

GROUP OF EXPERTS ON THE IMPACT OF GLOBALIZATION ON NATIONAL ACCOUNTS

Terms of Reference

Approved by the Bureau in April 2007, by the UNECE Executive Committee in February 2008 (ECE/EX/2008/L.2) and by the Conference of European Statisticians in June 2009. The work is undertaken jointly with Eurostat and OECD.

A. Background

1. In June 2006, the Conference of European Statisticians reviewed a Rapporteur Report on Globalization Statistics prepared by Statistics Canada and Office for National Statistics, United Kingdom (ECE/CES/2006/2/Add.1). The conference decided that: “there is a need for a body to coordinate the work on globalization statistics; the importance of globalization statistics in relation to economic indicators was emphasised” (report of the fifty-fourth plenary session, ECE/CES/70).

2. Following the Conference, the CES Bureau discussed, at its October 2006 and its February 2007 meetings, a proposal for follow-up work on globalization statistics on the basis of proposals prepared by the UNECE secretariat in cooperation with ONS, United Kingdom and Statistics Canada, and in consultation with OECD, Eurostat, International Monetary Fund (IMF), United Nations Conference on Trade and Development (UNCTAD) and Statistics Netherlands (ECE/CES/BUR/2006/OCT/10 and ECE/CES/BUR/2007/FEB/10).

3. The Bureau recommended that the work be mandated to an Expert Group. Given the complexity of the issues, it would be difficult for the Group to cover all statistical areas affected by globalization. It was therefore recommended that the Expert Group should approach the issue from a national accounts perspective using the SNA as an integrating framework. The Expert Group should deal with the main distortions in economic statistics caused by globalization and propose approaches (surveys, additional data sources) to help repair the accounts. Furthermore, it was recommended to address the impact of globalization also from the perspective of transition economies.

4. The Bureau asked Statistics Netherlands to prepare the terms of reference and to chair the group.

B. Objective

5. The purpose of the Expert Group (from now on referred to as Group of Experts) is to review the main distortions in the compilation of national accounts and related source statistics, as caused by the growing globalization of economies. In so doing, the Group of Experts should put forward proposals to deal with these distortions and improve the quality of national accounts. The Group of Experts should approach the issue using the system of national accounts as an integrating framework.

6. Technical cooperation activities are to be kept outside the scope of the group. Furthermore, it should be noted that several globalization related issues are already being addressed by other international fora; the Group of Experts will closely coordinate its activities with these fora. Finally, it is not the goal of the Group of Experts to analyse source statistics themselves; problems identified by the Group of Experts will be brought to the attention of the working groups dealing with these source statistics so that they can look at alternatives to improve existing guidelines and/or practices.

C. Membership

7. The work of the Group of Experts is undertaken jointly with Eurostat and OECD. It is open to all member States of UNECE, OECD and Eurostat. IMF, WTO and UNCTAD also participate in the work of the Group. Members are expected to actively contribute to the agenda of the Group.

8. The Group of Experts is chaired by Statistics Netherlands. UNECE will provide secretariat support to the Group.

9. A leadership sub-group composed of Canada, Czech Republic, Finland, Netherlands, United Kingdom, United States of America, UNECE, OECD, Eurostat and IMF will steer the work of the Group of Experts and will report on the progress of work to the Conference and its Bureau.

D. Outcome

10. The Group of Experts will provide a forum to encourage and coordinate the work undertaken by countries and international organizations in dealing with the effects of globalization in the compilation and reconciliation of data for national accounts and the source statistics driving them.

11. The Group of Experts will prepare a set of guidelines/recommendations/best practices on how to deal with the distortions in the accounts. The report will:

(a) Identify the areas of national accounts most affected by the impact of globalization;

(b) Put forward proposals to improve the surveying, the subsequent processing and the integration of statistical data;

(c) Put forward proposals to arrive at an internationally consistent recording of transactions in national accounts and related source statistics;

(d) Put forward proposals to improve relevant international guidelines for national accounts;

(e) Put forward proposals to create some kind of medium (e.g. website, electronic discussion groups, etc.) to exchange best practices.

E. Timetable

12. The timetable for the work of the Group of Experts is as follows:

(a) Autumn 2007: Meeting of the leadership sub-group to make a proposal for a list and research agenda of the areas of national accounts most affected by the impact of globalization and to prepare a detailed work plan for the Group of Experts;

(b) February 2008: Presentation of the research agenda and work plan to the CES Bureau;

(c) April 2008: Meeting of the Group of Experts back-to-back with the Joint UNECE/OECD/Eurostat Meeting on National Accounts;

(d) June 2008: Progress report to the Conference of European Statisticians;

(e) End 2008-beginning 2010: Two meetings of the leadership sub-group (possibly as a conference call) and two meetings of the Group of Experts;

(f) April 2010: Presentation of the Report with recommendations on how to deal with the distortions in national accounts and related source statistics to the Joint UNECE/OECD/Eurostat Meeting on National Accounts;

(g) June 2010: Presentation of the Report to the Conference of European Statisticians.

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