**16ᵗʰ Meeting of the Advisory Expert Group on National Accounts,
12-14 July 2021, Remote Meeting**
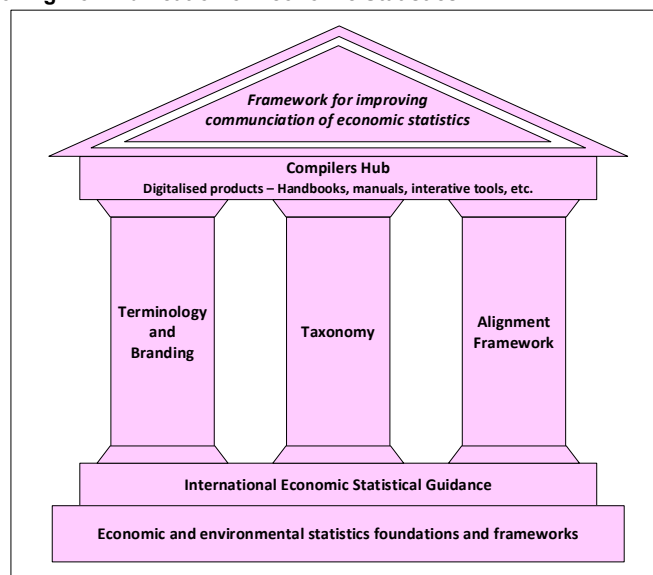
Agenda item: 6.1

Introduction

The roles and importance of economic statistics vary considerably across different users and uses. Therefore, improving communication, availability and understanding of economic statistics is paramount. All statistical producers have a key role in facilitating these goals. The updating of the System of National Accounts (2008 SNA) and the Balance of Payments Manual (BPM Version 6) provides an opportunity for the international organizations to put in place frameworks and mechanisms for statistical producers to better communicate economic statistics to their wide range of users. Against this background, the objectives of the Communication Task Team (CMTT) are to: (1) develop a communication framework and a set of tools to help producers of economic statistics to improve communication with their users around the data that they produce; and (2) improve communication among producers of statistics and the way producers access the international economic statistical guidance.

The work of the CMTT is organised in five workstreams:

- **Terminology and Branding** which review the current macroeconomic accounting terminology and branding to identify more user-friendly terms and presentations with the goal of achieving consistency across domains and greater understanding for users.
- **Taxonomy**: This workstream proposes a taxonomy that can be used to describe macroeconomic statistical products, product updates and product releases.
- **Alignment Framework**: develop clear and consistent frameworks that measures the degree of implementation and alignment with the international economic statistical guidance.
- **Compilers Hub**: develop a digital platform that will facilitate collaboration among producers and users of economic statistics as well as improve the awareness of new and existing information.
- **Digitalised Manuals**: convert the statistical manuals into digitally enabled versions and develop interactive tools with cross references.

The outputs of each of the above workstreams contribute to the framework for improving communication of economic statistics as shown in the diagram below. The three pillars, terminology and branding, taxonomy and alignment framework are linked in the framework but covered as three separate guidance notes.

Figure 1: Framework for Improving Communication of Economic Statistics

Terminology and Branding of the International Economic Statistical Guidance

The work done by this workstream to date has been to review the terminology used in the current international economic statistical guidance – 2008 SNA, BPM6, and GFSM 2014 with the aim of improving the consistency in the terminologies used. A second objective has been to propose a user-friendly glossary of terms and definitions that is harmonized across all domains and to the extent possible, with the international accounting standards. Given the broad scope of this work, the workstream has not been able to fully address all the components of the workplan to date. Therefore, the current note presents only a snapshot of the current work with some future additions highlighted below.

The current guidance note on *Terminology and Branding of the International Economic Statistical Guidance* proposes:

- Some alternative simpler, easier to understand terms and propose consistent terminology where different terms are used to communicate the same concepts.
- More readily understood labelling of accounts and tables.
- An initial draft of a 'user friendly' glossary of terms and definitions which includes expanded or clarified definitions of existing glossary terms or addition definitions for terms that are not well understood and not well defined in the current guidance.
- A review of the overall branding of the international economic statistical guidance, including the way the versions of the manuals are labelled and the way the system is referenced. This includes standardising the naming conventions across the domains to eliminate the existing inconsistencies and a proposal to brand the system as *International Economic Statistical Guidance.*

Annex I provides a summary of the future work for this guidance note.

Therefore, as the note is still in the drafting stage, we welcome comments from the AEG members on the following questions:

1. Do you have further suggestions concerning the review of terminology across SNA, BPM and GFSM?
2. Are the proposals for a common branding of SNA, BPM and GFSM appropriate in your view?
3. Do you agree to the suggestions to change the terminology in the SNA (section VI)?
4. Do you have further suggestion to expand annex II to a common glossary across SNA, BPM and GFSM?

A Taxonomy for Communicating Economic Statistics Releases, Products and Product Updates

This workstream has developed a set of proposals to communicate the release of economic statistics, statistical products and product updates. The guidance note includes a set of proposed recommendations for communicating statistical products that national authorities could integrate into their current communication practices. The adoption of international guidelines in this area should improve cross-country comparability and provide clarity for users. These current recommendations include:

- **Communicating Releases (Vintages of Data)**
  Standardising the description of data vintages to include information about: (1) substance of the release; (2) timeliness; (3) frequency; (4) reference period; and (5) update period. For example, Regular – 60-day - Quarterly National Accounts release, first quarter 2021 (2021.1Q revised).

- **Communicating Updates / Revisions**

  A proposed framework to communicate updates comprising the five key components of a statistical standard: (i) concepts; (ii) methods; (iii) accounting rules; (iv) source data; and (v) accounts.

- **Communicating Products**

  Three-tiered standardised labelling of the 'quality' of statistical products as official, provisional and experimental estimates. In addition, to adopt the term 'supplementary accounts' (replacing satellite accounts) across all domains when referring to tables outside the main sequence of accounts.

Annex I provides a summary of the future work for this guidance note.

As the work on the guidance note is still in-progress, we welcome comments from the AEG members on the following questions:

1. Do you agree with the proposal to standardize the communication of economic statistics vintages to include the: substance of the release, timeliness, frequency, reference period, and the update period?

2. Do you agree with the components of the recommended framework to communicate revisions?

    a. Is this breakdown feasible for your economy without significant change to the statistical infrastructure?

3. Do you agree with the three-tiered standardized labelling of statistical products as official, provisional, and experimental estimates?

    a. Do you agree with the description of experimental and provisional estimates?

4. Do you agree with the recommendation to adopt the term 'supplementary account' (instead of satellite accounts) across all domains when referring to those tables outside the main sequence of accounts?

Framework to Measure Alignment to the International Economic Statistical Standards

This workstream has developed three clear and consistent frameworks that measure the degree of alignment with the international economic statistical guidance – SNA, BPM, and GFSM. The degree of alignment provides two important signals to users: first, it assists with cross-country comparisons; and second, it is an indicator of potential future revisions could be in cases where a country remains distant from the international guidance.

This guidance note proposes two significant initiatives:

- Three alignment frameworks structured around the key components of a statistical standard: (1) concepts; (2) accounting rules; (3) methods; (4) classification systems; and (5) tables/accounts. The international statistical system has many concepts, accounting rules, etc. that it is not possible or pragmatic to list them all within the framework. This proposal covers a sub-set of criteria for those components linked to key aggregates/uses of the statistical guidance. Applying this approach, the alignment checklist covers the SNA, GFS and BPM.

- Communicating the data in the alignment frameworks to users. While consideration has been given to the development of a scoring system / methodology, the proposal is for a dashboard approach that will help users. Scoring a country's alignment to a statistical framework may create a disincentive to use the frameworks as well as a high degree of subjectivity. Although from a communication

standpoint, there are benefits to having a global score that will convey a direct message about the status of alignment to international statistics guidance across countries.

Annex I provides a summary of the future work for this guidance note.

We welcome comments from the AEG members on the following questions:

1. Do you agree with the components of the SNA, BPM and GFS alignment frameworks as presented in the Annex?

2. Do you agree with the 'dashboard' methodology used for the assessment framework?

3. Do you agree with the definition of the categories – fully aligned, highly aligned, broadly aligned, and partially aligned – used to demarcate the degree of alignment?

4. Do you have proposals on how to communicate a country's overall level of alignment to users?

Annex I. Future Work on the Guidance Notes

I. **Terminology and Branding of the International Economic Statistical Standards**

The glossary proposed in Annex II of the guidance note is a snapshot of the current review and proposals. There is considerable amount of work remaining to:

- Undertake a complete review of the *2008 SNA*, *BPM6*, and *GFSM 2014* glossaries with the view of expanding the proposed glossary and ensure that the proposed changes are consistent and suited to all domains, making note of exceptions where there must be legitimate differences in terminologies and definitions.

- As part of the review of the glossary, review the terms and definitions that are used in the international accounting standards such as IFRS and IPSAS to describe similar concepts.

II. **A Taxonomy for Communicating Economic Statistics Releases, Products and Product Update**

In our latest consultation within the CMTT, the members raised concerns around the applicability of these proposals in certain domestic contexts. We will continue to review the note to ensure as much clarity as possible in this area. We will also continue to assess the definition of 'supplementary accounts' proposed in the note. The members also noted that the definition of provisional estimates previously proposed could pose some difficulty to implement in practice. Since the consultation, the section on provisional estimates has been updated in line with the comments received but this is another area we may want to revisit in more detail based on feedback received. We will continue to refine the framework to communicate revisions to the users to ensure that the level of decomposition proposed meets the balance of what statistics producers are able to provide and what users need to understand about the revisions. The next draft of the note will propose a framework that breakdowns the revisions to reflect recent feedback, and possibly show: (i) source data changes; (ii) methodological changes; (iii) statistical coverage changes; and (iv) presentational changes.

III. **A Framework to Measure Alignment to the International Economic Statistical Standards**

Bearing in mind the need for this balancing the pros and cons of an overall score for the frameworks, in the next stage of the guidance note the workstream will aim to address two issues: (1) finalize the categories that will reflect the degree of alignment to the economic statistical guidance, and (2) develop a method of communicating to users, the overall alignment of a country to the international economic statistical guidance.