13th Meeting of the Advisory Expert Group on National Accounts, 1-3 October 2019, Washington D.C., USA

Agenda item: 3.7

Committee of Experts on Business and Trade Statistics

Introduction

The Committee of Experts on Business and Trade Statistics was created by the United Nations Statistical Commission in 2017 to provide coordination and guidance for the development of business and trade statistics.

This note presents a summary of the main areas of work of the Committee. It also identifies issues that are relevant both for national accounts and for business statistics where close collaboration may be useful to advance in these areas.

Main issues to be discussed

The AEG is invited:

- to take note of the work being done by the Committee on Business and Trade statistics;
- to discuss if a cooperation mechanism with the Committee could be useful to address specific issues of common interest.

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1. Background

The Committee of Experts on Business and Trade Statistics was created by the United Nations Statistical Committee in 2017 with the request to prepare the guidelines for statistical business registers and provide guidance on issues related to business and basic economic statistics (E/2017/24, chap. I.C, decision 48/114). The mandate and governance of the Committee were discussed at its first meeting in Mexico City (23 - 25 May 2018) when it was recognized that a narrow focus on statistical business registers would not be an adequate response to the growing demand for information on the multi-faceted impact of business-related activities.

During its 1st meeting, the Committee agreed to adopt a holistic approach to business statistics, linking the economy to society and to the environment. Given its broad scope, this approach follows an enterprise-centred perspective with regard to the concept and definition of statistical units, classifications and data infrastructures, including business establishments. In particular, the approach emphasizes the vital role that statistical business registers can play in providing reliable statistics for the development of evidence-based economic, social and environmental policies as well as their importance for the consistent production of high-quality statistics across all economic and policy areas. The approach also incorporates a global dimension, differing from the traditional "domestic" orientation that continues to dominate the framework of economic statistics in most countries, in order to reflect the impact of the increasing fragmentation of production and the growing and significant importance of multinationals and their affiliates. This enterprise-centred perspective, which exemplifies an integrated approach to business, trade and investment statistics, includes therefore a cross-border dimension in order to ensure the inclusion of data on the activities of important multinational enterprises and enterprises that work mainly on contracts with foreign companies.

Within this broader context of an integrated economic statistics framework, the objective of the Committee is to strengthen the basic business statistics needed for the overall improvement of economic statistics and for responding to emerging needs. The programme of work of the Committee cover: coordination; methodology capacity building, data; and communication.

The mandate and governance of the Committee were endorsed by the United Nations Statistical Commission in 2019. (see Annex I of E/CN.3/2019/11 for the mandate and governance of the Committee).

The 2^{nd} Meeting of the Committee was held in New York from 11 - 13 June 2019. The meeting reviewed the work plan of its five work streams: task team on globalization and digitalization;

task team on well-being and sustainability; task team on exhaustive business register; task team on business dynamics, demography and entrepreneurship; and task team on capacity building (no one left behind) on business registers.

This note provides a short summary of the work of the task teams in section 2 and a list of potential areas that can be of common interest for the national accounts research agenda and for the committee in Section 3

2. Committee's task teams

The Committee identified five priority areas for its work programme for the next two years. For each area, a task team was created, and a detailed work programme was elaborated. The five task teams are described below.

Task team on globalization and digitalization

This task team, led by Statistics Canada, aims to develop an information set to measure the impact of globalization and digitalization, on the structure, activities and performance of the economy as measured in terms of value added, jobs, income, foreign direct investment, international trade in goods and services and other economic variables. The task team will promote an integrated conceptual framework for globalization and digitalization issues, and therefore look at classification issues related to firms/statistical units and products (goods and services) to support the conceptual framework on globalization and digitalization; conduct research into data sources, including surveys, administrative data and big data, on the global and digital economy; investigate the impact on prices (including Internet versus brick-and-mortar prices, sharing economy prices, prices for new digital products and services and adequate quality adjustment) in order to provide practical advice on how to measure quality adjustment for digital goods and services and which data sources to use; and prepare a handbook and a supporting knowledge base on country practices.

Task team on well-being and sustainability.

This task team, led by UK-ONS, focuses on aspects of well-being and sustainability from an enterprise perspective and aims to identify how business statistics can be improved to provide a better measurement of the impact of business activities in decent work, environmental impacts, and the Sustainable Development Goals.

Task team on Business Dynamics, Business Demography and Entrepreneurship

This task team, led by INEGI-Mexico, looks further into the need for international harmonization for countries outside OECD and the European Union related to the drivers of business activity, such as innovation and communication technology, research and development, e-commerce, globalization, employment and skills development. The task team will make an assessment of each of these emerging areas of national practice, including challenges to the compilation of data, in order to identify gaps and develop recommendations and guidance on the harmonization of these statistics. Particular attention will be given in the assessment to the central role of statistical business registers in surveys and censuses. A core set of indicators will be defined for business dynamics, demography and entrepreneurship.

Task team on exhaustive statistical business registers

This task team, led by Statistics Netherlands, aims to develop guidelines for the establishment of an exhaustive statistical business register. Since the meaning of exhaustive may vary and depends on the stage of maturity of an SBR, the Task Team has decided to focus its work into two main areas: (1) the identification of different challenges across countries depending on the stage of maturity of Statistical Business Registers; and (2) the elaboration of the strategic role that is envisaged for an exhaustive statistical business registers that is applicable and relevant for all countries.

Task team on capacity-building (leaving no one behind)

This task team, led the State of Palestine, aims to develop capacity building tools to progressively reduce the gap between countries with an advanced SBR and those with a SBR in early stage of development. In order to develop these tools, the task team is developing a maturity model for SBR and a global survey with countries to assess the stages of development of SBRs in countries. The task team will also make an inventory of available tools (IT tools, training material, e-learning, etc.) and make them more widely available through the UN webpage and e-learning platforms on capacity building, for instance on the UN Global Platform for official statistics. Based on the results of the assessment, the task teams will develop and tailor tools to specific levels of maturity that reflect situations in countries.

3. Potential areas of common interest

In general, the Committee recognizes that there is a need to discuss and address issues with a multidisciplinary and broad perspective. Therefore, the Committee is in the process of contacting relevant expert groups to explore common areas of interest for collaboration, such as the Wiesbaden Group on business registers, the Voorburg Group on services industries, the Delhi Group on informal Sector statistics, the Ottawa Group on price statistics, the Technical Subgroup on ISIC and others

With the same thematic priority areas and similar topical issues (such as price and volume measures, statistical units (such as MNEs, SPEs, digital platforms), classifications, research and development, data, etc.) identified by the UNCEBTS, it would be appropriate to explore collaboration between the work on the research agenda of the ISWGNA/AEG and the UNCEBTS. For instance, the UNCEBTS could be consulted on the practical feasibility of the conceptual approach proposed on an issue as the outline for the forthcoming SNA guidance note includes a separate section *on recommended approach – practical aspects*.

The Advisory Group is asked to take note of the work programme of the Committee and indicate if there are potential areas of common interest for the AEG and the Committee where a more coordinated mechanism could be developed.