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Regional initiatives: Economic statistics: core set of economic statistics

Proposed core set of economic statistics for Asia and the Pacific

Note by the ESCAP Technical Advisory Group on the Development of Economic Statistics

Summary

The present document introduces a proposed core set of economic statistics that the ESCAP Technical Advisory Group on the Development of Economic Statistics (TAG) has been charged with developing following a decision of the Committee at its first session. The proposed core set of economic statistics sets a clear and achievable target for the region by identifying the minimum set of economic statistics that all countries in Asia and the Pacific should have the capacity to produce by 2020 after taking into account their varying needs.

Contents

I.   Background

1.   The ESCAP secretariat was given the mandate to develop the core set by its Committee on Statistics at its first session, in February 2009.[1] At that session, it was noted that — while the United Nations Statistical Commission had adopted the 2008 System of National Accounts (SNA), and the need for better economic statistics had become ever more pressing because of the global economic crisis — many Asia-Pacific countries had yet to fully implement the 1993 SNA, as evidenced by, among other things, the limited compliance with the minimum requirement data set in the region (see E/ESCAP/CST/5 and Corr.1).

2.   The Committee recognized during its deliberations the urgent need to improve economic statistics in the region and decided:

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[1]   The report of the Committee (E/ESCAP/CST/10) and all other documents related to the session are available at http://www.unescap.org/stat/cst/1/.

(a)   To adopt a coordinating governance structure that would guide the development, implementation and monitoring of an action plan for the development of economic statistics in the Asia-Pacific region, as proposed in E/ESCAP/CST/5, para. 52;

(b)   To establish a technical advisory group to provide guidance to its Bureau and the ESCAP secretariat on methodological issues related to the development and periodic revision of a regional programme for the development of economic statistics. The technical advisory group would be expected to formulate a minimum core set of economic statistics that each country in the Asia-Pacific region would be in a position to produce, taking into account the varying needs of countries and work on the development of economic statistics undertaken by specialized bodies and related organizations in the region.

3.   In response, the ESCAP secretariat, through its Statistics Division, immediately (a) started to draft a regional programme for the improvement of economic statistics in Asia and the Pacific and (b) initiated consultations on the Terms of Reference — with providing guidance on the development of the regional programme and the formulation of the core set of economic statistics as key objectives — and composition of the Technical Advisory Group on the Development of Economic Statistics (TAG), which was established in August 2009.

4.   The regional programme and the core set were subject of discussion between global, regional, subregional and national partners during:

(a)   An Expert Group Meeting (EGM) on the Development of Economic Statistics in the Asian and Pacific Region, Bangkok, 17-18 September 2009;

(b)   A Workshop to Develop a Regional Programme for the Improvement of Economic Statistics in Asia and the Pacific, Bangkok, 9-11 December 2009;

(c)   Meetings of the TAG held back-to-back with the above EGM and workshop.

5.   In addition to the proposed core set, the regional programme is underpinned by:

(a)   A comprehensive, region-wide assessment of countries' current capacity to produce economic statistics;

(b)   An informal mechanism to coordinate activities to build capacity in economic statistics.

6.   Prior to the second session of the Committee, an earlier version of the present document was submitted during August/September 2010 for consideration and comments to all ESCAP members and associate members. In total, 11 member States provided comments which have been taken into consideration when finalizing the core set and the present document.

II. Technical Advisory Group on the Development of Economic Statistics

7.   The proposed core set of economic statistics was developed by the TAG following a comprehensive and inclusive consultation process during 2009 and 2010 as outlined above.

8.   The TAG consists of experts from member States, the ESCAP secretariat (Statistics Division), and other international, regional and *subregional* organizations. The TAG is co-chaired by Mr Jeff Cope of Statistics New Zealand and Mr. Kimberly Zieschang of IMF. The complete list of members of the TAG is listed in annex III.

9.   As specified in the report of the Committee on Statistics at its first session, the main objective of the TAG is to:

(a)   Provide guidance to its Bureau and the ESCAP secretariat on methodological issues related to the development and periodic revision of a regional programme (action plan) for the development of economic statistics.

(b)   Formulate a minimum core set of economic statistics that each member and associate member in the Asia-Pacific region would be in a position to produce, taking into account the varying country needs and work on the development of economic statistics undertaken by specialized bodies and related organizations in the region.

10.   The complete terms of reference of the TAG and the list of the meetings of the TAG are available from the ESCAP website.[2]

III.   Core set of economic statistics

A.   The core set and its purpose

11.   The purpose of the regional programme is to develop the national capacity to produce a range of economic statistics or, in other words, remove the constraints preventing their production. Within the framework of the programme, the core set fulfils dual roles of (a) determining the scope of the programme and (b) providing guidance on the minimum set of economic statistics to be produced.

12.   The core set is indicative and not prescriptive. It sets out what are considered to be the minimum set of statistics needed for effective economic analysis and monitoring. The core set has a short-term and longer-term element through the inclusion of short-term and structural economic statistics. The set does not focus on economic statistics required to measure the impact of the global financial crisis but at the same allows monitoring of such global developments.

13.   It is not envisaged that the regional programme will attempt to improve national capacities of all core economic statistics in all economies in the Asia-Pacific region. Priorities as to which specific basic economic statistic within each of the broad categories of statistics listed below should

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[2]   http://www.unescap.org/stat/statdev.asp

be compiled by the national statistical system (NSS), and for which capacity development is required, is largely dependent on the identified needs of key users in government and non-government agencies/organizations. The core set also facilitates identification of economic statistics that are particularly relevant and of importance to individual economies.

14.   The core set of economic statistics is defined as follows:

(a)   Priority economic statistic category or domain and key statistics within each domain;

(b)   Their frequency;

(c)   Existing international standards / guidelines for each statistical domain.

15.   Annex I shows the proposed core set while annex II shows how this core set relates to the indicative data needs for the SNA.

B.   Information needs which determined the content of the core set

16.   The core set will inform short and long-term *economic analyses and decision-making* by both *government and non-government* agencies and organizations. It will provide an information dataset intended to satisfy a set of uses that includes:

(a)   The conduct of monetary policy;

(b)   Establishing and monitoring the government's fiscal position;

(c)   Assessing the long-term capability of the economy, with a focus on sustainable growth;

(d)   Developing policies designed to achieve generally agreed economic goals, such as increased economic welfare and greater equity;

(e)   Measuring the economic, social and environmental impact of internal and external shocks;

(f)   Providing the information necessary for the efficient functioning of markets;

(g)   General monitoring and forecasting of the economy;

(h)   Informing economic, social and environmental analyses;

(i)   Meeting international obligations to provide information about the performance of the economy and the well-being of the nation.

17.   The core set describes a minimum information set that each ESCAP member and associate member is encouraged to produce, regardless of stage of economic development, the degree of sophistication of markets and/or the extent of government intervention in the economic process. However, the size and structure of the economy of members and associate members vary largely and parts of the core set may not be relevant to all. Furthermore, these considerations, along with internal user demand, will determine the specific characteristics of each of the key statistics in the Core.

18.   Most ESCAP members and associate members are already producing some of the statistics needed for these uses; indeed, some have

very advanced statistical systems producing a wide range of economic statistics. Unfortunately, however, a large number of countries in the region still struggle to produce a comprehensive set of economic statistics that is of appropriate quality.

19.   The ESCAP region-wide assessment of the capacity of national statistical systems in Asia and the Pacific to produce basic economic statistics which was conducted during the period May to December 2009, clearly shows that many countries in the Asia-Pacific region still struggle to produce some of the key economic statistics.[3]

C.   The core set and SNA

20.   The core set is fully cognizant of the role of the System of National Accounts as the common conceptual framework underlying the integration of economic statistics and is consistent with SNA data needs (see annex II). The core set is not a list of all of the source data needed to compile national accounts. However, most, if not all, key statistics in the core set will satisfy many of the source data needs of national accounts compilers. The core set itself includes a number of key national accounting series and these implicitly assume that the required source data, which may be over and above the key statistics listed in the Core, will also be obtained.

D.   Existing international requirements which guided the content of the core set

21.   The formulation of the core set is guided by existing work on what may be regarded as a recommended range of economic statistics, including the General Data Dissemination Standard (GDDS) and the Special Data Dissemination Standard (SDDS) of the International Monetary Fund (IMF) and requirements for short-term statistics issued by the European Central Bank (ECB) for monetary policy analysis in the euro area.

22.   The GDDS is of particular relevance for the core set, as it is designed to encourage and guide countries to progressively develop their statistical systems in a structured manner, emphasizing the adoption of core frameworks (including the SNA, Government Finance Statistics Manual – GFSM, Balance of Payments Manual – BPM, Monetary and Financial Statistics Manual – MFSM) and data and system quality. The SDDS is slightly more demanding than the GDDS in scope, and represents the benchmark data standard for countries that might seek access to international capital markets. The ECB has issued requirements for the short-term economic statistics it requires for monetary policy analysis in the Euro area. The production of a number of the short-term statistics recommended by the ECB pose challenges for even advanced economies, but they nevertheless provide useful guidance with respect to the subject domains and types of measurement covered.

23.   The following table summarizes the IMF and the ECB requirements.

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[3]   For more information on the assessment, see E/ESCAP/CST2/INF/9.

Table 1: IMF SDDS, IMF GDDS and ECB requirements

Category	Component	Freq.	SDDS	GDDS	ECB
National accounts, nominal real	comprehensive statistical framework producing GDP(E), GDP(P), national income, saving	Q	*		*
	quarterly national accounts by sector	Q			*
	Core: GDP (nominal and real) Encouraged: GNI, capital formation, saving	A		*	
Production indexes	industrial, primary commodity, or sector, as relevant	M or Q	*	*	*
	forward indicators, new orders	M or Q	*		*
	Output (turnover) in main service industries	M			*
	Industry opinion survey	M			*
Labour market	employment, unemployment, wages/earnings	M, Q or A	* / Q	*/A	* /M
	Hours worked, vacancies	M			*
	average and unit labour costs	M			*
	wage settlements	M			*
	underemployment, labour reserve	M			*
Price indexes	consumer index	M	*	*	*
	producer index (GDDS: encouraged)	M	*	*	*
	exports, imports price indexes and unit values	M			*
	raw material (commodity) indexes	M			*
	residential property prices	M			*
General government operations	comprehensive statistical framework producing revenue, expenditure, balances, domestic and foreign financing	A	*		*
Central government operations	budgetary accounts: revenue, expenditure, balances, domestic and foreign financing	M or Q	* /M	* / Q	* / M
Central government debt	domestic/foreign by currency by maturity; debt service projections etc. (GDDS : Q encouraged)	Q	*	* / A	
Analytical accounts of the banking sector	comprehensive statistical framework producing money aggregates, domestic credit, external position	M	*		
	net external position, domestic credit, broad or narrow money	M		*	

Category	Component	Freq.	SDDS	GDDS	ECB
Analytical accounts of the central bank	reserve money, domestic claims, external position	M or W	*		
	Monetary base aggregates	M		*	
Interest rates	short-term / long-term government security rates	M or D	* / D	* / M	
	range of deposit and lending rates (GDDS; encouraged)	M or D	* / D	* / M	
Stock market	share price index (GDDS: encouraged)	M or D	* / D	* / M	
Balance of payments	comprehensive statistical framework producing goods and services, net income flows, net current transfers, capital and financial account items, reserves, FDI and portfolio investment	Q	*		
	Imports/exports of goods and services, current a/c balance, reserves, overall balance	A		*	
International reserves and foreign currency liquidity	official reserves, foreign currency assets, pre-determined short-term and contingent drains on foreign currency assets	M or W	*		
	Core: gross official reserves Encouraged: reserve-related liabilities	M		*	
Merchandise trade	exports and imports by main commodity group	M	*		*
	Core: total imports and exports Encouraged: major commodity breakdowns	M		*	
International investment position		A or Q	*		
Exchange rates	spot and forward rates	D	*	*	
External debt	debt of general government, monetary authorities, banking and other sectors, broken down by maturity and instrument (GDDS: other sector debt is encouraged)	Q	*	*	
Consumer demand	Retail trade turnover, nominal and real	M			*
	Consumer opinion survey	M			*
	Building permits	M			*
	Supplementary indicators of output and demand, e.g. car registrations	M			*

- * indicates that the statistics are included in the IMF and/or ECB requirements
- D – daily; W – weekly; M – monthly; Q – quarterly; A – annually;

24.   In addition to the above standards, the core set is guided by a number of specific regional requirements with regard to the Millennium Development Goals and the household (including informal) sector. Both the Millennium Development Goals and the indicators measuring informal sector are of relevance to the Asia-Pacific region. The indicators measuring informal sector activities are also quite important both to ensure the exhaustiveness of GDP estimates and for key indicators, such as employment.

E.   The core set of economic statistics

25.   The above list of uses of economic statistics, together with international requirements, suggest that the scope of the core set should embrace, at least, the following types (domains) of economic statistics:

(a)   Prices and costs:

   (i)   Price indexes for the final demand categories, in order to monitor price change in key markets and their impact on different groups in the economy

   (ii)   Producer / product price measures sufficient to analyse the causes of price changes and the price links in the product supply chain

   (iii)   Average labour costs and earnings

   (iv)   Unit labour and wage costs

   (v)   Terms of trade

   (vi)   Exchange rates/purchasing power parities (PPPs)

(b)   Demand and output:

   (i)   GDP production and expenditure accounts, in current and constant prices, to measure demand and supply

   (ii)   External trade

   (iii)   Short-term industry output measures

   (iv)   Industrial structure statistics

   (v)   Short term, disaggregated demand statistics (consumer, investment – fixed and inventory)

   (vi)   Productivity measures

(c)   Income and wealth:

   (i)   National accounts for the economy, to measure income, savings, investment, accumulation and wealth

   (ii)   National accounts by sector to measure income redistribution, sector income, savings, accumulation, financial investment etc. [minimum sectors: household, government, enterprises]

   (iii)   Balance of payments to measure international income and capital flows

   (iv)   International investment position, to measure the nation's overseas net debt

   (v)   External debt statistics

      (vi)   Income and wealth distribution statistics

  (d)   Money and banking:

      (i)   Assets / liabilities of the banking system

      (ii)   Monetary measures

      (iii)   Interest rates

  (e)   Government:

      (i)   Revenue and expenditure, borrowing and lending

      (ii)   Government accounts on a SNA and/or GFS basis

  (f)   Labour market:

      (i)   Labour supply and characteristics of the labour force

      (ii)   Labour/skills demand, employment, unemployment, hours worked, underemployment, employment in the formal/informal sectors

      (iii)   Job creation and vacancies

  (g)   Natural resources and the environment:

      (i)   Sustainable measures of economic growth (i.e. including indicators of environmental constraints on growth)

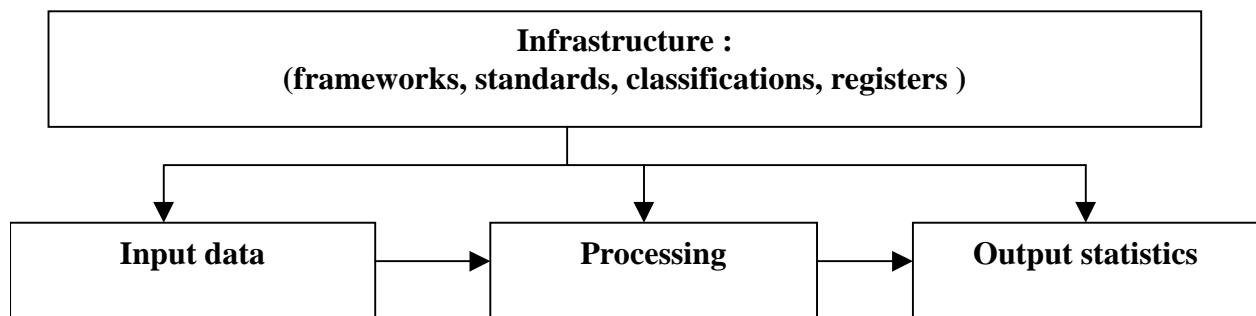   (ii)   Discovery, depletion and degradation of natural assets in the economic process

26.   Within each of the above domains, the core set consists of key statistics, each of which is described by its frequency and relevant international standard and/or guideline. Countries are encouraged to adopt the standards and best practice guidelines contained in these documents.

27.   It is recognized the development of the capacity of national statistical systems (NSS) to produce the core set, though varying from country to country, requires long-term, sustained effort. It is hoped that each member and associate member will have the capacity to produce the core set no later than 2020.

28.   In the interim, priorities as to which specific basic economic statistic within each of the above domains below should be compiled by the NSS, and for which capacity development is required, is largely dependent on the identified needs of key users in government and non-government agencies or organizations.

F.   The complete coverage of core set of economic statistics: the statistical production process

29.   The core set embraces other aspects of the statistical production process that contribute to published series, a simplified version of which is drawn in the diagram below.

Figure 1: Simplified statistical production process

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┌────────────────────────────────────────────────────────────┐
│                     Infrastructure :                        │
│     (frameworks, standards, classifications, registers )    │
└────────────────────────────────────────────────────────────┘
        │                      │                      │
        ▼                      ▼                      ▼
┌───────────────┐    ┌──────────────────┐    ┌──────────────────┐
│  Input data   │ ─▶ │    Processing    │ ─▶ │ Output statistics│
└───────────────┘    └──────────────────┘    └──────────────────┘
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30.   The production of the core output statistics implicitly includes both the requisite input (source) data and the processing system. However, as these alone are not sufficient, the production of the output statistic is also dependent on the statistical infrastructure (classifications, standards, frameworks, registers) that needs to be set up and maintained. The statistical infrastructure underlies all statistics that are produced and needs to be seen as an independent requirement in its own right. In other words, the infrastructure necessary to produce the core statistics needs to be identified, established and maintained. These have been recognized as a central part of the regional programme.

31.   For more complex derived statistics, such as the national accounts and balance of payments measures, the core set implicitly includes all of the input (source) data needed to compile the derived measures. These are included "implicitly" because the actual methodologies (and hence source data) used to compile these derived measures vary from country to country as there is no unique method that must be universally adopted. International best practice suggest a recommended methodology but its implementation depends on the actual country-specific data available. From the perspective of the regional programme, the key point is that the capacity development that may be required to produce these types of derived measures needs to embrace the needs for developing the source data, where this is found necessary. Providing training and assistance to produce national accounts and balance of payments measures in the absence of a robust source database and supporting statistical infrastructures will not lead to a sustainable outcome.

G.   The core set and the regional programme

32.   The aim of the regional programme is to develop sustainable capability of ESCAP members and associate members to produce needed economic statistics. As such, the programme is concerned with the development of the human and infrastructural capacity of national statistical systems to a level that will permit the publication of what might be regarded as a minimum or core set of economic statistics. The regional programme is not a dissemination programme; the production and publication of a core set of economic statistics are a consequence of the programme, but not part of the programme itself.

33.   The regional programme has been finalized during 2010 by the secretariat and the TAG, under the guidance of the Bureau of the Committee and following a very extensive consultation process with members and associate members. More information on the development of the regional programme can be accessed from the ESCAP website. The proposed regional programme is submitted for the endorsement of the Committee (see E/ESCAP/CST(2)/5).

H.   The core set as a guideline for capacity development of national statistical systems

34.   The core set of economic statistics presented herein sets a clear and achievable target for the region by identifying the minimum set of economic statistics that all countries in Asia and the Pacific should have the capacity to produce by 2020 after taking into account their varying needs.

35.   The Committee is invited to review and endorse the TAG proposal.

36.   The Committee may also wish to encourage all its members and associate members to endorse the proposed core set of economic statistics as a guideline for developing the capacity of national statistical systems.

Annex I.

Proposed core set of economic statistics

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Prices and costs				
Consumer price index (CPI)	Q	Y	The scope of the regimen should cover the goods and services that private households acquire. The index should, as far as possible, measure price movements that are representative for the whole country, ie the geographic coverage and reference population should be as wide as possible. However, practical (and utility) considerations may limit coverage to specified regions and population groups, eg private urban households. Component indexes covering major expenditure groups are recommended, and the wider uses of the CPI subindexes for deflation of national accounts flows should be considered in the CPI design. International Comparison Program (ICP) requirements should also be considered in CPI design.	ILO Resolution concerning CPI (17th International Conference of Labour Statisticians, 2003); Consumer Price Index Manual: Theory and Practice (ILO, 2004); Practical Guide to Producing Consumer Price Indices. A Supplementary handbook to the Consumer Price Index Manual (UNECE 2009) [Knowledge Base]
Producer price index (PPI)	Q	Y	The PPIs – and related commodity price indexes – can differ across countries in terms of industry and/or commodity coverage, and valuation point. What are required are indexes that track the prices of a wide range of market goods over time. Such indexes will cover intermediate and final goods and services, including fixed assets, and will facilitate; i) the monitoring of inflation at different stages of the product supply chain; ii) price changes of key export and import commodities; and iii) the deflation of national accounts variables, both industry outputs/inputs and final demand categories. The range of industry / commodity indexes chosen will be country specific, but their scope should cover the above uses. Efforts should	Producer Price Index Manual – 2004 [Knowledge Base]

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
			be made to ensure that at the very least key services are covered. Consideration should also be given to producing residential and commercial property indexes given the key role such assets have in influencing investment and saving behaviour.	
Commodity price index	M	N	Covered above. Only required for key commodities in the production process (inputs and outputs) and only if similar indexes are not already included in the PPI.	
External merchandise trade price indexes	M	Y	The price indexes of goods and materials imported and exported complement the PPIs and their uses noted above. The total scope should match that of merchandise trade itself, although the range of commodity subindexes produced is country specific. The external merchandise trade price indexes are used to calculate the terms of trade index, which is derived as the export price index / import price index. A terms of trade index shows the relationship between the prices at which a country sells its exports and the prices it pays for its imports. If the prices of a country's exports rise relative to the prices of its imports, its terms of trade are said to have moved in a favourable direction, because, in effect, it now receives more imports for each unit it exports. The terms of trade index is a useful summary statistic for those country's vulnerable to changes that are occurring in it's trading environment.	Export and Import Price Index Manual: Theory and Practice, 2009 (IMF)
Wages / Earnings data	Q	Y	Nominal wages and/or earnings data for a specified time period, allowing average hourly or weekly series to be derived. Industry, occupation or gender breakdowns to be determined by country.	ILO Resolution concerning an integrated system of wages statistics (12th ICLS, 1973)
Labour costs index / Wage index	Q	Y	The cost pressure arising from paid employment is measured by a labour cost or wage index. While the labour cost index will have a wider scope, covering all items in compensation of employees, an index confined to wages may suffice. As with the wages data itself, industry breakdowns can be determined by country need.	Resolution concerning the measurement of employment-related income (17th ICLS, 1998) ILO Resolution concerning statistics of labour cost (11th ICLS, 1966)

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Exchange rates	D	Y	The daily exchange rates data should cover both spot and forward exchange rates for major currencies with respect to the national currency. For monitoring purposes, exchange rates based on monthly averages and end-month rates should be calculated. In addition, nominal and real effective exchange rates should be calculated monthly. A nominal effective exchange rate is the exchange rate of the domestic currency vis-à-vis other currencies weighted by their share in the country's international trade. Real effective exchange rates take account of price level differences between trading partners. Movements in real effective exchange rates provide an indication of the evolution of a country's aggregate external price competitiveness.	
Purchasing power parities (PPPs)	Ad hoc	N	While PPPs are not produced directly by NSOs, it is strongly recommended that countries join the ICP programme. The tasks of providing price and expenditure data for the ICP programme may be reduced if these requirements are considered at the same time that related domestic statistical outputs are designed. PPPs statistics are also needed for deriving Millennium Development Goal indicators.	International Comparison Program - Methodological Handbook 2005 [Knowledge Base]

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Demand and output				
Gross Domestic Product (GDP) (production) (P) nominal and real	Q	Y	The national accounts provide the comprehensive statistical framework to study the relationships between key macroeconomic variables.	System of National Accounts 1993 [Knowledge Base]
GDP (expenditure) (E) nominal and real (including implicit price indexes for GDP(E) and components)	Q	Y	Included here is quarterly GDP in nominal and volume terms, disaggregated by : i) Major expenditure components; and ii) By industry. The level of industry detail is not prescribed and is country specific. In place of a nominal GDP(P) by industry series, or in addition to it, countries are encouraged to produce quarterly value-added by income component, along with quarterly GNI and Saving series. The production of GDP(E) and its components in nominal and volume terms allows the calculation of the associated implicit price deflators. ICP requirements should be taken into account when determining the expenditure components of GDP to be produced.	System of National Accounts 2008 Quarterly National Accounts Manual: Concepts, data Sources and Compilation, 2001 (IMF)
External trade – merchandise	M	Y	Exports and imports of goods, in nominal values (national currency) and in volume terms (ie volume indexes). Commodity detail is country specific. The values, volume indexes and price indexes (refer above)/unit value indices for merchandise trade are to have consistent coverage and presentation, facilitating a comprehensive analysis of external trade. The merchandise trade data also provide a more timely indicator of developments in the current account of the balance of payments.	International Merchandise Trade Statistics: Concepts and Definitions, Revision 2 (1998) [Knowledge Base]

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
External trade - services	Q	N	Exports and imports of services analysed by product, in nominal values (national currency). While these aggregate series are required to compile the quarterly Balance of Payments, if trade-in-services are important for the quarterly monitoring of an economy, it is recommended that detailed series be compiled. Product detail is country specific. [Also refer to the Short term indicator section below.]	Manual on Statistics of international trade in services (2002) [Knowledge Base]
Short term indicator (STI) - industry output	Q	Y	STI can cover a wide range of statistics, in terms of both their coverage (industry, product) and their statistical form (current or constant dollars, volume indexes). The purpose of the STI is to provide an important insight into a specific aspect of the real or financial economy. They complement GDP by being more timely and, although less comprehensive in coverage, STI serve as leading indicators of GDP. Accordingly, STI need to be produced ahead of quarterly GDP itself, preferably monthly. However, for the core set, a quarterly frequency is specified.	International Recommendations for the Index of Industrial Production, 2010 (UNSD) Manual for an Index of Services Production, 2007 (OECD)
STI - consumer demand	Q	N		
STI - fixed investment	Q	N		
STI - inventories	Q	N	The STI included here are mainly backward-looking, ie they record events that have already happened. This does not rule out the production of forward-looking STI such as new orders or investment intentions, although these would be additional to the core set recommendations. The choice of indicator depends on a country's economic structure. Recommended in the core set are STI that cover: • **Industry production**, which may take an industry or product dimension. The key industries / products to be covered are country specific and may need to distinguish between industries / products that respond differently to changes in internal or external demand. Monitoring key export industries and/or products may be critical. The term "industry" is used broadly and embraces primary and secondary goods producing industries and services industries. Efforts should be made to ensure that at the very least key services are covered.	International Recommendations for Distributive Trade Statistics 2008 (Statistical papers, Series M, No. 89) [Knowledge Base] Short Term Economic Statistics Timeliness framework (OECD)

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
			• **Consumer demand**. Retail sales volumes indicators are traditionally produced, but with services making up a significant and growing proportion of household spending, additional STI for expenditure on services may be required. For countries with important tourism industries, STI covering inbound tourist numbers, accommodation occupancy rates etc. may be needed. • **Investment**, both in fixed assets and inventories. The fixed asset STI should cover the key components of gross fixed capital formation, especially building construction. Changes in inventory levels can be a useful leading indicator of economic fluctuations at both national and industry level. The STI for inventories should cover all major raw material and finished goods inventories.	
Economy structure statistics	5-yearly or at regular intervals	N	Periodic industry censuses / surveys provide the detailed structural data needed for a wide range of economic statistical outputs, including: • Industry value-added by component series needed to benchmark GDP. • Supply-Use Tables and Industry / product weights for producer price indexes (assuming product breakdowns of gross output and intermediate consumption are also collected). • Detailed financial data needed to analyse and monitor the economic performance of key or complex industries. Included in this category are censuses / surveys that collect either financial data (sales, costs, profits, investment, assets and liabilities) or non-financial data (such as surveys of agriculture production, forestry and fishing activity, mining etc.). The conduct of the census/survey requires an up-to-date Business Frame of business enterprises, appropriately classified.	International Recommendations for Industrial Statistics (IRIS) 2008

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
			The coverage, frequency and type of census/survey is not specified in the core set and will be country specific. Obtaining the economic data required for the above indicative uses can be obtained in a number of different ways using a range of collection vehicles, eg full census or sample survey; economy wide coverage or key industries only; annual, periodic or irregular frequency; collection of data via a questionnaire, use of administrative data or a combination of both; etc.	
Productivity	A	N	Included are labour productivity measures only. While Multifactor Productivity (MFP) measures are desired, they are not included in the core set recommendations. For an economy-wide labour productivity measure, GDP per hour worked is recommended, although, if hours worked data is not available, then GDP per full-time equivalent employed person or job is an alternative. While economy-wide measures are recommended, it is accepted that non-market measurement issues may need to restrict the scope to market industries and/or the business sector. Needed for deriving Millennium Development Goal indicators.	ICLS Resolution concerning the measurement of working time, 2008 Measuring Capital – OECD Manual Measuring Productivity – OECD Manual
Income and Wealth				
Integrated national accounts for the total economy	A	N	Included here is the sequence of accounts for the total economy excluding the Financial Account and Balance Sheet, but including a Rest of the World Account. This is the minimum set of accounts needed to measure GNI, saving and net lending with the rest of the world. These accounts also provide an annual GDP(I) measure to cross-check with the GDP(P) and GDP(E) series, for those countries not yet producing quarterly series of nominal value-added by income component. Needed for deriving Millennium Development Goal indicators.	System of National Accounts 1993 [Knowledge Base] System of National Accounts 2008

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Institutional sector accounts	A	N	The same range of accounts listed above for the total economy but for the key institutional sectors. The sectors should, at a minimum, separately identify business enterprises, general government and households. For the sector accounts, it is highly recommended that financial accounts and balance sheets, along with the supporting revaluation and other volume change accounts, are also produced.	
Balance of payments (BOP)	Q	Y	The BOP and the IIP represent the comprehensive statistical frameworks for the external sector. They enable the monitoring of a country's international economic performance, exchange rate policy, reserves and external debt management. Included in the BOP are the external transaction covering: goods and services; incomes; transfers; capital and financial account items; and reserves. The detail provided on these items is country specific although it is highly recommended that the breakdowns set out in the SDDS be adopted as a minimum. The IIP shows a country's financial claims on, and liabilities to, the rest of the world. In line with the SDDS, an annual IIP is recommended although quarterly series are encouraged. As with the BOP statement, the SDDS IIP breakdowns by major component (foreign direct investment, portfolio investment, reserve assets) further disaggregated by instrument and sector, are recommended. In addition to the IIP statement, separate statistics on the external debt are included in the core set. For analytical purposes, gross external debt is shown by sector (government, monetary authorities, banks and other) and by maturity. Supplementary statistics on the debt-servicing payments schedule are recommended. BOP and external debts statistics are needed for deriving Millennium Development Goal indicators.	Balance of Payments and International Investment Position Manual - Sixth Edition (BPM6) [Knowledge Base] External Debt Statistics: Guide for Compilers and Users (IMF)
International Investment Position (IIP)	A	Y		
External debt	Q	Y		

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Income distribution	5 yearly	N	Measuring the distribution of material well-being is important, and distribution statistics are included in the core set recommendations. Specifically, periodic statistics on the income distribution of individuals / households, distinguishing between key groups of households as required for country-specific studies (eg between urban / rural households, by households grouped by source of income or by participation in the formal / informal economy). Alternative distribution studies that may include wealth along with income, and/or focus on consumption levels, may also be considered. More frequent income distribution studies are recommended, but it is recognised that, in most cases, they need to be tied in to the frequency of source data, such as a periodic Household Income and Expenditure Survey. Needed for deriving Millennium Development Goal indicators.	ICLS Resolution concerning household income and expenditure statistics, 2003 ICLS Resolution concerning the measurement of employment-related income, 1998 Expert Group on Household Income Statistics, Final Report and Recommendations of the Canberra Group, 2001
Money and Banking				
Assets/liabilities of depository corporations	M	Y	Statistics on the financial assets and liabilities of depository corporations, including the central bank, provide the money and credit aggregates needed for both monetary and other macroeconomic policies. The balance sheet format shows the broad-money liabilities of the depository corporations and the domestic and foreign asset counterparts of those liabilities. It is recommended that the sector breakdown of claims "encouraged" in the SDDS be adopted. The monetary aggregates produced should be the broadest measure used by countries, allowing narrower measures to be compiled if relevant.	Monetary and Financial Statistics Manual 2008 (IMF) [Knowledge Base]
Broad money and credit aggregates	M	Y		

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Interest rate statistics	M	Y	It is recommended that a range of representative interest rates be produced. For example, monthly averages of day-to-day money market interest rates, short and long-term deposit and lending rates, short and long term government security rates, the central bank lending rate etc.	
Government				
General government operations	Q	Y	Financial statistics on government operations enable analysts to study and monitor the financial performance, financial position and liquidity situation of general government. The statistics should be presented within the GFS framework, and should cover revenue, expenses, investment, borrowing and lending. The transaction detail is country specific, although that set out in the SDDS is recommended. Central government statistics should be produced quarterly. Statistics on the financial operations of other levels of government (state, regional or local) are produced annually, along with consolidated General Government statistics. However, if lower levels of government are significant, a quarterly frequency for all series is strongly recommended.	Government Finance Statistics Manual 2001 [Knowledge Base]
General government debt	Q	Y	It is recommended that quarterly statistics on central government debt are produced. These should detail all debt liabilities, in the form of securities, loans and deposits, and be further classified by domestic / foreign currency, instrument and maturity. Statistics on non-central government debt guaranteed by central government should also be produced. Debt statistics for other levels of government should be produced annually. Any debt breakdown by sector of lender, maturity etc. is country specific.	

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
Labour Market				
Labour supply and demand	A / Q	Y (part)	Labour market statistics meet a wide range of economic and social policy needs. The core set focuses on labour utilisation statistics, and includes short term indicators and annual structural statistics, covering both labour supply and labour demand perspectives.

Labour force statistics provide information on the supply of labour. Statistics that measure changes in the working age population and its characteristics, and its partition into those employed, unemployed or not in the labour force are recommended. Relevant characteristics include age, gender, occupation or skill level, education, geographical area, residency status etc. For many countries, the measurement of under-employment may be important, as might labour migration, ie the number of international migrant workers.

Labour demand statistics provide further information on employment and vacancies, and may refer to persons or jobs depending on the source data. Summary statistics should be broken down by relevant characteristics such as status in employment, branch of economic activity, geographical area, full-time or part –time status, gender etc. For some countries, employment analysed by the formal/informal and/or rural/non-rural sectors may be important.

Aggregate statistics on the working age population and labour force (employment, unemployment) are required quarterly, while the detailed structural statistics may need to be compiled less frequently.

Labour market statistics are also needed for deriving Millennium Development Goal indicators. | ICLS Resolution concerning statistics of the economically active population, employment, unemployment and underemployment, 1982

Survey of economically active population, employment and underemployment: An ILO manual on concepts and methods, ILO 1990

Resolution concerning the measurement of underemployment and inadequate employment situations (16th ICLS, 1998)

Resolution concerning statistics of employment in the informal sector (15th ICLS, 1993)

ILO Guidelines concerning a statistical definition of informal employment (17th ICLS, 2003 |
| Hours worked | Q | N | Hours worked statistics complement employment counts and provide a more precise measure of labour input. The data should preferably be collected with earnings data, allowing consistent statistics on labour input costs/earnings and volumes to be | ICLS Resolution concerning the measurement of working time, 2008 |

Category of statistic	Frequency	In GDDS / SDDS?	Comments	Relevant international standard / guideline (including classification(s))
			produced. The hours worked breakdowns that are needed are similar to those given above for employment. Hours worked statistics are a key input for labour productivity measures.	
Natural Resources and the Environment				
Natural resources	A	N	Statistics that measure the economy – environment interrelationships are beyond the scope of the core set. However, the growing concerns about the sustainability of economic growth indicate that the core set needs to include a limited range of statistics that begin to address this issue. Accordingly, it is recommended that the core set include statistics that measure the discovery, depletion and degradation of those natural resources that fall within the SNA asset boundary. The SNA records these changes in the "Other changes in assets" account and while they affect net wealth positions they do not affect GDP. Producing these statistics is consistent with the SNA coverage, yet also allows users to derive alternative GDP measures that may be considered to better account for depletion and discovery. The choice of natural assets to be covered will be determined by individual countries, but it is expected that key resources at risk will be included. Annual statistics on the volume and value of stock levels and the additions /deductions from stock levels are recommended.	Handbook of National Accounting: Integrated Environmental and Economic Accounts (SEEA) System of National Accounts 1993 [Knowledge Base] System of National Accounts 2008

Abbreviations

BOP - Balance of payments

CPI - Consumer price index

GDDS - General Data Dissemination System

GDP - Gross Domestic Product

GDP(P) - GDP production

GDP(E) – GDP expenditure

GDP(I) – GDP income

GFS - Government Finance Statistics

GNI- Gross national income

ICLS - International Conference of Labour Statisticians

ICP - International Comparison Program

IIP - International Investment Position

ILO - International Labour Organization

IMF - International Monetary Fund

OECD - Organisation for Economic Co-operation and Development

PPI - Producer price index

PPPs - Purchasing power parities

SDDS - Special Data Dissemination Standard

SNA - System of National Accounts

STI - Short term indicators/statistics

Annex II.

The proposed core set of economic statistics and SNA indicative data needs

The core set of economic statistics sets out what are considered to be the **minimum** set of statistics needed for effective economic analysis and monitoring. These statistics are intended to inform short and long-term economic analyses and decision-making by both government and non-government agencies and organisations. The core set is fully cognizant of the role of the System of National Accounts as the common conceptual framework underlying the integration of economic statistics. However, the core set is not intended as a comprehensive list of the source data required to compile the national accounts. Indeed, given that the methods and source data that may be used by countries when compiling their accounts are not unique and may vary widely, this would be a futile task. The core set itself includes complex derived statistics such as the national accounts and balance of payments and it is implicit that statistics over and above those listed in the core set will be needed to compile them. Nevertheless, most, if not all, key statistics in the core set will contribute, in whole or in part, to many of the source data needs of the national accounts compilers.

The Table below has been drawn up in order to link the core set to the SNA framework and to indicate where the statistics may have a role as potential source data for the different accounts in the system.

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Prices and costs								
Consumer price index	Output price deflators for selected service industries			Price deflators for HCE				Price deflators for exports of travel services
Producer price index [May include: • Industry input indexes (intermediate consumption) • Industry output indexes • Fixed capital goods indexes • Inventory indexes • Specific industrial commodity price indexes where these are needed separate from industry PPIs]	• Price deflators for industry output. • Price deflators for intermediate consumption.			Price deflators for Government / NPISH intermediate consumption	Price deflators for : • Gross fixed capital expenditure • Inventories		Price indexes to estimate holding gains/losses on balance sheet assets and liabilities	Price deflators for exports of goods and services
External merchandise trade price indexes	Pricing data may be used in input or output PPIs		Calculate RGNDI		Price deflators for imported capital items			Price deflators for exports and imports of goods

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Wages / Earnings data (average hourly or weekly rates)		Wage / Earnings data for salaries and wages when combined with a volume measure.						
Labour costs index / Wage index	Wage deflator for Government / NPISH salaries and wages, if labour volume indicators are used for real VA	Wage index for salaries and wages		Wage deflator for Government / NPISH salaries and wages				
Exchange rates								
Purchasing power parities								
Demand and output								
GDP(P) nominal and real	GDP / industry	Nominal VA by income component (if compiled quarterly)						
GDP(E) nominal and real (including implicit price indexes for GDP(E) and components)				Final consumption expenditures	Gross capital formation			Exports and imports of goods and services

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
External trade – merchandise	Short term indicator of output of major export industries			Imports of household goods for household consumption expenditure	Imports of capital goods for gross fixed capital formation			Exports and imports of goods
External trade – services (only if significant to economy)				Exports and imports of travel services for household consumption expenditure				Exports and imports of services
Short term indicator (STI) STI support and complement GDP(P) / GDP(E). Although they are less comprehensive in coverage, they are timelier and serve as leading indicators of GDP.								
Short term indicator – industry output	• Industrial production indexes, services indexes, sales surveys etc. for industry output. • Key industries are to be covered, including service industries. • Can be sales or production.							

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
	For some industries sales / volumes of key products may be sufficient e.g. agriculture products, fish catch, power generation etc.							
Short term indicator - consumer demand	Retail sales for industry output.			• Retail sales for household consumption expenditure • Short-term migration flows for imports / exports of travel services • Other administrative data such as vehicle registrations, alcohol duty, credit card turnover, GST (VAT) etc. may provide useful indicators.				Short-term migration flows for imports / exports of travel services

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Short term indicator - fixed investment

Short term indicator - inventories | Construction surveys for industry output. | | | . | • Building construction surveys (permits, actual construction) for capital expenditure.

• Capital expenditure surveys for key capital intensive industries

Inventory surveys for change in inventories. | | | |
| Economy structure statistics – industry/enterprise

[From industry establishment or enterprise censuses / surveys collecting financial data. Also included are production censuses/surveys collecting non-financial data, such as agriculture censuses.] | • Benchmark statistics of gross output and intermediate consumption by industry.

• Provide product detail for SUT balancing and PPI (deflator) regimen weights. | Benchmark statistics of VA by component by sector/industry. | Benchmark statistics for other income flows by sector | Benchmark data for industry sales to households (e.g. retail industry sales, accommodation and restaurant industry sales, personal services) | • Benchmark statistics of gross fixed capital formation, inventories by industry.

• Benchmark data for sales from capital producing industries. | | Benchmark balance sheet data if collected. | |

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Productivity								
Income and Wealth								
Integrated national accounts for the total economy	Included	Included	Included	Included	Included			Included
Institutional sector accounts	Included	Included	Included	Included	Included	Highly recommended.	Highly recommended.	Included
Balance of payments		ROW income components	ROW income components	Travel debits and credits for household consumption expenditure	ROW capital transfers and transactions in valuables			All ROW transactions.
International Investment Position						ROW data on financial asset/liabilities, for sector financial accounts if produced.	ROW data on financial asset/liabilities for sector balance sheets if produced.	
External debt						ROW data on financial asset/liabilities, for sector financial accounts if produced.	ROW data on financial asset/liabilities for sector balance sheets if produced.	

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Income distribution [Income distribution statistics are compiled from regular household economic surveys which may provide additional source data for the national accounts, as shown, depending on the nature of the survey.]	• Benchmark data on household production, including owner occupied dwelling services. • Data on informal production.	Data on compensation of employees and mixed income	Data on other household income flows	• Benchmark data for items in household consumption expenditure (at COICOP level). • Regimen weights for CPI.	Data on own account production of capital goods.		Data on household non-financial assets and financial assets / liabilities (if collected)	
Money and Banking								
Assets/liabilities of depository corporations	• Banking industry indicators. • FISIM measurement and allocation to intermediate users.			FISIM allocation to final users		Financial asset/liability data for sector financial accounts if produced.	Financial asset / liability data for sector balance sheets if produced.	ROW financial asset / liability data
Broad money and credit aggregates								
Interest rate statistics								

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Government								
General government operations	Gross output, intermediate consumption for government.	VA components for government.	• Government sector accounts income flows. • Data source for government related transactions in other sector accounts (i.e. counterparty entries).	• Government final consumption expenditure. • Collective /individual consumption splits.	Government gross fixed capital formation and other capital transactions	Government sector financial transactions.	Government sector balance sheet data, if compiled.	Government related overseas transactions
General government debt						Government sector financial transactions.	Government sector balance sheet data, if compiled	
Labour Market								
Labour supply and demand	• Short term employment indicators for gross output. • Employment by industry.	Employment indicators for income measures.						

Category of statistic	Production account	Distribution and use of income accounts			Accumulation accounts		Balance sheet	Rest of the world account
		Generation of income	Distribution of income	Use of income	Capital	Financial		
Hours worked	Short term employment indicators for gross output.	Employment indicators for income measures.						
Natural Resources and the Environment								
Natural resources • Economic assets only	May be used to compile alternative depletion-adjusted measures of GDP						Economic appearance, natural growth and economic disappearance (depletion) for sector balance sheets	

Additional abbreviations used in Annex II

COICOP - Classification of individual consumption by purpose

CPI - Consumer price index

FISIM - Financial intermediation services indirectly measured

GDP - Gross Domestic Product

GDP(P) - GDP production

GDP(E) - GDP expenditure

GDP(I) - GDP income

GST - Goods and services tax

HCE - Household consumption and expenditure

NPISH - Non-profit institutions serving households

PPI - Producer price index

RGNDI - real gross national disposable income

ROW - Rest of the world

STI - Short term indicators/statistics

SUT - Supply use tables

VA - Value added

VAT - Value added tax

Annex III.

Membership of the ESCAP Technical Advisory Group on the Development of Economic Statistics

Person Nominated	Country/International organization	Position
Mr Michael Smedes	Australia	Director of National Income and Production Section, ABS
Mr G.M. Boopathy	India	Deputy Director General, National Accounts Division, CSO
Ms Lazzat Bulebayeva	Kazakhstan	Deputy Director of National Accounts and Research Department, Agency of the Republic of Kazakhstan on Statistics
Mr Slamet Sutomo	Indonesia	Deputy Chief Statistician, BPS-Statistics Indonesia
Ms Batjargal Badamsetseg	Mongolia	Director of Macro-Economic Statistics Department of the NSO
Mr Jeff Cope	New Zealand	Principal Economic Statistician (ex manager of National Accounts Division), Statistics New Zealand
Ms Chellam Palanyandy	ADB	Principal Statistician
Mr John Frederick de Guia	ASEAN Secretariat	Senior Officer for Statistics
Ms Bayan Adilbekova	ECO Secretariat	Director of Project and Economic Research and Statistics
Mr Pieter Everaers Mr James Whitworth as alternate	Eurostat	Director Agriculture and Environment Statistics, Statistical Cooperation, Statistical Office of the European Communities Head of Unit, International Statistical Cooperation, Statistical Office of the European Communities
Mr Jairo Castano	FAO	Senior Statistician, Economic and Social Department Group, Bangkok
Mr Manik Shrestha	IMF	Deputy Chief of Statistics Department's Real Sector Division
Mr Alick Nyasulu	SPC	Macro-economic statistics expert

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Person	Position
Mr Jan Smit	Section Chief Statistical Development and Analysis Section
Ms Margarita Guerrero	Regional Adviser on Statistics
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