



Economic and Social Council

Distr.: General
19 December 2019

Original: English

Statistical Commission

Fifty-first session

3–6 March 2020

Item 3 (e) of the provisional agenda*

Items for discussion and decision: international trade and business statistics

Joint report of the Committee of Experts on Business and Trade Statistics and the Inter-Agency Task Force on International Trade Statistics

Note by the Secretary-General

In accordance with Economic and Social Council decision 2019/210 and past practices, the Secretary-General has the honour to transmit the joint report of the Committee of Experts on Business and Trade Statistics and the Inter-Agency Task Force on International Trade Statistics. In section II of the report, the progress of the Committee of Experts on Business and Trade Statistics is described in advancing improved business statistics in the following work streams: globalization and digitalization; well-being and sustainability; business dynamics demography and entrepreneurship; exhaustive business registers; and capacity-building (leaving no one behind) on business registers. It also provides a description of the Committee's activities on coordination, communication and the development of global databases.

In section III of the report, the work of the Inter-Agency Task Force is presented in the following areas: developing a handbook on measuring digital trade; reducing trade asymmetries; developing a global data set on trade in services by mode of supply; coordinating statistical capacity-building in trade statistics; and measuring the economic activity of multinational enterprises at the global level. Information is also provided on the progress made in evaluating the terms of reference of the Inter-Agency Task Force, as requested by the Statistical Commission in 2014.

The Statistical Commission is invited to express its views on the progress of work of the Committee and to take note of the activities of the Inter-Agency Task Force, including the first version of the handbook on measuring digital trade.

* E/CN.3/2020/1.



Joint report of the Committee of Experts on Business and Trade Statistics and the Inter-Agency Task Force on International Trade Statistics

I. Introduction

1. In its decision 50/111, adopted at its fiftieth session in March 2019, the Statistical Commission:

(a) Welcomed the joint report of the Wiesbaden Group on Business Registers, the Committee of Experts on Business and Trade Statistics and the Inter-Agency Taskforce on International Trade Statistics, and commended all parties on the efforts made to facilitate a combined discussion on the interrelated topics of international trade and business statistics;

(b) Congratulated the Wiesbaden Group on the progress made on a number of emerging issues and supported its workplan;

(c) Endorsed the name of the Committee of Experts on Business and Trade Statistics, and supported the proposed work streams of the task teams of the Committee on: globalization and digitalization; well-being and sustainability; business dynamics, demography and entrepreneurship; exhaustive business registers; and capacity-building;

(d) Requested the Committee to consider small amendments to the mandate and governance of the Committee, as contained in annex I to the report, including a periodical update to the mandate and governance;

(e) Endorsed the United Nations guidelines for statistical business registers, encouraged countries to use the guidelines when establishing and maintaining their statistical business registers, and requested the Committee to develop a capacity-building programme on statistical business registers;

(f) Requested the Committee to report on the progress made in its work to the Commission at its fifty-first session;

(g) Endorsed the International Classification of Non-Tariff Measures for data collection across countries and for reporting on internationally comparable data on non-tariff measures;

(h) Noted the activities of the Inter-Agency Task Force on International Trade Statistics.

2. Section II of the present report contains a summary of the progress made by the Committee of Experts on Business and Trade Statistics in its work, on the basis on the outcome of its second meeting, held in New York in June 2019, and the meetings of its task teams in 2019. Section III contains an update of the work of the Inter-Agency Task Force, and points for discussion are presented in section IV.

II. Committee of Experts on Business and Trade Statistics

3. The Committee of Experts on Business and Trade Statistics held its second meeting in New York from 11 to 13 June 2019. During the meeting, the Committee reviewed the work in the five work streams and provided advice on future work. An important outcome of the meeting was the decision to develop a strategy for the future of business and trade statistics that would be agile and responsive to the new emerging issues.

4. The main thrust of the Committee is its strategic view for business statistics. The strategic view sets out to develop statistics that are responsive to new and emerging user needs in the context of the 2030 Agenda for Sustainable Development. The strategy serves to support the notion of a of a continuously updated comprehensive policy framework that will guide the development of relevant and responsive business and trade statistics. This data solution for business and trade statistics is to be elaborated in partnership with countries and agencies of the global statistical system to foster coherence and consistency of the statistics and alignment with user demands.

5. The strategic view for business and trade statistics is based on the full exploitation of the statistical business registers and the introduction of innovative developments to enhance data integration using a spine concept. The spine concept will allow for new data solutions in data organization and data collection methods and the use of innovative technologies. The use of business registers not only supports the dissemination of more granular information, given its census-like nature, but also facilitates the adoption of new classification schemes and the production of key economic indicators, such as for measures of productivity, profitability and new jobs. Moreover, the use of business registers is the appropriate statistical infrastructure for providing the information about enterprise-level heterogeneity that is requested by policymakers and business analysts. The strategic view also serves to foster better and more effective communication, both within and outside of the community of official business statisticians. The strategic view for business and trade statistics is enterprise-centred in recognition of the fact that they play a crucial role in business decision-making and therefore in the business activity across the size spectrum, from large to household enterprises and from macrostatistics to microstatistics. The full strategy for business and trade statistics is available as a background document.

6. Set out below is a brief description of the progress made in the Committee's work streams (section A); the main elements of the capacity-building programme on statistical business registers (section B); and the Committee's activities in coordination and communication (section C) and in the development of global databases (section D).

A. Work streams of the Committee

7. The work programme of the Committee is organized around five work streams: globalization and digitalization; well-being and sustainability; business dynamics, demography and entrepreneurship; exhaustive business registers; and capacity-building (leaving no one behind) on statistical business registers. During the past year, the task teams advanced their workplans. Their work progress is presented below.

Task team on globalization and digitalization

8. The task team, led by Statistics Canada, is responsible for developing a core set of indicators that measure the drivers of globalization and digitalization and their impact on businesses. It articulates a policy and analytical framework for globalization and digitalization – to be supported by business and trade statistics and business registers – to inform the role of (multinational) enterprises in the global and digital economy. The work stream addresses the shared priority areas for the update of the system of economic statistics related to issues concerning the measurement of activities of multinational enterprises. For this component of the work streams, close cooperation is sought with statistical groups undertaking research for the update of the 2008 System of National Accounts (SNA) and the sixth edition of the *Balance of Payments and International Investment Position Manual*. Another component

advances global mechanisms for effective data-sharing and profiling (through, for example, the establishment of large case units).

Task team on well-being and sustainability

9. The task team, led by the Office for National Statistics of the United Kingdom of Great Britain and Northern Ireland, focuses on the measurement of decent work and informality and on the contributions of businesses to sustainability, as set out in the 2030 Agenda. It is responsible for developing a core set of indicators to provide information on the quality of jobs and the contributions to the Sustainable Development Goals. Building on country practices, the task team drafts international guidelines on a core set of business indicators and related data collection practices. It works closely with the International Labour Organization and the United Nations Conference on Trade and Development (UNCTAD), which are members of the task team.

Task team on business dynamics, demography and entrepreneurship

10. The task team, led by the National Institute of Statistics and Geography of Mexico (INEGI), is responsible for formulating an internationally agreed core set of statistics and indicators on business dynamics, demography and entrepreneurship. The set of indicators serves to inform new and emerging needs related to business activity and reflect a variety of data sources, combining information from statistical business registers, surveys, censuses and administrative data. The set of business statistics and indicators will be based on a thorough understanding of the policy and analytical frameworks for business activity. The guidelines on the indicators to be prepared by the task team will cover the policy and analytical framework for business dynamics, demography and entrepreneurship, the list of core and desirable indicators together with their metadata, and the collection and compilation practices for the statistics and indicators.

Task team on capacity-building (leaving no one behind) on statistical business register

11. The task team, led by the Palestinian Central Bureau of Statistics, is responsible for developing a maturity model for the stages of development of a statistical business register that supports the global assessment of the status of implementation of statistical business registers in countries, and the formulation of innovative capacity-building programmes that address the various stages of maturity in terms of data solutions and the technological and institutional environment. The task team brings together the international and regional organizations that implement technical assistance programmes for statistical business registers, such as the African Development Bank, the Asian Development Bank and the International Monetary Fund (IMF).

12. The maturity model is being jointly developed with the task team on exhaustive business registers. Both task teams are elaborating guidelines for the maturity model which describe the uses of the maturity model; the dimensions of the maturity model and the stages of development for each dimension; the visualization of the stages of maturity in countries; and the links between the maturity model and existing methodological and technological guidelines for statistical business registers. The maturity model will be foundational for the components of the capacity-building programme for statistical business registers.

Task team on exhaustive business registers

13. The task team, led by Statistics Netherlands, is responsible for developing an innovative strategic view for statistical business registers. Traditionally, the primary purpose of statistical business registers is to provide the sampling frame for statistical units and their characteristics in support of surveys. The innovative strategic view is broadening that purpose of statistical business registers to include their role in data integration of information, the provision of statistics with a high degree of granularity, the reduction of response burden, and the production of national and international statistics through the linking of statistical units. Furthermore, building on the Australian experience, the task team is working on the elaboration of a modern structure for statistical business registers that introduces the spine model. In a spine model, statistical registers are no longer held in separate single structured databases but rather in a data lake using data linking techniques. The business register, along with other statistical registers, will provide the spine or backbone of the statistical register infrastructure that creates the capability to link to socioeconomic and environmental data sets. The new spine model, based on a globally unique identifier, will also foster horizontal integration of statistical business registers (across countries) as well as vertical integration at the national, regional and global levels (for example between the EuroGroups register and the United Nations global group register). The task team is working with the task team on capacity-building that is developing the maturity model for statistical business registers and guidance on moving from one stage to another.

14. There are several cross-cutting issues between the work streams of the Committee that are both conceptual and operational in nature. The Bureau of the Committee, consisting of leaders of the task teams, Eurostat, the Organization for Economic Cooperation and Development (OECD), the Statistics Division of the Department of Economic and Social Affairs of the Secretariat and the Chair of the Committee, regularly discusses the progress made in the work of the task teams and cross-cutting issues. The coordination of the Bureau ensures that the deliverables of the task teams are coherent and consistent. In addition, the task team leaders share their intermediate reports in order to collect input from the other task teams.

B. Training and capacity-building programme for statistical business registers

15. The statistical business register is the backbone of the statistical infrastructure in any country. The existence of a well-developed business register facilitates data linking and integration to produce statistics. Nonetheless, many countries are struggling in terms of developing, maintaining and updating business registers, and plans are therefore under way for the development of an internationally agreed training and capacity-building programme. The training and capacity-building programme will be delivered by the task team on capacity-building (leaving no one behind) on statistical business registers. The maturity model on statistical business registers is at the core of the programme. It allows for a systematic assessment of the stages of maturity of statistical business register in countries and the identification of the steps for their improvement.

16. Several regional and international agencies provide aid to countries for strengthening statistical business registers. It is therefore important that the training and capacity-building programme for statistical business registers build on the information technology tools and training materials of each agency. In this way the training and capacity-building programme will adopt a collaborative inter-agency approach and can pursue an internationally agreed training and capacity-building

programme for statistical business registers that addresses different stages of maturity of the registers.

17. As part of the development of the training and capacity-building programme, the existing information technology tools and guidance materials will be reviewed and new materials and tools developed, where gaps exist. The training and capacity-building programme will make use of innovative tools, such as e-learning, blended training and certification. Such an innovative programme will allow for cost-effective scaling of the number of participants and continuous learning by the trainees.

18. The training and capacity-building programme will serve to address the development, maintenance and updating of business registers in a holistic manner. As a multi-faceted approach, it will cover topics such as the legal framework for access to administrative data, the promotion of a unique global identifier, information technology solutions and promotion of the awareness of good business registers.

C. Coordination and communication

19. Coordination should ensure that the various statistical groups and international agencies active in the field of business statistics (related to methodological development, training and capacity-building, and data collection) work coherently and avoid overlaps of their activities.

20. The Committee systematically reviewed the list of existing statistical groups working under the auspices of the Statistical Commission and other statistical groups operating under other agencies. The Bureau of the Committee agreed that a formal mechanism for collaboration and coordination could be put in place for those groups that were closely related to the work areas of the Committee by broadening the membership of the Bureau with representatives of these statistical groups. In 2019, the Committee approached the steering group of the Wiesbaden Group on Business Registers to propose that it become a member of the Bureau. The steering group welcomed the proposal and nominated Arturo Blancas, INEGI, to represent the Wiesbaden Group in the Bureau. The Bureau will extend invitations to other relevant groups in the future.

21. Communication is recognized as an important aspect of the work of the Committee. The mandate of the Committee stipulates user consultations on the relevance and responsiveness of business and trade statistics. Regular user consultations with representatives of the academic, business and government sectors allows for the sharing of practices in the use of business and trade statistics and the identification of emerging areas, such as globalization, digitalization, well-being and sustainability, and the 2030 Agenda.

22. The Bureau has agreed that a dedicated task team on communication is to be established to develop a communication strategy tailored to the needs of different users. The communication strategy will consider a variety of communication channels, such as the development of a dedicated website and knowledge base, the creation of a newsletter and the organization of a users' forum. The Statistics Division will host the website of the Committee.

D. Development of global databases

23. In decision 46/107 adopted by the Statistical Commission at its forty-sixth session in March 2015, the Commission agreed with the creation of a global enterprise group register, building on and considering lessons learned from the ongoing EuroGroups register project. The Statistics Division has been working closely with

Eurostat in developing the global group register. However, fundamental differences exist between the United Nations global group register and the EuroGroups register, as the latter is built on countries' statistical business registers. In the case of the United Nations global group register, there is no access to countries' statistical business registers, and the register is built only from publicly available information.

24. At its second meeting in June 2019, the Committee encouraged the Statistics Division to work with the task team on exhaustive business registers to make a business case for the development of the United Nations global group register, building on existing initiatives such as the Analytical Database on Individual Multinationals and Affiliates (ADIMA), and exploring future possibilities of collaboration. The Statistics Division and the task team are developing a strategy to verify the reliability of the information as well as a sustainable mechanism for maintaining and updating the United Nations global group register on a regular basis. The Statistics Division aims to release preliminary versions of the United Nations global group register in the course of 2020.

25. Beyond the United Nations global group register, the Committee is exploring how global databases on business and trade statistics held by various agencies of the United Nations and other organizations can be made more discoverable and accessible. For this purpose, the Committee is considering developing a central repository of hyperlinks to the relevant databases arranged by topical areas. Not only will this central data repository be an adequate response to make statistics and data more accessible to users, it will also allow for a virtual connection and dialogue with the user community for business and trade statistics. The Statistics Division will host the central data repository.

III. Inter-Agency Task Force on International Trade Statistics

26. The Inter-Agency Task Force on International Trade Statistics was established by the Statistical Commission in 2014 and is co-chaired by OECD and the World Trade Organization (WTO). The mandate of the Inter-Agency Task Force covers both international merchandise trade and international trade in services statistics, and aims to increase the availability, quality and comparability of trade statistics.

27. The Inter-Agency Task Force acts as the channel for advancing improvements to international trade statistics and works in collaboration with the IMF Committee on Balance of Payments Statistics and other existing international organization working bodies, such as the OECD Working Party on International Trade in Goods and Trade in Service Statistics, the OECD Expert Group on Extended Supply-Use Tables, the OECD network of regional trade in value added initiatives and the Eurostat Balance of Payments Working Group, including its work on trade in goods statistics by enterprise characteristics and the Eurostat Expert Group on International Trade and Economic Globalization.

A. Activities

28. The Inter-Agency Task Force tackles the following challenges:

- Reducing bilateral trade asymmetries for global value chain analyses
- Measuring trade in services by mode of supply
- Measuring digital trade
- Conceptual and practical issues affecting the measurement of international trade and global value chains

- Statistical capacity-building
 - Building an analytical database on individual multinationals and their affiliates
 - Classifications and correspondence tables
29. Its work includes the following areas:
- Balanced bilateral trade in services data set (OECD and WTO)
 - Balanced merchandise trade data set (OECD)
 - A database on international transportation and insurance margins (OECD)
 - A database on merchandise trade price indices (OECD)
 - A database on trade in services by modes of supply (WTO)
 - Additional items included in the United Nations International Trade Statistical Database (Statistics Division)
 - Trade in goods (and services) statistics by enterprise characteristics (Eurostat and OECD)
 - Trade in value added estimates produced by OECD, WTO and Eurostat (International and Global Accounts for Research in Input-Output Analysis project (FIGARO))

B. Feedback from the 2019 meeting

30. The 2019 meeting of the Inter-Agency Task Force was held in Paris on 10 and 11 October. The agenda covered the following items: measuring digital trade, reducing bilateral trade asymmetries; updating the sixth edition of the *Balance of Payments and International Investment Position Manual*; compiling international trade in services statistics; measuring trade in services by modes of supply (and the WTO database on trade in services by modes of supply); statistical capacity-building; the analytical database on individual multinational enterprises and their affiliates; and international merchandise trade statistics (unit value index, the Harmonized Commodity Description and Coding System matrix and quality work).

1. Digital trade

31. In 2016, the Inter-Agency Task Force agreed to form an informal expert group to develop a handbook, setting out the conceptual boundaries and providing compilation guidance on the measurement of digital trade. A draft version of the handbook was circulated in advance for discussion, reflecting the outcome of two earlier meetings of the informal expert group (comprising around 20 developed and emerging economies and international organization members of the Inter-Agency Task Force), and of discussions held at various OECD and Eurostat working groups on trade and earlier meetings of the IMF Committee on Balance of Payments Statistics.¹

¹ Development of the handbook has also benefitted from discussions among various policy forums, including at the Directorate General for Trade of the European Commission, the World Trade Organization, the Organization for Economic Cooperation and Development (OECD) and within the Group of 20 working groups on trade and investment and the digital economy. In addition, its development has benefited from three surveys conducted by OECD and the International Monetary Fund. It has also been developed in close coordination with the OECD informal advisory group on measuring the impact of digitalization on gross domestic product and, in particular, with the key accounting framework – digital supply-use tables – created by the group.

32. As a result of those earlier deliberations, there is now agreement that digital trade should be defined as transactions that are digitally ordered and/or digitally delivered, following the framework set out in figure 2.1 of the handbook (attached as a background document to the present report).

33. From the outset, it was recognized that the handbook would need to be a living document that brought together national practices as they emerged, in particular because the momentum engendered by the handbook should encourage the more systematic measurement of digital trade.

34. To ensure that the handbook attained that status and could continue to evolve in line with emerging national best practices, the Inter-Agency Task Force agreed to take stock of the situation at the end of 2019, upon delivery of the first complete version of the handbook, to determine whether a follow-up meeting of the informal expert group would be necessary. The first complete version of the handbook is now available and will be disseminated on international agency websites. The Statistical Commission is requested to provide assistance in ensuring the wide take up and dissemination of the handbook among countries.

2. Bilateral trade asymmetries

35. OECD presented an update on and future plans for its balanced international merchandise trade database. Regarding future plans, OECD highlighted its intention to include more countries and longer time series (through correspondence tables bridging Harmonized Commodity Description and Coding System versions). In addition, OECD is also working towards including new modules that incorporate feedback from FIGARO (the European Union trade in value added initiative) and the North America trade in value added initiative, as well as new data on Singapore re-exports and export processing zones in Costa Rica.

36. OECD intends to update its balanced trade in services database in 2020. The Inter-Agency Task Force welcomed OECD efforts and stressed the importance of ensuring that balanced databases such as those must always be clearly differentiated from official statistics, preferably by describing the data sets as analytical, or by using other expressions such as experimental.

3. Update to the sixth edition of the *Balance of Payments and International Investment Position Manual*

37. IMF described a number of areas that are the subject of ongoing or planned investigations as part of the research agenda of the sixth edition of the *Balance of Payments and International Investment Position Manual*. These include a number of issues falling under the broad umbrella of the digital economy such as: (a) the classification of transactions related to the digital economy (information and communications technology (ICT), cloud computing and mobile applications); (b) the definition of the sharing economy; (c) transactions and challenges related to digital intermediation platforms; (d) a number of challenges related to Internet activities (for example, e-commerce, gambling, use of e-money, crowdfunding and financial technology); (e) trade in data; and (f) ICT and potentially ICT-enabled services.

38. Deliberations continue on the recommended price basis to measure trade transactions, in particular whether invoice values should be preferred to the current free on board valuation. The IMF/OECD survey on this question had shown that a majority of countries had unfavourable views on the initial proposal and its practical feasibility, but there is general agreement that the topic merits further reflection, with 10 countries expressing an intention to follow up with more detailed investigations.

39. Further research is needed to classify international trade by currency and a related examination is needed of the treatment of commodity trade prices under long-term trade contracts.

40. More detailed taxonomies of trade in services are needed. An active area of research concerns cost-per-action or cost-per-click breakdowns, which are easier to link to other macroeconomic statistics. But there was a recognition that the Extended Balance of Payments Services Classification 2010 remains the primary vehicle, not least because it had been designed in large part around data sources.

41. Another topic to be addressed within the update to the sixth edition of the *Balance of Payments and International Investment Position Manual* is merchanting of services. It is proposed to record the flows as direct from the producer of the service being brokered to the final consumer, unless the merchant bundles and transforms the services (in which case the transactions should not be treated as merchanting).

4. Eurostat work on international trade in services

42. Eurostat presented its work on allocating services statistics by end-use category. The main results show that European Union trade in intermediate services was twice as high as trade in “final” services.

43. Eurostat also presented an update on its project to research trade in services by enterprise characteristics. The main areas of research include:

- Breakdowns of trade by characteristics (by ownership, in addition to the standard size and industry breakdowns)
- How enterprises in different industries purchase and supply goods and services, and how this relates to their primary activity
- Mechanisms for bridging trade in services by the Extended Balance of Payments Services Classification with the General Industrial Classification of Economic Activities within the European Communities

44. The database on trade in services by enterprise characteristics makes it possible to analyse the exports and imports of such services at the enterprise level of detail. The profiling of traders is crucial to gaining an understanding of the drivers and consequences of trade in services at the enterprise level and complements the big picture provided by traditional statistics on trade in services.

5. Measuring trade in services by modes of supply

45. WTO presented its final experimental data set on global trade in services by modes of supply for the period 2005–2017. The data set begins with the balance of payments data of countries and breaks that down into modes 1, 2 and 4, using the Extended Balance of Payments Services Classification 2010. At the same time, a worldwide data set on foreign affiliate trade statistics has been constructed mainly to estimate the size of the supply of foreign affiliate services. The data set follows the scope of the General Agreement on Trade in Services. The aim of this effort is to develop an international benchmark, gradually incorporating any new information.

46. The results show the importance of “commercial presence” (mode 3) as an international mode of supply for services, and the relatively lower importance of other modes at the global level. However, these latter modes can be more important for disaggregated data at the individual country or sector level. Another important aspect is that commercial presence in trade in services by modes of supply is measured for enterprises classified to services based on their primary activity. However, it is clear that services are not only supplied by services enterprises, but also by manufacturing enterprises (and the other way around). It is not possible at this stage to overcome this

issue as virtually no economy reports a breakdown of foreign affiliates trade statistics output (or sales) by product. However, the issue should be considered, and further research is needed.

47. Eurostat also presented a progress report on trade in services by modes of supply, which uses a similar approach to that of WTO. Eurostat noted that its work to build a compilers' guide on mode of supply continues.

6. Statistical capacity-building

48. UNCTAD presented the “train-for-trade in Western and Southern Africa” project. For the e-learning path, in collaboration with the Statistics Division and WTO, the goals are:

- To raise awareness of concepts and methods
- To enhance the ability of statisticians to compile statistics
- To help statisticians to better understand the manuals

49. The target groups are statistics producers, compilers and users. The course lasts for six weeks and includes online lectures, a forum for interaction with experts, a quiz and a face-to-face workshop.

7. Analytical Database on Individual Multinationals and Affiliates

50. OECD presented an update on the Analytical Database on Individual Multinationals and Affiliates, which raised a lot of interest, given the capabilities and possibilities of the database. The database already includes data for the largest 100 multinational enterprises, encompasses a register of their affiliates, a digital register of their websites, a set of indicators at the multinational and national levels and a timely monitoring tool of multinational enterprise restructurings. As for near-future plans, methodological changes will allow for a better treatment of joint ventures, while a release in early 2020 will incorporate 500 multinational enterprises. The monitoring system will be enhanced to avoid false positives by using natural language processing.

8. International merchandise trade statistics – unit value index, the Harmonized Commodity Description and Coding System matrix and quality work

51. OECD presented a new unit value index database designed to estimate international merchandise trade price indices at a detailed level. The project uses detailed data from the United Nations International Trade Statistical Database (United Nations Comtrade) to create a trade price database which has extensive coverage, including product price indices at different levels of aggregation. One of the most robust characteristics of the project is the introduction of iterative outlier detection by Harmonized System 4-digit and quantity units. Combining two outlier detection methods ensures database-wide cross-section and time series consistency.

52. In parallel, the Food and Agriculture Organization of the United Nations, the Statistics Division and the International Trade Centre have undertaken a joint initiative to measure quantities in merchandise trade. The main objectives of this initiative are to develop a joint methodology to detect quantity outliers, and to estimate missing quantity information and implement the joint methodology into the United Nations Comtrade processing system. Given the commonalities between this joint initiative and the OECD initiative mentioned above, a collaborative approach was suggested, particularly for the outlier detection phase.

53. In addition to the joint work on trade and quantity estimation with other agencies (and regular statistical capacity-building), the Statistics Division plans to undertake the following activities:

- Continue working on the Standard International Trade Classification (Revision 5) by aligning it with the forthcoming Harmonized System 2022
- Conduct a global collection of data on trade by enterprise characteristics (and trade in services by enterprise characteristics), taking into account existing initiatives by OECD and Eurostat
- Apply a correspondence of the Classification by Broad Economic Categories (Revision 5) to data received in the original Harmonized System classification and make it available in United Nations Comtrade
- Engage relevant partners to conduct a strategic review of the tools used by countries in compiling international merchandise trade statistics (such as Eurotrace) to ensure its continuity and relevancy.

9. Statistical capacity-building

54. The Inter-Agency Task Force started an in-depth review of the various agencies' statistical capacity-building activities with a view to reducing possible duplication and streamlining activities, such as knowledge-transfer, in order to enhance data quality and reduce trade asymmetries.

C. Coordination with other bodies

55. As noted above, since its inception, the Inter-Agency Task Force has acted as the key body to provide a space for various international initiatives to be aligned and harmonized, avoiding duplication across initiatives and maximizing synergies. The 2019 meeting provided further confirmation of its key and central role in that regard.

56. In 2014, upon creation of the Intersecretariat Working Group on International Trade and Economic Globalization Statistics, the Inter-Agency Task Force was asked to undertake an evaluation of its coexistence with this new group two years after their first meeting scheduled in 2016 (see [E/CN.3/2016/24](#), para. 4).

57. The primary output of the Intersecretariat Working Group was to develop a handbook on accounting for global value chains. It never met formally, operating instead within the committee of national experts developing the handbook and has now been dissolved. During the short-life of the Working Group, the Inter-Agency Task Force took note of its work and ensured that national and international trade in value added initiatives and core international trade statistics contributed to and were aligned in the development of the handbook.

58. In 2018, a new country-led intergovernmental Committee of Experts on Business and Trade Statistics was created. The focus of this Committee, as described in its mandate and governance, is on business statistics and their ability to continue to meet the needs of a number of constituencies, including in relation to trade policy and analysis. The Inter-Agency Task Force has taken the opportunity to review its coexistence with the Committee of Experts and welcomes the latter's mission to promote better business statistics across a wider number of policy areas, such as well-being, sustainability, entrepreneurship and trade.

59. The Inter-Agency Task Force took note of the mandate of the Committee of Experts and welcomed its focus on the interconnection between trade and business statistics, and its recognition that existing bodies, such as the Inter-Agency Task Force

itself, were better placed to drive discussions on the conceptual and technical aspects that characterize the statistical domain of international trade.

60. The Inter-Agency Task Force has also taken note of, and welcomed, the current broader deliberations by the Friends of the Chair and looks forward to their report and recommendations in 2020.

IV. Action to be taken by the Statistical Commission

61. **The Commission is invited:**

(a) **To express its views on the:**

(i) **Strategic view on business statistics, as summarized in section III above;**

(ii) **Progress of work of the task teams of the Committee, as addressed in section II.A above;**

(iii) **Coordination strategy of the Committee with regard to extending the Bureau to relevant groups;**

(iv) **Creation of a task team on communication, as addressed in section II.C above;**

(v) **Progress of work for the development of a global group register and the establishment of a central data repository for business and trade statistics, as addressed in section II.D above;**

(b) **To take note of the:**

(i) **First version of the handbook on measuring digital trade and assist in raising awareness, implementation and visibility at the national level;**

(ii) **Activities of the Inter-Agency Task Force on International Trade Statistics, as addressed in section III above.**