

Concept Note

First Meeting of the Friends of the Chair Group on Economic Statistics

Tuesday 28 May – Thursday 30 May, 2019

United Nations, New York

Call for dialogue and consultation on the update of the system of economic statistics

The debate at the Friday Seminar on the Future of Economic Statistics leading up to the opening of the 50th Session of the UN Statistical Commission and at the 50th Session of the Commission itself led to the creation of the Friends of the Chair (FOC) Group on Economic Statistics. These debates confirmed the renewed interest in economic policy, data and statistics initiated by the UN Secretary-General and the action to proceed immediately with the implementation of a UN network of economists led by the UN Chief Economist.

With the creation of the FOC Group on Economic Statistics, the Commission seeks a collaborative response to better support evidence-based policy making within the 2030 Agenda for Sustainable Development. This response may call for a step-change in the conceptual framework of economic statistics with broader measures of equitable and sustainable economic performance. These broader measures are expected to inform policy actions that can help foster economic growth, people's well-being, inclusive societies and sustainable use of the environment as set out by the 2030 Agenda for Sustainable Development. To debate the broader purpose of economic statistics, we need to assess the users' demands and understand the priorities, as well as the capacity and capability of our statistical systems to provide the required data and statistical services.

Our challenges

Measures of economic progress are critical in achieving the policy objectives of the 2030 Agenda. Policy objectives increasingly demand a better understanding of how economic activity relates to outcomes for people across material and non-material aspects of well-being as well as environmental sustainability. Ultimately, the quest for outcome measures requires the explicit connection with the quality of life of individuals and demographic groups (such as by age, gender, education, ethnicity, location) and the impact of economic activity on the environment. When we consider the broader methodological framework for the system of economic statistics in better measuring the links between economic activity and the outcomes for citizens, society and the environment, there is also a need to consider the capacity and capabilities of the national statistical agencies to transform their operations and role in the national statistical system to meet the new requirements with the use of new data and technology.

Building on the decision of the Statistical Commission and Friday Seminar on the Future of Economic Statistics

Per decision 50/110, the Commission at its 50th Session on 6 March 2019 agreed to create a FOC Group on Economic Statistics consisting of economists and statisticians for a period of not more than two years to undertake an assessment on the efficiency, effectiveness and responsiveness of the current system of economic statistics. Also, the Commission requested the FOC Group to take stock of existing initiatives and make a recommendation to take these forwards in an update of the system of economic statistics through a broad user consultation. This consultation will include the regional consultations in 2019 accumulating in an UN Global Forum on Economic Statistics in 2020.

The Commission's decision builds on the outcomes of the Friday Seminar on the Future of Economic Statistics held on 1 March 2019 at the United Nationsⁱⁱⁱ. These outcomes can be summarized in three key takeaways:

1. an urgent need for a statistical update to address the economic, social and environmental nexus if we are to truly depict and attain the 2030 Agenda of leaving no one behind and having meaningful SDGs.

Specifically, this requires NSOs to: a) maintain a coherent and consistent system of economic statistics, including macroeconomic, business, trade and price statistics; b) better capture the impact of digitalization and globalization on production, consumption, employment, investment and financial flows; c) move beyond GDP to include broader measures of progress including subjective measures of well-being such as life satisfaction, trust, economic insecurity, as well as measures of inequality in earnings, income, consumption and wealth and opportunity; and d) advance measurement of economic, natural, human and social capital.

2. the urgent need for an institutional update whereby NSOs are transforming from principal producers of statistics to data stewards in an evolving and complex data landscape.

This requires NSOs to: a) institutionalize ongoing dialogue between economists and statisticians to set strategic directions; b) increase the use of alternative and big data and their integration with survey and administrative data sources to provide more detailed and timely statistics and analysis; and c) increase collaboration and develop partnerships with stakeholders including the private sector and academia

3. the urgent need to revisit and transform some of our long-held practices to meet the needs of policy makers and citizens.

To remain relevant, we need to: a) devise more flexible and more responsive procedures for standard setting, which now take decades to develop and implement; and b) take calculated risks in releasing experimental "good enough or fit for purpose" standards and related statistics and indicators that can be iterative and be implemented quickly.

These challenges arise in an environment where pressures on NSOs and agencies are considerable and mounting. Statistical programs are struggling to meet the ever-increasing demands of users domestically and internationally. To remain relevant, we need a statistical system that is nimbler and the process for setting "official standards" more efficient. Our collective efforts must be better aligned and focused. We

need to avoid duplication of efforts, to better connect and coordinate the efforts underway that respond to user needs.

First meeting of the FOC Group on Economic Statistics

The sessions of the meeting are organized to initiate the dialogue between economists and statisticians for an ongoing collaboration to ensure the system of economic statistics is current and responsive to the priority needs of its constituents. The sessions will take stock of current global and national priorities and practices, identify which of these are currently being addressed, whether these are coherent or need to be streamlined and where potential gaps exist, for which work must be initiated.

The sessions of the first meeting are organized around various themes such as: the global and national policy frameworks for the new economics for sustainable development; the global and national statistical infrastructure and standards in place and the priority areas for their development; the institutional transformation for the transition from producers of statistics to data stewards in a fast changing data landscape requiring new statistical services related to use of big data, micro data access and linking administrative, survey and big data for multidimensional analysis; and the future state of the a governance structure that ensures a responsive and relevant statistical system.

It is expected that each of the session will be introduced by members of the FOC Group on Economic Statistics and result in actionable and assigned tasks among the members with agreed deliverables and timelines. In part, the tasks of the members will be to reflect on how the national, regional and global interests are canvassed and facilitated through broad user consultations in 2019 and beyond. The FOC Group has been asked to report back at the 51st session of the United Nations Statistical Commission in March 2020.

ⁱ Summary of the Friday Seminar on Emerging Issues -The Future of Economic Statistics - https://unstats.un.org/unsd/statcom/50th-session/documents/BG-Item3f-Summary_Friday-Seminar-The-Future-of-Economic-Statistics-E.pdf

ⁱⁱ Statement of Statistics Canada - <https://unstats.un.org/unsd/statcom/50th-session/documents/Statement-3h-Canada-E.pdf>

Agenda and guidance for First Meeting of the Friends of the Chair Group on Economic Statistics, 28-30 May 2019 at UNHQ

Proposed agenda and structure of the sessions

- The agenda for the meeting has been designed to support discussion - taking advantage of the knowledge and expertise of Members to discuss issues and opportunities, and to chart an actionable path forward.
- Members will be assigned to specific agenda items (see attached proposed agenda). For each of these agenda items, the assigned Member would be requested to prepare a 2-3 page note to facilitate the discussion.
- Members are advised not to prepare presentation slides. Rather for each agenda item the assigned Member would be asked to provide a 3-5 minute verbal introduction. Discussion notes would be shared prior to the meeting so it can be assumed Members have read the papers in advance.
- Each agenda item will commence with an introduction followed by discussion guided by a moderator.
- Moderators have been assigned to each session and have the responsibility for keeping sessions to time and for ensuring outcomes are realized.

Discussion Documents

- Discussion notes are intended to facilitate the FOC Group discussions by: establishing context, framing of the issues/opportunities, and raising relevant points for debate.
- It is requested that the note be no longer than 2-3 pages. They would not need to cover the topic in an exhaustive manner, rather they should be viewed as supporting documentation intended to stimulate constructive discussions.
- Additional reference materials could be made available as attachments to the note
- Some institutions have two Members attending (representing statistics and economics areas within the institutions), in these cases members should collaborate to provide one discussion document for the assigned agenda item.
- The deadline for the submission of the discussion note would be May 21. This will ensure that Members have an opportunity to read and consider the discussion notes and reference material prior to the meeting.
- UNSD will make the agenda, discussion notes and reference material, etc. available on a dedicated webpage for the meeting.