Draft Report of the United Nations Network of Economic Statisticians to the 54th session of the Statistical Commission

As of 28 October 2022

I. Introduction

1. At its fifty-third session, held on-line New York from 28 February–2 March and 4 March 2022, the Statistical Commission adopted decision 53/118 (see E/2022/24, chap. I.B), in which it:

(a) Welcomed the first report of the Network of Economic Statisticians, ¹ and commended the Network for the progress achieved in developing its terms of reference and workplan, and organizing the three sprints on organization, data access, and beyond gross domestic product (GDP);

(b) Welcomed the proposal of the Network to adopt sprints as its preferred working method to increase its ability to be agile and expedite the formulation of statistical responses to fast-evolving and emerging socioeconomic and environmental circumstances in a short time frame;

(c) Commended the Network for enabling North-South and South-South collaboration and dialogue in its activities;

(d) Recognized the efforts of the Network to connect the work of existing committees of experts, for example, the current work of the data access sprint with the work of the Committee of Experts on Business and Trade Statistics in global value chains;

(e) Requested the data access sprint to actively communicate with the private sector and develop collaborative frameworks and strategies to enable access to privately held data;

(f) Requested the beyond GDP sprint to increase the analytical value of methodological guidance on integrated well-being indicators and the harmonization of economic statistics with sociodemographic and environmental statistics, for example, through related regional training workshops and seminars;

(g) Approved the terms of reference of the Network and supported the proposal to include in the report of the Network to the Commission in 2023 a synthesis note summarizing the reports of the Commission on economic statistics to promote dialogue with and between the relevant statistical committees to determine shared priorities and actions while avoiding duplication of efforts;

(h) Approved the proposed activities and deliverables of the work programme of the Network for 2022, including the Global Forum on Economic Statistics and the related series of regional consultation sessions with users and stakeholders of the system of economic statistics.

2. The present report provides an overview of the activities of the Network since the end of the fifty-third session of the Statistical Commission to November 2021. The content is arranged as follows: section II contains the Network progress with the implementation of its programme of work in 2022 and its proposed programme of work for 2023. section III sets out the points for action by the Statistical Commission.

II. The Progress in 2022 and the Programme of Work for 2023

3. The second report of the United Nations Network of Economic Statisticians (Network) presents the progress achieved in 2022, as well as the programme of work for 2023. Its past and future activities build on the

¹ E/CN.3/2022/19..

recommendations of the Friends of the Chair Group on economic statistics for an agile, collaborative and responsive system of economic statistics along four thematic workstreams: (a) networking the system: collaboration and user consultation; (b) transforming and challenging the system: statistical infrastructure and operations, and data solutions; (c) enabling the system: institutional arrangements and governance; and (d) experimenting, integrating and documenting the system: statistical framework and methods.

With the intent of establishing an agile, collaborative, and highly impactful approach for improving the 4. responsiveness of the system of economic statistics to fast evolving policy demands, the Network facilitates better cooperation and networking among national statistical offices (NSOs) of all member states, in close consultation with international and regional statistical organizations and bodies. Better cooperation and networking, as further reinforced by the COVID-19 pandemic, will enable NSOs to reimagine their business model, develop innovative and coordinated statistical programs and adopt best practices and working methods in collaboration with other government agencies and representatives from academia and private and nongovernment organizations to produce trusted and timely statistics catering to user demands. Moreover, the Network, through its Sprints facilitated better understanding of existing data solutions through trusted services provided by global and regional statistical infrastructure for data collection and access, the examination of existing statistical methods with a view of improving data quality and international comparison, as well as the development of visionary proposals for measuring inclusive and sustainable wellbeing. Also, the Network has undertaken a series of user consultation and promoted communication and partnerships through regional webinars with the purpose of helping the system of economic statistics to identify emerging themes and common priorities and discover and address duplications and gaps in the work programs of statistical groups and entities. It is expected that continued dialogue will facilitate the system to operate coherently, collaboratively and inclusively for the different actors involved. The Network will continue to facilitate a better and more responsive system of economic statistics, one which will pivot towards integrated economic statistics by extending the statistical framework in support of the measurement of our fast evolving economies and enabling us to experiment with the integration of the rapidly changing information demands of policymakers. This pivot should also allow the system of economic statistics to achieve improved granularity and timeliness, as well as better integration of the measures of the economy, society, and the environment, to inform the universal 2030 Agenda and address issues raised in the Secretary General's Our Common Agenda.

5. The recently released *Our Common Agenda*² makes explicit reference to the needs to take collective actions to meet the challenges of our time. An important aspect of this agenda is to bring together Member States, international financial institutions and statistical, science and policy experts to identify a complement or complements to GDP that will measure inclusive and sustainable growth and prosperity, building on the work of the Statistical Commission. In addition to identifying complementary measures, the process would also need to agree on pathways for national and global accounting systems to include additional measurements, and to establish systems for regular reporting as part of official statistics.

6. The Network has been working towards bringing together the Secretary General's *Our Common Agenda* and recommendations of the Friends of the Chair Group on economic statistics as approved by the Statistical Commission . The Network will achieve the expected outcomes mentioned above in multiple ways: by better networking and establishing user-centred partnerships in the creation of global data assets; by better challenging the system through use cases in co-production and co-investment; by better enabling the system through improved working methods among statistical groups; and by better documenting the international conceptual and practical guidance on methodological standards and collective scaling of the capacity building and training programs. These activities can be combined with early implementation through regular experimentation and

 $^{^{2}\} https://www.un.org/en/content/common-agenda-report/assets/pdf/Common_Agenda_Report_English.pdf$

testing of statistical standards to meet rapidly evolving user demand.

7. These four workstreams are addressing the lessons learned from our three rounds of global COVID surveys of NSOs that: a) low and lower-middle income countries are ready to engage with international partners to meet their emerging demands in the use of new data sources, methods, and technologies supported by appropriate assistance and funding to overcome their major impediments; and b) the majority of NSOs across all income groups expressed the need for co-investment in (i) the production of granular data through the linking of microdata from surveys and administrative sources through registers of people and businesses and the integration of statistical and geospatial data and (ii) the production of high frequency statistics and indicators through the use of big data and data science for high frequency statistics³.

8. With the Network's focus on actions to improve the system of economic statistics through networking and engagement with existing statistical groups and entities, rather than creating another layer of governance, it has used sprints as the appropriate working method. Sprints did not only increase the speed of development of the system for shared priorities but also increased the Network's ability to act in an agile manner to formulate statistical responses to fast-evolving socio-economic and environmental circumstances by undertaking a set amount of work in a short timeframe to deliver specific deliverables on shared priorities. The sprints also facilitated the identification of emerging themes and priorities and discover and address duplication and gaps in the work programs of statistical groups and entities.

9. Four Sprints have been completed successfully at the time of drafting this report. The Organizational Sprint, led by Statistics Canada, took the work forward on workstream (a) networking the system: collaboration and user consultation; and (c) enabling the system: institutional arrangements and governance. The Global Access to Data Sprint, led by Statistics Netherlands, advanced the work on workstream (b) transforming and challenging the system: statistical infrastructure and operations, and data solutions; the Beyond GDP Sprint, led by US Bureau of Economic Analysis and UK Office for National Statistics, as well as the Measurement of OOH in the CPI Sprint, led by Statistics Canada, elaborated the work on (d) experimenting, integrating, and documenting the system: statistical framework and methods.

A. The Organizational Sprint

10. The four meetings of the Organizational Sprint took place between November 2021 and February 2022. The essence of this Sprint was the formal launching of the Network, approving the Terms of Reference and establishing the working methods of the Network. Additionally, the participants developed a two-year work plan which identified the thematic Sprints that will be undertaken by the Network based on recognized statistical priorities and planned for a series of consultations to be carried out to seek input from Regional Commissions regarding their statistical pressing matters. The three thematic Sprints carried out were: the Data Access Sprint, the Beyond GDP Sprint and the Measurement of OOH in the CPI Sprint. Summaries of these Sprints, with an emphasis on their outcomes, are provided below. Also, the Network organized its first formal meeting on 1 November 2022, to carry on the planning work that begun with the Organizational Sprint. The participants at the Network's First Meeting reviewed the work done to date and discussed and approved the work plan for 2023. This plan will serve as the basis for the next series of thematic Sprints, regional and global consultations with expert groups, and other work projects targeting improved statistical collaboration and the development of new

³ Survey of National Statistical Offices (NSOs) during COVID-19, conducted by World Bank and the United Nations Statistical Division (UNSD), in coordination with the five UN Regional Commissions. (see https://covid-19-response. unstatshub.org/statistical-programmes/covid19-nso-survey/). Overall, 149 NSOs (76 percent) participated in at least one round of the three rounds of the survey in 2020.

and better indicators that help address emerging policy needs. The Network's 2-year rolling workplan will include the activities and outputs related to the three Sprints and regional and global consultations held in 2022 of which the details are presented in the section IIA, IIB, IIC, IID, and IIE. In addition, interest is expressed to undertake a Sprint on Branding and Communication with an initial purpose of mapping and collating national best practices. Moreover, the Network will continue monitoring emerging areas of user demand to complement its work on inflation, global value and supply chains, and inclusive and sustainable wellbeing.

B. The Data Access Sprint

11. In early 2022 a Sprint was organized on access to privately held data. The Sprint was led by Statistics Netherlands, in collaboration with the Committee of Experts on Data Science and Big Data for Official Statistics. Also, the Network reached out to the experts of the Committee of Experts on Business and Trade Statistics (UNCEBD) with the request to participate in various use cases for measuring specific global value chains. The main objective of the Data Access Sprint was to take significant steps towards developing a negotiation strategy with private data holders that leads to successful use of these data for official statistical purposes. The strategy may include a description of the process of getting from an economic statistics information need, via the identification of potential privately held data sources and the articulation of specific data requests, to facilitating access. The Sprint attracted a wide audience in terms of disciplines (economics, data science, managerial), expertise and nationalities, with over 100 participants representing 57 countries (from the Global South and North) and 13 international organizations.

12. Five specific use cases were identified to pursue for exploring the process of building a relationship with a private data holder: Tourism Industry led by the Statistical Office of the Maldives, Semiconductor Industry led by Statistics Netherlands, e-commerce led by the ONS, Retail Industries led by the United Arab Emirates Statistical Office, and the Horticultural Industry led by Statistics Colombia. Since then, good progress has been made in the formulation of a work plan for two of the use cases. These plans are structured along an agreed template with four pillars, to articulate clearly what is expected from the use cases in terms of outcomes on the principles of data access, methodology, data use, and capacity building.

13. In 2023, the Network will continue to extend on the results of two use cases These use cases showed that building a win-win relationship with private data providers requires time, perseverance, and sustained effort to create trust and establish collaborative processes. In addition, in collaboration with the UNCEBD Task Team on Capacity Building, the group will further explore best practices on sharing with the statistical community the knowledge acquired through the Sprint and the use cases. Moreover, the Network will work with the leads of the other use cases to advance on their specific work plans.

C. The Beyond GDP Sprint

14. While traditional measures of economic performance still have a place, there appears to be an increasing gap between the information contained in aggregate GDP data and what counts for people's well-being and the contributions and conditions of nature. This means working towards the development of a statistical system that complements measures of market activity with measures centred on people's well-being, and measures that capture inclusiveness and sustainability. Many approaches, frameworks, and specific measures have been put forward. One such approach is that of "Beyond GDP", another is on "Well Being," yet another is on "Inclusive Wealth". The broad aim of the Beyond GDP Sprint was to scope the work done in these domains internationally, identify best practices, and propose areas of high priority for research on an integrated statistical system for measuring inclusive and sustainable wellbeing. The Sprint comprised six meetings held between March and May 2022 and brought together a large and varied participation from NSIs around the world, international organizations and independent scholars. With the mapping of initiatives and priorities, the Sprint should amplify existing work on the multidimensional framework for integrated statistics, and articulate specific, contained research areas for which internationally co-ordinated work through this Sprint would produce substantial additional value in closing the gap in the pivot to integrated economic statistics.

15. While the theme of "Beyond GDP" had a broad scope, the Network has summarized the findings of the six Beyond GDP Sprint sessions and made concrete proposals in a prospectus (available as background document) for further work with designated partners on the two missing components of the integrated statistical system for inclusive and sustainable wellbeing; a new System of Population and Social Accounts complementing the System of National Accounts and the System of Environmental-Economic Accounting, and a Central Framework on Inclusive and Sustainable Wellbeing.

16. The proposals documented in the Beyond GDP prospectus were reviewed by the full membership in the first Network meeting on 1 November 2022 and presented for discussion and feedback at an informal Network meeting on 9 November 2022 in Brussels, as well as at the Global Conference on Macroeconomic Statistics for the Future on the 11 November 2022 in Brussels. In addition, the proposed integrated statistical system for inclusive and sustainable wellbeing was a subject of the regional consultations on regional statistical priorities and Beyond GDP initiatives scheduled in October and November (see section E below). The outcomes of these global and regional Beyond GDP consultations are reported in a background document.

17. In 2023, further work on the integrated statistical system is needed. The Network considers it essential that the Friends of the Chair Group (FOC Group) on Social and Demographic Statistics, in close consultation with the socio-demographic community, reflects on the purpose, scope, and policy applications of the proposed new system for socio-demographic accounting. The Network could facilitate with its partners the confirmation of the significant progress on the implementation of the various subsystems of the accounts by agencies, countries, and expert networks. With the FOC Group's determination of the high value proposition of the proposed new System of Population and Social Accounts, the Network could support the FOC Group in formulating a work program to take the work forward in partnership with the UN Statistics Division, UN Population Division, and specialised custodian agencies of specific subsystems of the proposed new System. Similarly, the Network proposes to take the work forward on the proposed Central Framework for Inclusive and Sustainable Wellbeing along the three thematic areas of wellbeing, social inclusion, and sustainability with identified leads, partner agencies and countries have been vital in advancing the envisaged scope, purpose, and policy applications of the Central Framework.

18. Being a global multi-dimensional system, the Network considers it vital that the proposed integrated statistical system for inclusive and sustainable wellbeing, and its two new components become a shared project and are co-developed with the economic, socio-demographic, and environmental communities of the Global South and North. Therefore, in 2023, the Network proposes to endeavour consulting on broadening its scope of work beyond economic statistics to all three statistical domains and their interlinkages, and gathering support to coordinate the work given the multidimensional nature of the integrated statistical system for inclusive and sustainable wellbeing.

D. The Measurement of Inflation of OOH in the CPI Sprint

19. The Measurement of Inflation of OOH in the CPI Sprint, which consisted of three meetings in the summer and fall of 2022, explored the various approaches used by NSIs in this context, as well as the challenges associated with each method. The first and second meetings provided an opportunity for various NSOs to present their experience with OOH in the CPI, while also bringing in the perspective of users, such as the Bank of Canada and the European Central Bank. The third and last meeting, was a corollary to the discussion, intended to draw high-level conclusions, as well as put forth practical next steps for improving the quality and comparability of CPIs, while including OOH. Participants endorsed the proposed next step of having the Ottawa Group on Price Statistics and the Intersecretariat Working Group on Price Statistics work jointly to explore harmonized method for measuring OOH in the CPI. Additionally, the same networks are entrusted with further refinement of existing OOH methods described in the CPI Manual as clarity is needed to guide practitioners.

E. Global and Regional Consultations

20. User consultation and communication with the statistical and policy community is an essential Network workstream to ensure that the workplan for 2023-2024 meets the national statistical systems' priorities, including the priorities of the Global South. The consultation process consisted of a series of Network webinars organised jointly with Regional Commissions to gather their priorities with respect to their regional statistical systems. Webinars were held, over the fall, with UNECE, UNECLAC, UNESCAP and a joint session with UNECA and UNESCWA. In addition, Network members were invited to present the findings of the Network's Beyond GDP Sprint in dedicated Beyond GDP sessions and events organised by the regional commissions. These webinars, sessions, and events covered in detail the regional Beyond GDP initiatives and allowed for feedback on the Network's Beyond GDP findings and proposals.

21. In 2023, the Network will continue these regional consultations through dedicated regional Network events, participation of the Network members in events organised by regional commissions or agencies, and participation of regional experts in future Network Sprints. Similarly, the Network will intensify its global consultations with steering groups, committees and other expert groups in seeking networking and co-production and co-investment opportunities in organising and participating in global events. These global and regional consultations will extend beyond the scope of economic statistics, given the statistical priority in advancing the integrated statistical system for inclusion and sustainable wellbeing with its multidisciplinary and multidimensional nature.

- III. Action to be taken by the Statistical Commission
- 22. The Commission is invited to:
- (a) Express its views on the progress made by the Network and its Sprints; and
- (b) Endorse the work program of the Network for 2023 covering the following workstreams:
 - implementation of data access use cases of industry-specific studies of global value chains using privately held data to advance methods and principles of data access in close cooperation with the private sector
 - exploration of the feasibility of a research agenda for a new integrated statistical system for measuring inclusive and sustainable well-being as per the outcome of the Beyond GDP Sprint
 - implementation of the recommendations of a research programme focused on including the costs of services provided by owner-occupied housing in the consumer price index and the exploration, jointly by the Ottawa Group and the Intersecretariat Working Group on Price Statistics of a harmonized method for measuring OOH in the CPI
 - continuation of the regional and global consultations on shared statistical priorities and collaborative arrangements