Terms of reference

Digitalization Task Team

1. Background

The Terms of Reference of the Task team on the SNA Research Agenda say the following: "The Task team is expected to establish dedicated work streams led by volunteer Task team members to provide in-depth analysis for the three priority areas of research", i.e. globalization, digitalization and well-being and sustainability.

In November 2018, the Advisory Expert Group (AEG) reconfirmed the three priority areas for the SNA research agenda and identified specific issues to be taken forward in the short term within those areas¹.

The AEG agreed to launch work streams under each of the priority areas, preferably led by AEG members, to develop guidance notes for each (group of) specific issue(s). Consequently, three sub-groups are being established, each one dealing with issues under one priority area. The Inter-secretariat Working Group on National Accounts (ISWGNA) will provide support to each work stream.

The activities, composition and organization of work and milestones of the task team on **Digitalization** are described below.

2. Overall coordination

UNSD is responsible for the overall coordination between the task teams and their work streams. It facilitates the exchange of information between the task teams and strives to align the work plans as appropriate. For this purpose, it participates in the coordination meetings of the individual task teams and calls for overall coordination meetings involving the co-chairs and the secretariats of all the sub-groups at strategic points in time, depending on the planning and the progress. In support of the coordination, UNSD provides an online wiki platform for the various task teams to connect and work collaboratively, post background documents and collect contributions from the members of the task teams for discussion and review.

3. Activities

The task team will produce one or more guidance notes on digitalization issues identified by the AEG as a first priority. These are:

- Framework for a satellite account on the digital economy
- Valuation of free assets and free services
- Recording of data in the national accounts
- Cryptoassets
- Price and volume measurement of goods and services affected by digitalization

¹ See the 2018 AEG conclusions at: <u>https://unstats.un.org/unsd/nationalaccount/aeg/2018/M12_Conclusions.pdf</u>

As requested by the AEG, guidance notes should follow a common structure. A general template along the lines suggested by the AEG¹ is provided in Annex.

Progress on the guidance notes (included completed guidance notes, if applicable) will be reported in ISWGNA reports to the UN Statistical Commission.

4. Composition

Erich Strassner (BEA US) and Liz Soelistyowati (BPS - Statistics Indonesia) will co-chair the task team on **Digitalization**. They will be supported by Eurostat, which will ensure the secretariat of the task team. The ISWGNA will ensure coordination with the task teams on Globalization and on Well-being and sustainability for possible overlapping topics.

The co-chairs and the secretariat will jointly decide on the size and composition of the task team. They will organize the work and establish a detailed work programme and timetable that take into account the milestones in section 5.

The co-chairs, with the support of the secretariat, will recruit other members of the task team, normally including other AEG members, experts from ISWGNA organizations as well as non-AEG experts (e.g. from national statistical agencies, national or local governments, the research community, etc.), according to the necessary expertise and the need to coordinate with other domains.

The co-chairs and the members of the task team will work on a voluntary basis.

5. Organization of work

The co-chairs may decide to attribute different issues to different group members. In any case, they will ensure consistency between proposed solutions for issues within their priority area, whenever an overlap exists.

The organization of work should consider the current advancement status of the different issues. Some issues are already relatively well advanced in terms of preparatory work (e.g. Crypto assets for an interim solution), while others are already being taken forward in dedicated groups (e.g. Digital economy satellite account).

The detailed timetable should include points at which the AEG/ISWGNA and relevant technical groups (including other statistical domains) should be involved and also where user consultation should take place.

Work will mainly be carried out remotely, via email and tele/video conferences. However, a physical meeting of the task teams could be envisaged in the fourth quarter of 2019. ISWGNA organizations will take care of the logistic arrangements

¹ The AEG agreed that [...] the guidance notes should clearly identify issues affecting the central system, versus those that would go into supplementary tables or satellite accounts. The guidance notes should also assess implications for a possible SNA update and the opportunities for harmonisation with other domains. They should not only look at the conceptual implications, but also address the feasibility of implementing the proposed conceptual solutions.

6. Milestones

Milestones for the task teams are:

- Appointment of task team members: by mid-April 2019.
- Report on advancement of work, including the presentation of issue papers and possibly draft guidance notes, at the AEG meeting, scheduled in Washington D.C. on 1-3 October 2019.
- Preparation of a report on activities, including progress on the drafting of guidance notes, for the ISWGNA report to the 2020 UNSC: by end November 2019.
- Preparation of draft guidance notes: in the course of 2020, according to the subject.

Annex – Guidance Note outline

1. Introduction to the issue

Background to the issue and 'problem statement'. Quantitative size of the issue if known.

2. Existing material

The existing SNA approach described, together with other existing material (Handbooks, technical papers, AEG papers from the past if discussed before). Links to other statistical domains.

3. Options considered

A list of options, with advantages and disadvantages considered. The options should clearly distinguish between those which would require a change in the central system from those which would be developed out of the central system.

4. Recommended approach – conceptual aspects

Summary of the recommended conceptual approach. Detailed impacts across the accounts to be described in the Annex (including potential impacts on key indicators like GDP, GNI...).

5. Recommended approach – practical aspects

Focus on practical feasibility of the approach – availability of data sources, their quality and timeliness, need for modelling/assumptions.

Identification of further work needed to develop/test the approach.

6. Changes required to the 2008 SNA and other statistical domains

If relevant, identification of all paragraphs in the 2008 SNA which would need to be updated (with suggested text) and guidance of other statistical domains which would need to be updated to introduce/retain consistency.

Annex – elaboration of the impacts of the recommended recording on the full sequence of accounts