# STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

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### CONFERENCE OF EUROPEAN STATISTICIANS

For discussion

Third meeting of the 2006/2007 Bureau Geneva, 12-13 February 2007

Item 1c of the Provisional Agenda

## IN-DEPTH REVIEW OF BUSINESS STATISTICS

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- 1. UN Statistics Division would like to make a contribution to the discussion on business statistics to ensure that actions arising from UN Statistical Commission (UNSC) decisions and relevant UNSD activities are taken into account when considering future program activities on business statistics. UNSD's contribution pertains to three areas:
- a) the UNSC Friends of the Chair group on the integrated of economic statistics;
- b) implementation of ISIC Rev 4;
- c) the need for advice on good practice on the conduct of business surveys.

### INTEGRATION OF ECONOMIC STATISTICS

- 2. At the 2006 UNSC meeting it was agreed to set up a Friends of the Chair (FoC) group with the mandate to prepare a concept paper on the modalities of the integrated approach to economic statistics for both national and international systems. The group is fully operational and is being moderated by Adelheid Burgi-Schmelz of Switzerland. Several ECE countries and international agencies are represented in the group.
- 3. At this stage, a draft issues paper is in the making which, when agreed to by the FoC, would reflect on various key issues both at the international and national level. Two deliverables have been identified, an International Workshop on Economic Statistics planned in 2007 hosted by the Swiss Federal Statistical Office and United Nations Statistics Division in Bern, and a concept paper on Integrated Economic Statistics to be submitted to the Statistical Commission at its 2008 meeting.
- 4. Improved integration of business statistics is clearly a high priority for future statistical development. Some of the FoC recommendations will impact on international organizations that operate in the ECE region. Some organizations may want to take the lead on some of the recommendations. But collaboration is essential.

### ISIC REV. 4

- 5. ISIC Rev. 4 was endorsed by UNSC in 2006 and should have a significant influence on future business statistics activities in ECE for two key reasons:
  - regional industry classifications will need adjustment to align with ISIC Rev 4;
  - plans will need to be made for the transition to the revised industry classification. We know from past experience that this is a quite a large task. Discontinuities will have to be

managed particularly if they impact key macroeconomic statistics such as the national accounts.

### **BUSINESS SURVEYS**

- 6. Business surveys provide important source data for aggregate statistics such as national accounts as well as providing useful data in their own right. So far, little concerted activity specifically targeted at developing countries and transition economies has been undertaken to assist countries on what is good practice for business surveys. (There has been some relevant City Group and ISI activity but this has been mostly aimed at developed countries.) Many business surveys have substantial problems because of inadequate business registers and area frames, low response rates, etc. UNSD and IMF have undertaken analysis which shows that lack of good quality source data is one of the major impediments to the implementation of SNA 93. Within the overall strategy of implementation of the 1993 SNA Rev.1 and ISIC Rev. 4 and with a multi-year perspective, UNSD would like to conduct a series of workshops on good practice for business surveys probably on a regional basis. They may be relevant for some ECE countries and we would like to collaborate with ECE and possibly CIS on any workshop conducted in the ECE region. Moreover, some ECE countries may consider making tangible contributions to these regional workshops by offering technical expertise.
- 7. A standard format will be developed for the workshops but with some adaptation for the particular circumstances of the region. Topics that might be covered include design of business register systems, surveying the informal sector, form design, managing non-response, potential use of administrative data and quality assurance.

#### **ECONOMIC CENSUS**

8. UNSD sees economic census as an important activity which many countries carry out to improve availability and quality of their basic economic statistics. In order to assess the situation better and to fine-tune its work programme, UNSD conducted in 2006 an overview of country practices in this area. Information of 114 countries was compiled from responses to the UNSD brief questionnaire and from other sources. The review revealed that there is a growing interest in economic census - while 40 countries stated that they conducted economic census in the past, more than 50 of them indicated that they have plans to conduct an economic census in future. Many of them indicated that they would need help both in terms of resource and guidance on how to do this job properly. At the same time it became apparent that countries that do conduct economic census have differences in terms of its coverage, content and organization. This calls for further efforts in developing more coherent international guidance on the matter. To assist countries in this respect UNSD is working towards identification and promotion of good practices in economic census. This includes the preparation of a technical report "National Practices in Economic Census" by the end of 2007. The report will be based on the country responses to the new and more detailed questionnaire as well as on additional research and worldwide consultations.

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