Board was agency-based (either an international organization or a national statistics office), with the specific requirement that representatives be very senior staff. Thus those

FIGURE 2.1 ICP 2005 Governance Arrangements

Source: ICP.

attending board meetings were eminent economists or statisticians and experienced statistical managers. Many were heads of national statistical offices or of statistics departments in international organizations, and others were managers of economic statistics divisions, with skills and experience in national accounts or price statistics.

The Executive Board met at least twice a year; once in conjunction with the meetings of the UNSC and once again about halfway between the annual UNSC meetings. Examples of actions taken by the board are the following:

- Reviewed nominations for the membership of the Technical Advisory Group (TAG—described later in this chapter) and approved the final selection.

- After a review of the funding situation, directed the ICP Global Office to produce purchasing power parities for all major components of the gross domestic product (GDP) rather than for the household final consumption expenditure only.
- Approved the recommendation from the Technical Advisory Group that the ICP regions and the Eurostat-OECD PPP Programme be linked using the Ring methodology (described in chapters 4 and 6). Later, the board approved the selection of countries that would participate in the Ring price collection.
- Approved the timetables for the regional and Ring data collections. The board also approved the risk assessments and contingency plans that determined a country's readiness to begin data collection, along with the requirements to be included in the global report.
- Approved the data access policy established by the Global Office.
- Approved the level of detail to be published in the global report. Later, it delegated the responsibility for the final decision on the data to be published in the global report to the chair of the Executive Board and the global manager.

Annual reports on the status and progress of the ICP were prepared by the Global Office and submitted to the UNSC through the Executive Board.

Global Office

The Global Office was established in 2002 within the World Bank to carry out the day-to-day work required to implement the ICP worldwide. The global manager was responsible for its operations, supported by a team of professional statisticians and administrative staff. The Global Office reported regularly to the Executive Board on work programs and budgets. Important activities carried out by the Global Office and its external consultants were developing ICP standards, preparing the framework to determine the goods and services to be priced in the ICP round, preparing the *ICP 2005 Methodological Handbook* and the "ICP Operational Manual" (World Bank 2005, 2007), producing the software for countries to input and edit price data, analyzing the data collected for the ICP, and aggregating the price and national accounts data within and between regions. The Global Office was subject to the World Bank's administrative and fiduciary rules and regulations, including all requirements related to the confidentiality of data.

On day-to-day activities, the Global Office reported to the director of the World Bank's Development Data Group. The ICP was not only a global program under the auspices of the UNSC, but also a World Bank program and initiative in which the DECDG director was accountable to the World Bank management for the program. DECDG established the ICP database and managed access to the ICP data. The group's director was responsible for ensuring that data confidentiality was maintained according to World Bank rules and procedures. On matters related to the execution and implementation of the ICP mission, policy, programs, priorities, and standards, the global manager acted within Executive Board directives and within the framework of board-approved work programs and budgets. Other key responsibilities of the Global Office were the following:

- Organized meetings of the Technical Advisory Group, kept it apprised of methodological issues requiring input, and guided the research required to develop the new methodologies.
- Developed new methodologies, including the use of structured product definitions to describe the price-determining characteristics of the products to be priced; methods to price construction goods and services; and methods to link the regions. Improvements

- were also made in the procedures to compare expenditures for housing, government, and equipment by preparing global specifications for the price data collection for these items.
- Prepared global specifications for the Ring list for which selected countries provided prices in addition to those they provided for their regional list. The office also coordinated the data collection for the Ring price survey and, with the regional coordinators, carried out the data validation.
 - Worked closely with the regional coordinating agencies to ensure that timetables, work plans, and methodologies were consistently followed.
 - Organized the meetings of the regional coordinating agencies at which they were apprised of the new methodologies. At these meetings, regional coordinators presented the validation tables showing the diagnostics for the prices submitted by the countries in their regions. This approach allowed regions to assess jointly whether they were following the methods consistently.
 - Prepared software for data validation and estimation of the PPPs and related indexes. This software included new validation methods known as the Dikhanov tables.
 - Provided technical assistance to the regions in the estimation of the regional PPPs.
 - Computed the global PPPs and related indexes and published the final global results.
 - Worked with the Executive Board to develop data access policies.

The Global Office also worked with other stakeholders within the World Bank and in outside organizations on the use of PPPs, on understanding the quality of the results because it affected the decisions to be made, and on answering questions raised by the press and other data users.

Technical Advisory Group

The Technical Advisory Group (TAG) was responsible for providing advice on technical issues related to the ICP; it resolved conceptual and methodological matters (see annex B for the 2005 membership list). TAG's members, appointed by the Executive Board, were all internationally known experts in the fields of prices or national accounts. To overcome the shortcomings of previous rounds, several major methodological improvements were implemented in the ICP program, with TAG providing technical advice. The main innovations and methodological enhancements provided by TAG included the following:

- Analyzed and reviewed the methods used to compute basic heading PPPs and average them to the global level. Upon TAG's recommendation, the Country Product Dummy (CPD) method was used to compute basic heading PPPs and the traditional Gini-Éltető-Köves-Szulc (GEKS) method was used to aggregate those to the higher-level aggregates, including GDP.
- With misgivings, endorsed implementation of a new methodology to estimate construction PPPs.
- Proposed a new methodology for linking the regional PPPs into a global set in a way that maintained the consistency of the regional results.
- Recommended to the Global Office and the Executive Board those countries that should represent their regions in the Ring price data collection.
- Provided the Global Office and the World Bank with guidance on what data needed to be collected in the ICP to enhance poverty analysis. A significant recommendation was that there be no specific price collection of a poverty basket. Instead, separate weights

reflecting the spending patterns of the poor would be used for aggregating basic heading PPPs to higher levels of the household final consumption expenditure, including its total.

- Provided the Global Office with advice on other technical matters such as how to weight PPPs for basic headings that can have negative values (e.g., net exports), how to improve the data collection for owner-occupied housing, and how to impute equipment PPPs.

Several important papers were authored by TAG members on the many methodological issues faced by the ICP. These papers and minutes of the technical discussions are on the ICP website (http://siteresources.worldbank.org/ICPEXT/Resources/ICP_2011.html) for use by other researchers.

Regional Coordinating Organizations

Regional offices coordinated ICP activities in each of the five geographic regions—Africa, Asia-Pacific, Commonwealth of Independent States (CIS), South America, and Western Asia—through the African Development Bank (AfDB); Asian Development Bank (ADB); Interstate Statistical Committee of the Commonwealth of Independent States (CISSTAT), in partnership with the Federal State Statistics Service (Rosstat) of the Russian Federation and the Bureau of Economic Analysis (Moscow); Statistics Canada, in cooperation with the Economic Commission for Latin America and the Caribbean (ECLAC); and the Economic and Social Commission for Western Asia (ESCWA). In addition, the economies included in the regular PPP program run by Eurostat and OECD were treated as though they were in an autonomous region for the purposes of incorporating their estimates into the worldwide estimates.

Some regions also had advisory boards responsible for establishing the governance structure of the regional program, making decisions on technical aspects relevant to the region, and monitoring the work program and financial and staff resource requirements. The boards also were expected to promote flows of information, disseminate the PPP results, and promote their use in the region. The regional coordinating agencies set up agreements with each of their participating countries outlining the respective roles and responsibilities of the regional coordinator and the country. These agreements provided a formal basis for mutual cooperation.

The main functions of the five regional coordinating organizations acting under the auspices of the Global Office were to liaise with the national agencies responsible for providing data in their region, to develop the regional product pricing lists, to train the staff involved in collecting prices and estimating the basic heading expenditures, to validate the data received, and to produce and publish the regional results. The regional coordinators and the Global Office maintained close ties to ensure the highest degree of consistency across regions.

A very important role of the regional coordinator was preparation of the regional list of products to be priced by the countries. This task required extensive consultations with the countries so that they were able to participate in the selection of products and then understand the nature of the product descriptions for their own data collection. The consultation process continued through the data validation stage when countries in each region were brought together to review jointly the national prices.

The regional coordinators took part in meetings organized by the Global Office, and at those meetings worked together to review the regional results, decide on best practices, and agree on work plans and timetables.

National Coordinating Agencies

In most economies, several different agencies provided the national accounts and price data for the ICP. In such cases, one agency was nominated as the national coordinating office, and within that agency a national ICP coordinator was appointed. The main role of the national coordinator was to ensure that the economy's ICP data (national accounts, prices, and wages) were estimated correctly, that statistical and field staff (involved in collecting prices) were trained in the concepts underlying the ICP and the practical implications for collecting prices, that data were edited and entered into the ICP database, and that editing queries from the regional coordinator were handled promptly. The national coordinators also attended the data validation workshops held in each region to check the consistency of the data supplied by those regions.

As stated earlier, the national coordinators participated fully in specifying the list of products to be priced. A major responsibility was to determine the framework for the price surveys. This task included selecting outlets to ensure their cooperation in the price collection and training the price collectors in the ICP methodology on product specifications.

Coordination with the Eurostat-OECD PPP Programme

The World Bank, Eurostat, and OECD maintained close communications during both the planning and operational phases of the 2005 ICP. The aim was to incorporate the Eurostat-OECD results directly into the ICP by treating the Eurostat-OECD program as a sixth “region” of the world for ICP purposes. The techniques used by Eurostat and OECD differed in some respects from those used in the other regions because the Eurostat-OECD program had developed certain methods over the years that could not always be replicated in other regions. However, the close relationships among the coordinating organizations meant that the results could be satisfactorily integrated despite the different procedures used.

Summary

An important part of the governance structure of the 2005 ICP was the division of the world into five geographical regions; a sixth “region” was devoted to the countries in the Eurostat-OECD PPP Programme. Regionalizing the ICP meant adding to it an extra layer of governance to cater to each of the regions. However, the extra complexity was more than offset by the benefits: the products specified for pricing were more homogeneous within regions, the expenditure patterns were generally more similar among countries in each region, and the language differences were reduced. Also important, dividing the ICP organization among regional offices in closer proximity to the countries they were coordinating produced some operational benefits, particularly the regular personal contact with (and among) the countries.

The Global Office managed and coordinated the program across the regions, disseminated details of the statistical methodology to be employed, and either provided direct financial support or assisted with regional fund-raising activities. The Global Office's activities were supported by the ICP Trust Fund, which was in turn supported financially by several national and international organizations and the World Bank. The regional coordinators met several times in Washington,

DC, and all regional coordinating agencies were represented on the Executive Board to ensure consistency across the regions in all aspects of the ICP.

The regionalization worked very well, although its downside was the need to link together the regional results to obtain a set of worldwide real expenditures and price level indexes. A completely new process, the Ring country method, was developed to link together the regional results, but problems arose in implementing the approach (see chapter 8 for details). As a result, a new methodology has been proposed to link the regions in the 2011 ICP. It is based on all countries collecting, in addition to prices for their region-specific products, prices for a range of products on a worldwide product list.

Although it was not part of the original governance strategy, several partnering arrangements established between some national statistics offices and the regional and global coordinators proved to be very effective. The Federal State Statistics Service of the Russian Federation and Statistics Canada were the respective coordinators of the CIS and South America regions. Using funding made available by the Australian Agency for International Development (AusAID), the Australian Bureau of Statistics led the development of the product specifications for consumption in the Asia-Pacific region and also provided technical support for the overall program. The U.K. Office for National Statistics supplied not only the Africa region with technical support but also the Global Office in coordinating the Ring program. France's statistical office, Institut national de la statistique et des études économiques (INSEE), gave the Africa region technical support as well. As a result of the success of the partnering arrangements in the 2005 round, a similar process is being adopted for the 2011 ICP.

Overall for the 2005 ICP, the ICP Executive Board proved to be an effective policy-making body, ensuring support from all stakeholders. The Technical Advisory Group also provided valuable methodological support for several complex problems. Meanwhile, the regional and national coordinators effectively organized and executed their respective programs. However, problems did arise on several occasions, and, as a result, questions were raised about the legal status of the Executive Board, its authority, and whether members served in their own right or as representatives of their organizations. Questions were also raised about the authority of the Global Office as it extended to implementing the methodology in the regions.

Because the requirements for data access and sharing were not clearly defined at the start of the 2005 ICP, some countries were reluctant to furnish data at the desired level of detail and to have their data reviewed by the Global Office and other regions. Fairly late in the process, the Global Office had to prepare some detailed policies dealing with access to microdata and the conditions under which data could be shared between the regional coordinator responsible for a country, other regions, and the Global Office. The policies also covered issues related to access to unpublished data sets after the final global results were published. These policies provide a firm basis for the 2011 ICP and so are unlikely to be modified significantly.

Overall, the governance arrangements worked very well, with only relatively minor fine-tuning required over the duration of the 2005 ICP. Their effectiveness has resulted in similar governance arrangements being put in place for the 2011 ICP round, albeit with some more fine-tuning, including enlarging the Executive Board and the Technical Advisory Group to enable more broadly based representation on those bodies.

Full details of the governance arrangements for the 2011 ICP round are available in a paper presented to the Executive Board at its meeting on February 21, 2010 (World Bank 2009).¹

ANNEX A

ICP Executive Board—ICP 2005

For the 2005 ICP, the membership of the Executive Board was based on institutions and agencies rather than on individuals. Dennis Trewin, Australian Bureau of Statistics, was appointed chair. Senior members of the ICP Global Office, including the global manager, were *ex officio* members. The following agencies were represented on the Executive Board:

- African Development Bank (AfDB)
- Asian Development Bank (ADB)
- Australian Bureau of Statistics (ABS)
- Ecole Nationale Supérieure de Statistique et d'Economie Appliquée (ENSEA)
- Economic and Social Commission for Western Asia (ESCWA)
- Economic Commission for Latin America and the Caribbean (ECLAC)
- Eurostat (European Commission)
- Federal State Statistics Service (Rosstat), Russian Federation
- International Monetary Fund (IMF)
- Interstate Statistical Committee of the Commonwealth of Independent States (CISSTAT)
- Ministry of Statistics and Programme Implementation, India
- National Bureau of Statistics of China (NBS)
- Office for National Statistics (ONS), United Kingdom
- Organisation for Economic Co-operation and Development (OECD)
- Statistics Canada
- Uganda Bureau of Statistics (UBOS)
- United Nations Statistics Division (UNSD)
- World Bank

ANNEX B

ICP Technical Advisory Group (TAG)—ICP 2005

Unlike the Executive Board, the membership of TAG was largely based on the selection of individuals rather than on the agency to which they belonged. The exceptions were Eurostat and the Organisation for Economic Co-operation and Development (OECD), which were represented at all TAG meetings on an agency basis. At times, experts in a particular field were invited to attend a meeting to discuss specific issues.

The following were ongoing members of TAG:

Alan Heston, University of Pennsylvania, United States, *Chair*
Frederic A. Vogel, ICP Global Manager, World Bank, *Ex officio*
Angus S. Deaton, Princeton University, United States
W. Erwin Diewert, University of British Columbia, Canada
Francette Koechlin, OECD
Paulus Konijn, Eurostat, Luxembourg
Paul McCarthy, Australian Bureau of Statistics
D. S. Prasada Rao, University of Queensland, Australia
David Roberts, OECD
Sergey Sergeev, Statistics Austria
Silke Stapel, Eurostat, Luxembourg
Kimberly D. Zieschang, International Monetary Fund

NOTE

1. The United Nations Statistical Commission oversees the work of the United Nations Statistics Division.

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Annex IV

Governance of the Global Strategy to Improve Agricultural and Rural Statistics



Global Strategy
IMPROVING AG-STATISTICS



Details Governance Framework

Global Strategy to Improve Agricultural and Rural Statistics



Global Governance Framework

Global Steering Committee (GSC). The GSC will provide strategic guidance and oversight for the execution of the Global Action Plan to implement the Global Strategy. The GSC is the ultimate decision-making body for use of the resources in the Global Trust Fund for Implementing the Global Strategy to Improve Agricultural and Rural Statistics, in compliance with the conditions stipulated in the agreements between the Fund Administrator (which is FAO) and individual Resource Partners.

In addition, the GSC will seek to achieve coordination of activities and interventions that are not funded through the Global trust fund, but are of significant relevance to implementation of the Global Strategy. Interventions of this nature include all relevant interventions that are funded through bilateral arrangements, self-funding modalities or any other activities outside the Global trust fund mechanism.

The GSC will meet at least annually to monitor progress in implementation of the Global Strategy, evaluate its impact, and make decisions on the strategic allocation of Global trust fund resources based on the contributions committed by all Resource Partners. Additional meetings of the GSC may be held if required. Countries or institutions may be invited to GSC meetings to present good practices and lessons learned that could be shared globally.

Specifically, the GSC will:

- a) Ensure coordination and promote integration between activities of the Global Strategy and other related initiatives of statistical capacity development for synergy, complementarities, and greater impact and will report annually to the United Nations Statistical Commission (UNSC), through the Global Office (GO), on the progress in the implementation of the Global Strategy;
- b) Endorse the regional action plans prepared by the regional organizations to ensure alignment with the Global Action Plan;
- c) Decide, at a strategic level, on allocations from the Global trust fund to global activities and the various regions based on the integrated global budget and expected resources from donors;
- d) Ensure a coordinated approach in the implementation of the regional action plans in consultation with the Regional Steering Committees (RSCs);
- e) Make recommendations on how to coordinate activities and interventions that have significant relevance for implementation of the Global Strategy;
- f) Approve the global annual work plans for global activities prepared by the GO;
- g) Monitor progress in implementation of the Global Action Plan and provide recommendation to the Global Executive Board (GEB) and GO for improvements;
- h) Review recommendations of the GEB and endorse the consolidated financial report and approve the annual consolidated narrative report to be received from the Fund Administrator and individual financial reports from each Participating Partner (PP)¹ implementing components of the strategy and receiving funds;
- i) Approve the global monitoring and evaluation reports submitted by the GEB and consider recommendations of the board in this regard;
- j) Review the report of the external evaluation submitted by the selected institution and give recommendations to the relevant stakeholders;
- k) Review and provide inputs into the terms of reference and reports of the periodic evaluations;
- l) Appoint the members of the GEB and periodically review its mandate;

¹ Organizations who participate in the implementation of the Global Action Plan.

- m) Support the mobilization of resources for the implementation of the Global Action Plan, including financial resources, in-kind technical support and South-South cooperation.

Composition. The GSC will be composed of the chair of the Statistical Commission; country representatives of the Regional Steering Committees (two per region); and representatives of international and regional organizations, Resource Partners, farmer associations, and other key users, as well as the key technical partners and FAO. The GSC may review its composition to include new members as required.

The members of the GSC will elect co-chairs (two), who will serve for a term of two years. The co-chairs will preside at meetings of the GSC and exercise any other functions required to facilitate its work.

Rules of decision. Decisions by the GSC will be made by consensus of its members. Consensus is understood to be a procedure for adopting a decision in which no participant in the decision-making process blocks a proposed decision. Consensus does not mean unanimity. A dissenting member who does not wish to block a decision may state a dissenting opinion by attaching a statement or note to the decision. However, if all efforts fail to reach a consensus as described here, decisions will be made by a simple majority vote, provided that decisions of the GSC that have a bearing on the Global trust fund are not made without the consent of donors to the Global trust fund.

Global Executive Board (GEB). The GEB is an executive committee of the GSC. Between meetings of the GSC, the GEB represents the membership of the GSC, facilitates coordination among all GSC members, and facilitates the decision-making process of the GSC. The GEB exercises functions delegated to it by the GSC. The GEB, in carrying out its functions, will be supported by the GO. The GEB will give instruction to the Fund Administrator (FA) in line with the strategic allocation decided by the GSC.

The GEB will decide, if necessary, on the allocation of additional funds received by the Global trust fund, consistent with the strategic guidance of the GSC regarding expected resources.

The GEB will be entitled to allocate the additional resources received by the Global trust fund after the last and before the next meeting of the GSC. This allocation will be endorsed at the next meeting of the GSC.

The GEB will meet at least three times a year, when possible at the margins of suitable international meetings. If needed, additional consultations will be conducted via videoconferencing, telephone, and email.

The specific responsibilities of the GEB are the following:

- a) Follow up on implementation of the decisions made by the GSC;
- b) Ensure that annual work plans at the regional and global levels are well coordinated and integrated;
- c) After review by the GO, assess the consistency of regional annual work plans with the Global Action Plan;
- d) Give instructions to the Fund Administrator for disbursement, in line with the strategic allocation decided by the GSC;
- e) Review and make recommendations to the GSC on annual reports and other important documents as required;
- f) Review and make recommendations to the GSC on the agenda and papers for the annual GSC meetings prepared by the secretariat;

- g) Review and make recommendations to the GSC on financial reports and review the budget situation on a regular basis;
- h) Review the consolidated financial and narrative progress reports consolidated by the Fund Administrator and the GO respectively, as well as individual reports submitted by each PP on the implementation and make recommendations to the GSC;
- i) Review the monitoring and evaluation reports consolidated by the GO and make recommendations to the GSC;
- j) Review nominations for new GSC members and submit them to the GSC for approval;
- k) Mobilize resources in support of implementation of the Global Action Plan, including financial resources, in-kind technical support, and South-South cooperation;
- l) Undertake any other tasks delegated to it by the GSC.

Composition. The GEB will have seven members. Appointed by the GSC from GSC members, the board will comprise two representatives of beneficiary countries, two representatives of regional partners, two representatives of Resource Partners of the Global trust fund, and a representative of FAO (ex-officio). Members resigning from the GEB will be replaced as soon as possible by means of electronic consultation with the agreement of the GSC chair, and the appointment will be ratified at the next GSC meeting. The chair of the GEB will be elected for a term of two years by the GSC.

Rules of decision. Decisions of the GEB must be consistent with decisions of the GSC and will be made by consensus of its members. Consensus is understood to be a procedure for adopting a decision when no participant in the decision-making process blocks a proposed decision. Consensus does not mean unanimity. A dissenting member who does not wish to block a decision may state a dissenting opinion by attaching a statement or note to the decision. However, if all efforts fail to reach consensus as described here, decisions will be taken by a simple majority vote, provided that decisions of the GEB that have a bearing on the Global trust fund are not made without the consent of donors of Global the trust fund.

Global Office. The GO, hosted by the Statistics Division of FAO and led by the Coordinator assigned by FAO for this purpose, will ensure overall technical coordination of the implementation of the Global Strategy at the global level and within regions. The GO will act as secretariat of the GSC and the GEB, providing recommendations on the indicative allocation of funds among activities at the global and regional levels and between regions. The Statistics Division of FAO is the PP. It is given the tasks of undertaking the normative and technical coordination work, establishing standards, and providing centralized technical and practical guidance on cross-regional issues.

More specifically, the activities of the GO will include:

- a) Contributing to resource mobilization to support implementation of the Global Strategy;
- b) Serving as secretariat of the GSC, servicing its meetings, providing recommendations on the allocation of funds, and preparing the annual progress reports to the UNSC;
- c) Reviewing the regional annual work plans for submission to the GEB, which will assess their consistency with the Global Action Plan;
- d) Preparing the consolidated narrative progress report from the individual reports from each PP for submission to the Fund Administrator and making recommendations to the GSC and the GEB;
- e) Consolidating the monitoring and evaluation reports prepared by the regional organizations for submission to the GEB;
- f) Providing the overall framework for ensuring coordinated implementation of the technical components of the Global Action Plan;
- g) Providing the standards for technical assistance and training;

- h) Providing overall coordination support for countries in regions that do not have a functioning regional coordinating body;
- i) Leading, coordinating, guiding, and supervising the methodological activities carried out by partner institutions, including universities and research institutes;
- j) Developing new, cost-effective statistical methods and preparing handbooks and guidelines;
- k) Undertaking any other tasks that may be required to achieve the objectives of the Global Strategy.

Inter-Agency and Expert Group on Agricultural and Rural Statistics (IAEG). The 43rd session of the UN Statistical Commission endorsed the proposal to establish an interagency and expert group that brings countries and agencies together to develop and document good practices and guidelines on the concepts, methods, and statistical standards for food security, sustainable agriculture, and rural development. The IAEG will report back to the commission on its activities every two years and will replace the Friends of the Chair Group on Agricultural Statistics and the Wye Group.

To achieve these objectives, the IAEG will focus on the following:

- a) Providing the GO with guidance on tools, standards, and methodologies during implementation of the Global Strategy
- b) Reviewing key initiatives and strategies on the development of food security, sustainable agriculture, and rural development statistics
- c) Reviewing and providing expert guidance on methodologies and identifying technical issues related to statistics on food security, sustainable agriculture, and rural development.
- d) Facilitating the coordination and integration of statistics on food security, sustainable agriculture, and rural development with related international statistical standards from other statistical domains.

The IAEG will be composed of high-level experts in statistics on food security, sustainable agriculture and rural development from national governments and international organizations. The membership will ensure regional representation and a broad range of experience drawn from countries, international agencies, academia, and other subject matter experts. The IAEG may consider establishing task teams on specific topics.

The secretariat of the IAEG will be hosted by FAO.

The IAEG will meet at least once a year and present a report every two years to the Statistical Commission on the progress made in its activities.

Regional Governance Framework

For the Africa region, the terms used to designate regional governing bodies and the corresponding acronyms are slightly different from the ones used in the text that follows:

- *Regional Steering Committee (RSC)*. Africa region: same term but RSTC instead of RSC.
- *Regional Executive Board (REB)*. Africa region: Regional Executive Committee (EC).
- *Regional Office (RO)*. Africa region: Regional Implementation Secretariat (RIS).

Regional Steering Committee (RSC). The Regional Steering Committee is the decision-making body at regional level. The RSC will provide guidance and oversight, within the framework defined by the GSC and consistent with the relevant funding agreements, for implementation of the regional and country activities defined in the regional plan.

In addition, the RSC will seek to achieve coordination of activities and interventions that are not funded through the Global trust fund, but are of significant relevance for implementation of the Global Strategy. Interventions of this nature include all relevant interventions that are funded through bilateral arrangements, self-funding modalities, or any other activities outside the Global trust fund mechanism.

The RSC will meet at least annually to monitor progress in implementation of the regional plan and evaluate its impact. Additional meetings of the RSC may be held as required.

Specifically, the RSC will:

- a) Ensure coordination and integration of implementation of the Global Strategy with ongoing programmes of statistical capacity development for synergy, complementarities, and a greater impact at the regional level;
- b) Approve the regional plan (including budget and log-frame) prior to its submission to the GSC—the regional action plan will be submitted by the RO through the GO;
- c) Approve the annual work plans (and any substantial modification) of the ROs;
- d) Decide on the allocation of funds received between the regional and country activities, as well as among the countries, on the basis of the approved work plans;
- e) Monitor progress in implementation of the Regional Action Plan;
- f) Review recommendations of the Regional Executive Board and approve the annual narrative and financial reports prepared by the PPs, prior to their submission to the GSC by the RO through the GEB, the GO, and the Fund Administrator;
- g) Approve the regional monitoring and evaluation plan and reports prior to their submission by the RO to the GEB through the GO;
- h) Appoint the members of the Regional Executive Board and periodically review its mandate;
- i) Support the mobilization of resources for implementation of the Global Strategy, including financial resources, in-kind technical support, and South-South cooperation;
- j) Review its own functions at any stage as required.

Composition. The composition of the RSC will typically include representatives of countries, Resource Partners, regional organizations, regional PPs, and FAO, as well as selected experts.

Rules of decision. Decisions of the RSC will be taken by consensus. If all efforts fail to reach a consensus, decisions will be made by a simple majority vote, provided that decisions of the RSC that have a bearing on the Global trust fund will not be made without the consent of donors to the Global trust fund.

Regional Executive Board (REB). Each RSC will evaluate the need to establish a Regional Executive Board, which is an executive committee of the RSC that receives delegated authority from the RSC to oversee the execution of its decisions. The REB will meet more frequently than the RSC and will carry out the RSC's functions between meetings of the RSC. When an REB is established, the RSC will provide detailed terms of reference.

Regional Office (RO). The structure and size of the RO will vary by region, depending on regional resources and needs. Its major role is coordinating the country assessments and providing the integrated national statistical systems with training and technical assistance. The RO should also liaise with other international, regional, and sub-ROs within its region to coordinate their support for countries, thereby avoiding duplication of effort and ensuring that global standards are being followed. In particular, the activities of the RO will include:

- a) Contributing to resource mobilization to support implementation of the Global Strategy;
- b) Serving as the secretariat for the RSC, servicing its meetings, and providing recommendations on the allocation of funds and preparing the annual progress report;
- c) Preparing the consolidated narrative and financial² progress report from the individual reports submitted by each PP to the GSC through the Fund Administrator and the GO and making recommendations to the RSC and the REB;
- d) Preparing the regional monitoring and evaluation report for submission to the RSC and the GSC through the GO;
- e) Working closely with the GO to ensure implementation of the Global Strategy at the regional level;
- f) Collaborating with the GO to ensure that the specific research needs of the regions are taken into account;
- g) Adapting the methodologies developed by the GO to meet the requirements of the countries in the region;
- h) Providing overall coordination support for countries in regions that do not have a functioning regional coordinating body;
- i) Providing overall coordination of the training activities and technical support to be carried out in the region;
- j) Providing assistance to countries in preparing the country proposals;
- k) Undertaking any other tasks required to achieve the objectives of the Global Strategy.

National Governance Framework

Governance at the national level will build as much as possible on existing coordination mechanisms and structures. National governance of the agricultural statistical system entails the establishment where it does not exist of a sectoral coordination mechanism that brings together the national statistics office and the ministries responsible for agriculture, forestry, and fisheries and any other institutions that collect agriculture-related data. This sectoral coordination mechanism should be part of the national statistical coordination mechanism, such as the national statistics council, which provides governance to the whole national statistical system. Typically, the coordination mechanism for the agriculture sector (e.g., National Agricultural Statistics Committee, NASC) will be a subcommittee of the national statistics council, ensuring that agricultural statistics are integrated into the national statistical system. The national statistics council, through the agricultural subcommittee (NASC) and in coordination with the Global Strategy regional coordinator³, will be responsible for carrying out the detailed assessment of the capacity of the country's agricultural statistical system, as well as preparing the Sector Strategic Plan for Agricultural and Rural Statistics (SSPARS), in line with the recommendations of the Global Strategy and in consultation with data users and other stakeholders. These governance arrangements should enable the ministries and agencies involved in the collection of agricultural data to integrate the Sector Strategic Plan into the National Strategies for the Development of Statistics (NSDS). The national statistics council will also be responsible for reviewing as needed the existing statistical legislation to ensure that clear responsibilities for data collection are assigned to the different national institutions. The national statistics council should develop a strategy to foster public awareness and mobilize resources in support of the implementation of the SSPARS and of the NSDS.

² The consolidated financial report prepared by the RO does not prevent each of the PPs from submitting its individual certified financial report to the FA.

³ Regional Strategy Secretary for Africa.