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Item 3 (o) of the provisional agenda*

**Items for discussion and decision: statistics for economies
based on natural resources****Report of the Ulaanbaatar Group on Statistics for
Economies Based on Natural Resources****Note by the Secretary-General**

In accordance with Economic and Social Council decision 2016/220 and past practices, the Secretary-General has the honour to transmit the report of the Ulaanbaatar Group on Statistics for Economies Based on Natural Resources. The report summarizes the activities of the Ulaanbaatar Group since the issuance of its previous report ([E/CN.3/2016/30](#)) and presents information on its programme of work. The Ulaanbaatar Group will present a draft of the handbook it has prepared on statistics for economies based on natural resources. The Statistical Commission is invited to discuss the report and adopt the handbook on statistics for economies based on natural resources, which contains international guidelines for the production of statistics on mining and related activities.

* [E/CN.3/2017/1](#).



Report of the Ulaanbaatar Group on Statistics for Economies Based on Natural Resources

I. Introduction

1. The joint initiative between Mongolia and Australia to establish the Ulaanbaatar Group on Statistics for Economies Based on Natural Resources was discussed and endorsed by the Statistical Commission at its forty-third session, held in New York from 28 February to 2 March 2012 (see [E/2012/24](#), chap. I.B, decision 43/108).

2. The primary goals of the Group are to develop methodological and practical guidelines on statistical measurements for economies based on natural resources. The Group makes recommendations by establishing best practices in respect of concepts and methods to track mining industry activities and investments in mining; to accurately measure the mining industry's contribution to the economy; and to assess the impacts of mining on other social, environmental and economic sectors within the framework of the System of National Accounts and the System of Environmental-Economic Accounting. In addition, the Group aims to collaborate with countries that have economies based on natural resources and to develop practical recommendations on measuring the impacts of mining on the environment and on ensuring the comprehensiveness, reliability, accuracy, timeliness and comparability of relevant statistical data.

3. The Group intends to publish a handbook on statistics for economies based on natural resources, covering methodological and practical guidelines for statistical measurements.

II. Activities of the Group in 2016

4. The main focus of the Group in 2016 has been to examine methodologies to measure the impact of mining on the economy, society and the environment. The Group has drafted a handbook on statistics for economies based on natural resources.

5. The Group has drafted its report, incorporating comments from member countries, and submitted it to the Statistical Commission through the Statistics Division of the Department of Economic and Social Affairs of the Secretariat.

6. From 5 to 9 September 2016, the Group provided technical assistance to the National Statistical Office of Mongolia to help improve the measurement of natural resources in national accounts statistics. The mission analysed natural resources in the national accounts using the template prepared by IMF, as described in the draft handbook.

A. Meetings

7. The fifth meeting of the steering committee, hosted by the National Statistical Office of Mongolia, was held in Ulaanbaatar from 13 to 16 September 2016. It was

attended by representatives of Australia, Mongolia, including staff from line ministries involved in natural resources statistics, the Russian Federation, Viet Nam, the Economic and Social Commission for Asia and the Pacific (ESCAP), the International Monetary Fund (IMF) and the United Nations Industrial Development Organization (UNIDO).

8. The committee discussed the outline of the handbook, reviewed the content of its chapters in detail and planned follow-up activities up to February 2017, agreeing that the final draft would be submitted to the Statistical Commission in 2017.

9. The steering committee decided:

(a) That it was necessary to accelerate countries' efforts and participation with regard to the finalization of the handbook;

(b) That all chapters of the handbook should be reviewed and compiled on the basis of the committee's comments;

(c) That the final draft of the handbook should be submitted to the Statistical Commission in 2017;

(d) That UNIDO, ESCAP and IMF should promote the Group's activities more broadly;

(e) That the Group should review its indicators to maximize synergies with the Extractive Industries Transparency Initiative (see <https://eiti.org/>);

(f) That follow-up activities should be decided by the Statistical Commission.

B. Updating the handbook

10. Reviewing and updating the handbook on statistics for economies based on natural resources was the Group's main task in 2016.

11. Contributions were received from numerous international entities, including UNIDO, ESCAP and IMF.

12. Group members revised their chapters on the basis of comments made at the two most recent meetings of the steering committee and submitted them to the management team of the Group.

13. The management team compiled the final draft of the handbook, incorporating the revised chapters. This activity was carried out mainly by the Australian Bureau of Statistics and the National Statistical Office of Mongolia.

C. Best practices

14. The Group collected national best practices from India, Kazakhstan, Mexico and Mongolia, which were incorporated into the different parts of the handbook.

15. Towards the end of 2015, the National Statistical Office of Mongolia conducted a survey to determine the impacts of mining on the economic, social and

environmental situation in certain areas. The findings of the survey have been integrated into the handbook.

D. Online discussion forum

16. A discussion forum was set up on the UNIDO website to facilitate communication between the members of the Group and thus expedite the work of revising the handbook. It was launched by UNIDO at the fifth meeting of the steering committee, in September 2016.

E. Governance

17. The Group includes a steering committee and an expert group. When the Group was set up in 2012 it was co-chaired by Mongolia and Australia, but Mongolia has since had to step down from the role, and the Group is currently chaired by Australia. It comprises representatives of national statistical offices, international organizations and non-governmental organizations.

18. Experts from the national statistical offices of Australia, Azerbaijan, Brazil, China, Iran (Islamic Republic of), Kazakhstan, Madagascar, Mexico, Mongolia, the Russian Federation and Viet Nam, and from the Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT), UNIDO, ESCAP and IMF, have worked very closely in recent years.

F. Key outputs

19. The Group has produced several key outputs, including a series of presentations given at its meetings held in 2014, 2015 and 2016. The presentations represent a significant body of work undertaken by members of the Group and have been incorporated into the final draft of the handbook.

20. The main output of the Group is the handbook on statistics for economies based on natural resources, whose primary purpose is to enable national statistical offices to produce a set of statistics on mining and related activities that would be beneficial to decision makers. The handbook will assist in measuring and assessing the contribution of mining to the economy and its impact on society and the environment. It provides recommendations and best practices to ensure the coverage, reliability, accuracy and relevance of statistical data.

21. During the fifth meeting of the steering committee, participants carried out an in-depth review of the draft handbook.

22. The Group prepared a report on its activities, which it submitted to the Statistical Commission at its forty-seventh session.

23. The glossary for the handbook, developed on the basis of work done by Mexico, was further updated and provided online by UNIDO (available at <http://stat.unido.org/glossary>).

24. The findings of the survey on the impacts of mining on the economy, society and the environment in Mongolia were included in the handbook.

25. The key users of the handbook will be the national statistical offices for which it will serve as a guide for producing a set of statistics on mining and related activities. Decision makers and researchers will also benefit by gaining deeper insight into the data produced by the national statistical offices. Appropriate and timely statistics are essential to inform governments, businesses and communities about the decisions that must be made to ensure that they maximize the use of natural resources.

III. Future activities

26. While the Group looks forward to the completion of its mandate, it acknowledges that important tasks remain to be accomplished once the handbook has been published: (a) promoting the guidelines; (b) following up on the implementation of the guidelines; and (c) addressing topics for future work and research as presented in chapter 10 of the handbook. The Statistical Commission is in a position to advise on how these tasks will be carried out in the future.

27. In that connection, with a view to promoting the guidelines and following up on their implementation, Mongolia could be selected as a pilot country for implementing the handbook.

IV. Action required of the Statistical Commission

28. The Statistical Commission is invited to transmit any comments it may have on the final draft of the handbook for consideration by the Group before the handbook is finalized for publication.

29. The Statistical Commission is also invited to recommend the handbook for use by Member States.

30. Furthermore, the Statistical Commission is invited to advise on the future of the Group, namely, with regard to its activities once the handbook has been published.