

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

Update of the governance arrangements for the update of the system of economic statistics

Note prepared by United Nations Statistics Division

In addressing the update of the governance arrangements for the update of system of economic statistics, this note will reflect on the principles provided by the Statistical Commission at its 50th session (in March 2019) in its decision to establish the Friends of the Chair Group on Economic Statistics and on the principles provided by the Friday Seminar on the Future of Economic Statistics, held on Friday 1 March prior to the 50th session of the Statistical Commission.

The Commission in its consideration of the merits of the proposal for a High-Level Group on Economic Statistics as an overarching governance body for economic statistics, it created the Friends of the Chair Group on Economic Statistics to assess the efficiency, effectiveness and responsiveness of the governance of the current system of economic statistics.

The Commission at its March 2019 meeting in line with the guidance from the Friday Seminar on Future of Economic Statistics recognized the need for a broad review of the system of economic statistics driven by: a) the urgent need for a statistical update of system of economic statistics to address the economic, social and environmental nexus in an effort to truly depict and attain the 2030 Agenda of leaving no one behind, and having meaningful SDGs; b) the urgent need for an institutional update of system of economic statistics whereby statistical agencies are transforming from principal producers of statistics to data stewards in an evolving and complex data landscape; c) the urgent need to revisit and transform some of our long held practices on the update of system of economic statistics to meet the needs of policy makers and citizens with the aim of ensuring a relevant, responsive and robust system of economic measurement

The principles for the statistical update of system of economic statistics should promote that the issues for the update make the standards more relevant and responsive to the expressed policy needs. Only issues should be taken up with enough level of conceptual and methodological maturity and the practical feasibility of implementation at country level demonstrated. The principles should also emphasize the need for harmonization between the standards and guidance of the system of economic statistics with the SNA as the overarching framework for consistency, coherence and statistical reconciliation. With the progress made in harmonization between the SNA, BPM, GFSM, MFSM and SEEA in their past revisions and updates, the option is now available to introduce a common core for these macroeconomic standards by slightly enlarging the SNA and the details described in the other macroeconomic standards.

It should be noted is these evolutionary developments of statistical integration of the set of macroeconomic standards could significantly guide the update of their governance arrangements. In turn, the update of their governance arrangements may be instrumental in improving the efficiency, effectiveness and responsiveness of the governance of the current system of economic statistics by aligning priorities in work programs and thereby preventing overlapping methodological work and user consultations. By way of example, a new UN Committee could be established on Macroeconomic Standards along similar lines as the new country led UN Committee on Business and Trade Statistics.

Regarding the principles of the institutional update of the governance of system of economic statistics, the urgent need is recognized for the transformation of the statistical agencies from principal producers of statistics to data stewards in a fast-evolving data and technology landscape. This transformation also reflects on the leadership role for national statistical agencies, which translates in the governance structure of the system of economic statistics to become country led rather than led by international agencies. As part of the update of the governance arrangements of the system of economic statistics, the principles should a) institutionalize an 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.

As part of the transformation of practices of update to be responsive to emerging data needs, the principles should adopt more flexible and agile responsive procedures for standard setting. The present update procedures are no longer considered responsive as they permit for 10 to 15 year- update and implementation cycles. Deliberately introducing principles of flexibility and agility, the governance should 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. In the process of this transformation and update of the governance principles, it should seek a country led and more integrated governance structure building on a continuous dialogue between statisticians, economists and other users. This bottom up country led approach will reinforce the statistical system of economic statistics to be agile and responsive to emerging data and statistical needs.

In summary, the members of the Friends of Chair Group may consider:

- an update of the governance structure that ensures a responsive and relevant system of economic statistics and is country-led
- a High-level Group on Economic Statistics consisting of statisticians and economists to oversee and direct the development of the system of economic statistics

- enduring user consultations on the system of economic statistics at regional and global level that accumulate in a recurrent UN Global Forum on Economic Statistics