Exchange and Sharing of Economic Data
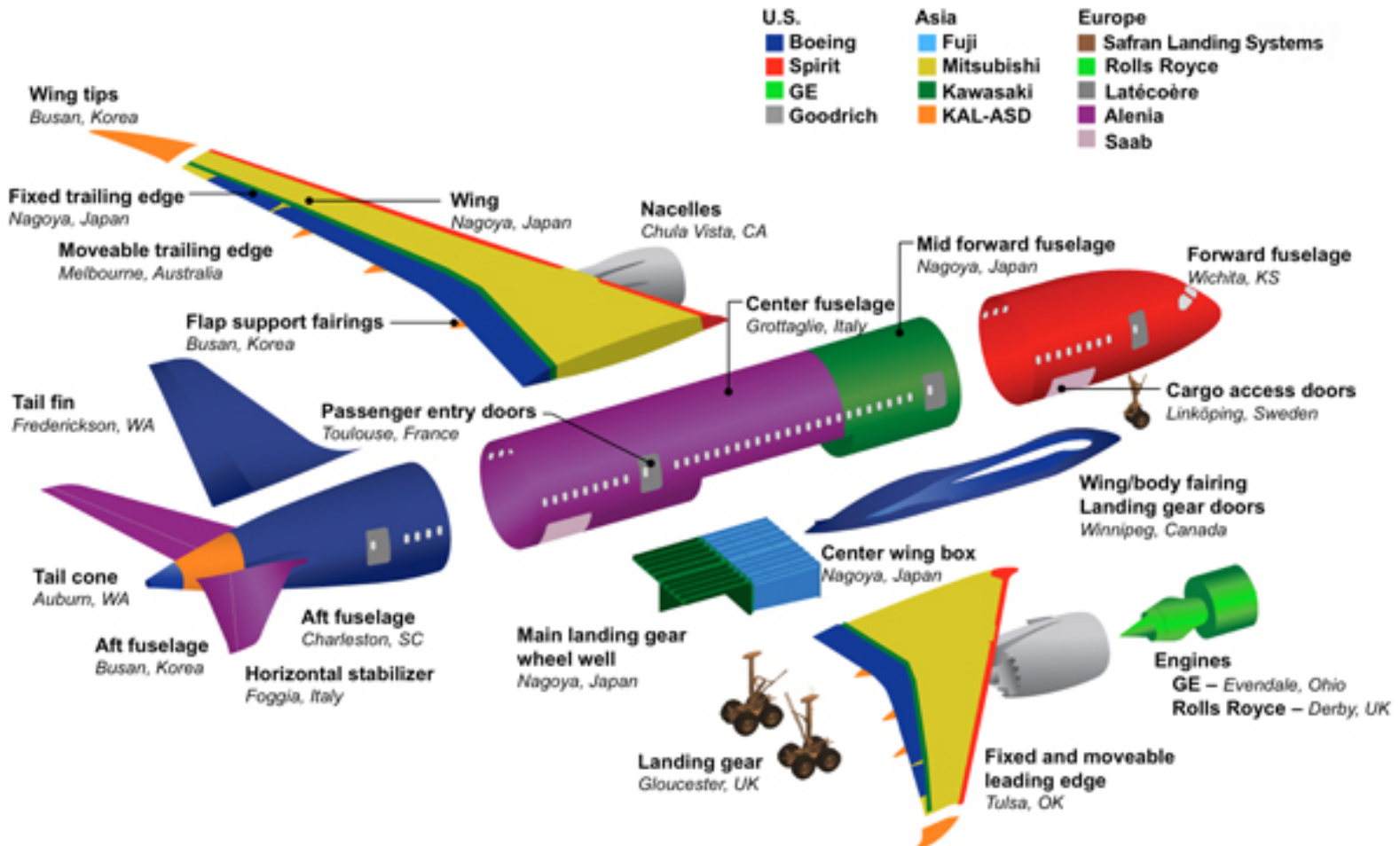
UNECE Task Force

STATISTICS

Why do we need data sharing?

- Multinational Enterprise Groups (MNE) represent the single largest measurement challenge facing producers of economic statistics

- Statistics can no longer be produced in the national context alone

- Sharing data on MNEs nationally and internationally has become an imperative to guaranteeing the high quality of statistics
  - to understand MNEs' global structures better
  - to figure out how MNEs organize their activities
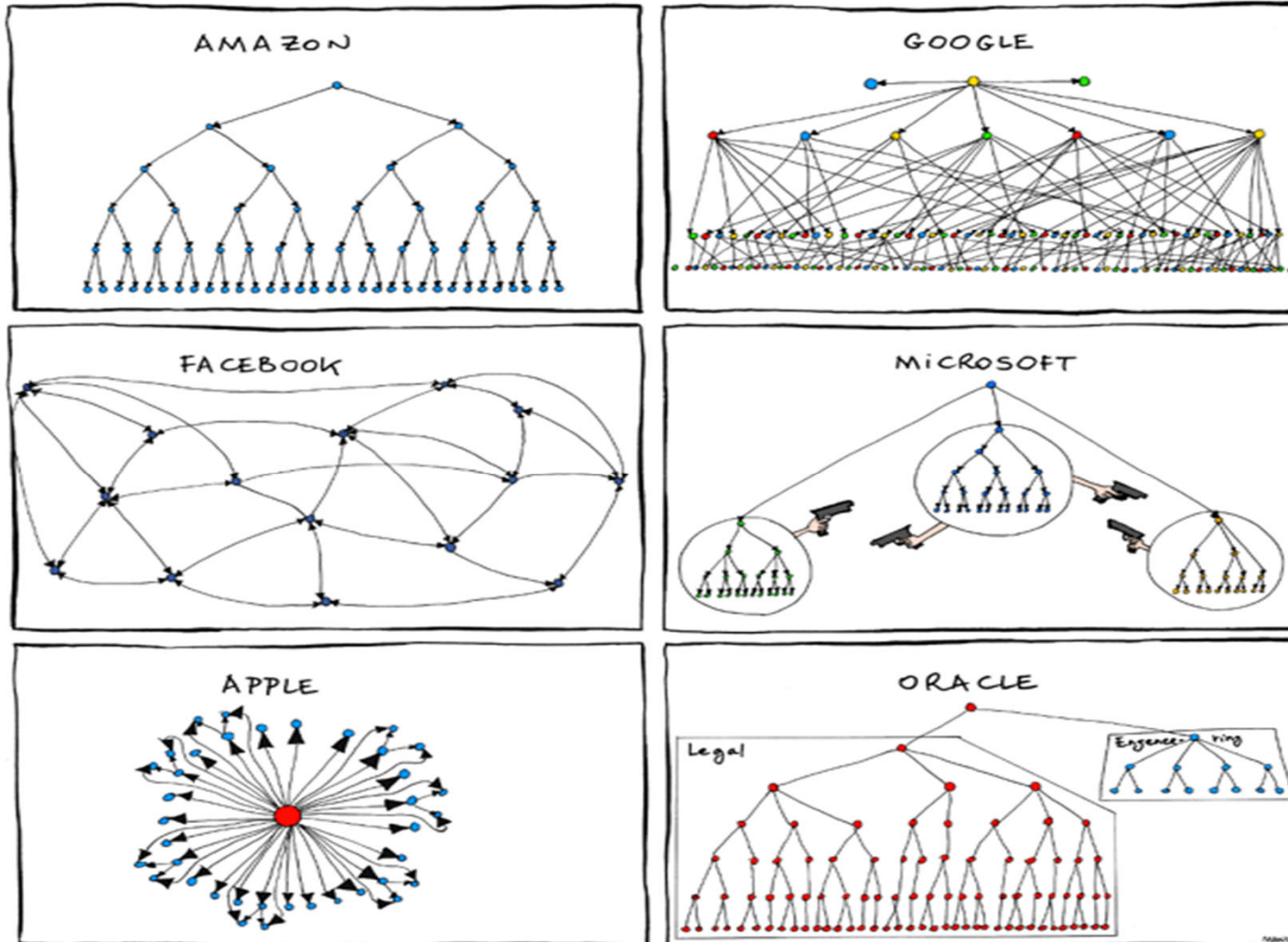 - to identify changes in their organizational structures

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MNEs are increasingly global

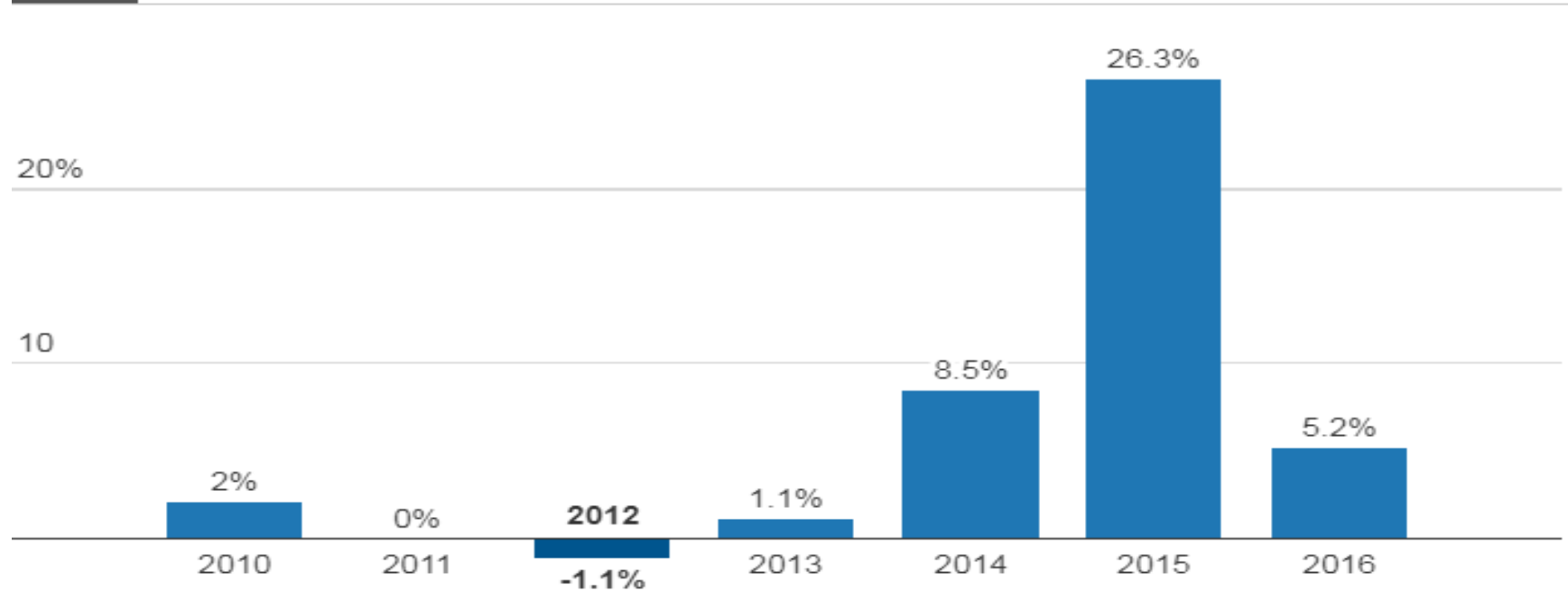# Comprehensive understanding of MNEs' activities and structures is missing

Challenges to the quality and accuracy of statistics

Annual growth rate

GDP GNP

Source: CSO

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UNECE work jointly with OECD and Eurostat on impact of globalisation since 2006

- Guide on the Impact of Globalization on National Accounts (2011)

- Guide to Measuring Global Production (2015)

- Regular expert meetings on measuring global production since 2013

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In-depth review & Task Force

- In 2016, the CES Bureau carried out an in-depth review of data sharing for statistics

- A survey of NSOs: 48 replies revealed many possible benefits and many obstacles

- A Task Force was set up (Canada, Denmark, <u>Finland</u>, Ireland, Italy, Mexico, Poland, the Netherlands, United Kingdom, United States, ECB, Eurostat, IMF, OECD, UNECE, UNSD and WTO)

2018 CES plenary session: Interim report

- Data sharing is extremely important to keep economic statistics up-to-date and relevant

- The work should progress in steps, but quickly

- A reliable legal framework is an important precondition for data exchange

- Data exchange can be also beneficial to MNEs and open up a good partnership opportunity

- International organizations should offer a platform for advancing data exchange

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Consultative process in 2018

- **Group of Experts on National Accounts**
  - Consider resources needed, draft templates, explore possibilities within current laws, promote large and complex cases units (LCUs)

- **OECD WPNA meeting**
  - Reconciliation, LCUs, data sharing in other domains (e.g. taxation), communication

- **Advisory Expert Group on National Accounts**
  - NSOs need to dedicate resources to data sharing, need to present success stories, data to highlight asymmetries

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Tentative structure of the guidance

1. Executive summary and main recommendations
2. Why share economic data?
3. Obstacles and enablers of data sharing
4. Status of data sharing in statistics
5. Prerequisites for better reconciliation of MNEs' data
6. Communication and engagement with MNEs
7. Principles and practices of secure data exchange
8. Way forward

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Develop a vision for statistical data sharing

- **If we had all the data needed at hand:**
  - We could reconcile MNE data globally
  - We could produce economic statistics without asymmetries
  - Same data only collected once from MNEs > across countries
  - Research and decisions based on more accurate statistics
  - Rich and better analysis of economic globalisation

- **To get there we need to answer questions like:**
  - Where would the MNE data reside – in a global data base?
  - How would the data end up there – secure data exchange platform?
  - Who would collect and validate data – single or multiple points?
  - Who would have access – certified statistical authorities?

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Time for a cultural change?

- For decades, statisticians have developed statistical standards internationally to ensure comparability

- We have developed common statistical production models and shared software (HLG – MOS standards)

- Time to engage internationally in data reconciliation?
  - Even sharing of aggregated data helps to identify problems and asymmetries
  - Start nationally between main producers of economic statistics
  - Engage internationally with important trade partner countries

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First steps for National Statistical Offices

1. Review current national legal and statistical frameworks

   - Clarify how the law treats data sharing for statistical purposes nationally and internationally > amend

2. Modernize interpretation of legislation, confidentiality procedures and rules

3. Allocate resources for statistical data sharing and reconciliation

4. Participate in international work

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First steps for International Statistical Organizations

1. Set up and coordinate a global network of experts on MNEs

2. Create and maintain a register of the largest MNEs > e.g. ADIMA extension for statistics

3. Create multi-country databases which highlight mirror statistics and large asymmetries

4. Develop a Guide to Data Reconciliation

Next steps

- The Guidance is expected to be finalised by September 2019

- Consultation with the CES member countries in early 2020

- For the adoption of the CES plenary session in 2020

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