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**PROGRAMMES OF INTERNATIONAL STATISTICAL
WORK IN THE ECE REGION, 2001/2002 and 2002/2003:
AN INTEGRATED PRESENTATION**

(Post-plenary session version)

**PROGRAMME ACTIVITY 3
ECONOMIC STATISTICS¹**

Introduction

1. The material presented in this document is part of the “Integrated Presentation of International Statistical Work” which provides a summary overview of the statistically-related work that international organisations plan to carry out in the next two years that is likely to have an impact on ECE, EU and OECD countries. Information on the Integrated Presentation is presented by work area in six different addenda. The Integrated Presentation in its entirety consists of the following documents:

The Integrated Presentation: Introduction and overview (CES/2001/34)

Programme Activity 1: Organisation and Operation of statistical services (CES/2001/34/Add.1)

Programme Activity 2: Technical infrastructure and other cross-cutting issues
(CES/2001/34/Add.2)

Programme Activity 3: Economic statistics (CES/2001/34/Add.3)

Programme Activity 4: Social and demographic statistics (CES/2001/34/Add.4)

Programme Activity 5: Environment statistics (CES/2001/34/Add.5)

¹ The headings within the programme elements have been changed to refer to the headings that are used in the other programme areas of the integrated presentation, but the content of the text under the headings has not yet been altered. The content of the text under the headings in programme area 3 will be aligned in the autumn of 2001, when the Bureau will conduct an in-depth review of Programme Activities 3, 5 and 6.

Programme Activity 6: Dissemination and support for secretariat activities (CES/2001/34/Add.6)

2. This version of the Integrated Presentation was prepared as the post-plenary session version of the Integrated Presentation and it contains the decisions that the Conference took in each work area during the plenary session. The Conference uses the Integrated Presentation as an aid in carrying out its primary role of co-ordinating the international statistical work that is planned to be carried out in the next two years that is of relevance to ECE, EU and OECD countries. The Integrated Presentation is also used as a valuable tool for co-ordination at the national level, for countries are increasingly using it to assist them in deciding on their participation in different meetings convened by the various international organisations.

3. The information presented in this addendum refers to work area or "Programme Activity" 3 of the Integrated Presentation which is entitled "Economic statistics", and that is sub-divided into fourteen "programme elements (PE)" or fields of work.

3.1 IMPLEMENTATION OF THE SYSTEM OF NATIONAL ACCOUNTS

Problem Statement: To assist in the implementation of the revised SNA/ESA by member countries and to coordinate its consistent application. Major components of this approach include a clear understanding and articulation of the needs of the various countries and their statistical capabilities to respond to such needs. For the OECD countries with the most developed statistical databases, these include a full range of accounts - production accounts, distribution, redistribution and use of income accounts, and accumulation accounts, balance sheets accounts, balance of payments, input-output tables, productivity measures, satellite accounts. Last year, it was noted that a major issue associated with the SNA/ESA implementation in the OECD countries is the length of time series being made available on the new SNA/ESA basis. Some countries have produced time series from only the early 1990s on. This is still a major problem with the data for a significant number of countries. It is essential to have lengthy time series for some important types of economic analysis, such as productivity change and the behaviour of economies at different stages of the economic cycle. The comprehensiveness of the accounts compiled on the basis of the new SNA/ESA is also quite variable. For the transition economies, improvements in national accounts over the next few years are conditional on the improvement in the basic data underlying them to which priority should be given.

Strategic Medium-Term Goals: In February 2000, the OECD published a comprehensive glossary of technical terms in the 1993 SNA (in English). The French version of this publication is currently in the process of being printed and is expected to be released in early 2001.

Eurostat has released its manual on quarterly national accounts.

For the ECE, the final report on methods used for estimating capital stock in transition economies will be completed in 2001.

OECD is coordinating work by a number of ECE countries, Eurostat, IMF, CIS Statistics Committee and Goskomstat of the Russian Federation on developing a Handbook on Measuring the Non-observed Economy, which is expected to be used by non-OECD countries as well as Member countries. An initial draft was issued in September 2000, and the handbook is scheduled for completion in the second half of 2001.

UNSD edits, publishes and disseminates worldwide the printed bi-annual ISWGNA information newsletter "SNA News and Notes" in four languages. The electronic formats of the newsletter are also posted in the UNSD web page. It contains information on publications, meetings and seminars; clarifications, interpretations and changes to the 1993 SNA; country experiences in SNA implementation and other relevant information by the ISWGNA.

Attention of the Conference was drawn to the following:

?? **Future action in joint data collection (concerns transition economies):** ECE and Eurostat both collect national accounts data from EU candidate countries. Outstanding issues of timeliness, data detail, data

transmission formats and reliability need to be resolved before this overlap can be eliminated. These questions have been reviewed in the past and will be revisited from time-to-time as new developments warrant;

- ?? Key areas of economic statistics where it is considered most important that international organisations produce methodological manuals;
- ?? “minimum set of standards for complying with the SNA '93 that the Intersecretariat Working Group on National Accounts has developed for CITs;
- ?? National accounts serve as the conceptual and empirical basis of a large proportion of NSIs' economic analysis and research, and their analytical measurements are encountering greater difficulty in keeping up with the changing economic environment. The situation is also characterised in the European Region for growing pressure to develop short-term statistics, which can be used to monitor and to complement the SNA. There is a resulting growing problem of fragmentation. National accounts serve as one of the few instruments available for helping to keep things together and there is a need to further strengthen its empirical and analytical bases.

Decisions taken by the Conference at the 2001 plenary session:

- ?? The Conference approved the activities to be undertaken by the Conference in this programme element (See "Activities and means" section below).

Meetings from July 2001 to June 2003:

ECE Special session on National Accounts for transition economies, Paris, 12 October 2001
ECE Special session on National Accounts for CIS countries, 23 April 2002
ECE-Eurostat-OECD Joint meeting on National Accounts, 24-26 April 2002
ISWGNA: Working group meetings, autumn and spring 2001-2003
Eurostat: GNP Management Committee, 5 – 6 July 2001
Eurostat: GNP Management Committee, 7-8 November. 2001
Eurostat: Working Group: National Accounts, 5-6 December 2001
Eurostat: Working Group: National Accounts Directors, twice a year in January and June
Eurostat: Working Group: National Accounts, 3 times a year in February, June and December
Eurostat: GNP Management Committee, 3 times a year in April, July and November
Eurostat: Working Group: FISIM, once a year in May.

Rapporteur: OECD

Activities and means from July 2001 to June 2003:

Intersecretariat Task Force on National Accounts: The Inter-secretariat Working Group on National Accounts (ISWGNA) is the convener of a Task Force on National Accounts. The ISWGNA which consists of the UN secretariat, represented by UNSD and the Regional Commissions (ECE, ECA, ECLAC, ESCAP), Eurostat, IMF, OECD and the World Bank meets twice a year to co-ordinate issues related to the implementation of the 1993 SNA. The Working Group has a rotating chair that changes in March of each year right after the Statistical Commission session. The UNSD acts as permanent Secretariat of the Working Group.

Ongoing methodological work: The ISWGNA has also been entrusted by the Statistical Commission with keeping the 1993 SNA up-to-date according to a well-defined process endorsed by the Statistical Commission. At present, in response to a request of the Statistical Commission, the ISWGNA is reconsidering the current milestone assessment of the implementation of the 1993 SNA. In this context a new alternative approach has been suggested in order to better assess to what extent countries have implemented the 1993 SNA. The ISWGNA has identified three main dimensions that need to be examined or re-examined: (i) scope of the accounts, (ii) compliance with 1993 SNA concepts, and (iii) quality issues.

The ISWGNA has discussed the treatment of the mobile phone licences, which have become an

important issue given the number of countries around the world selling licences that confer rights to use a given radio spectrum. As requested by the Statistical Commission, the ISWGNA has also discussed the frequency of the updates of the System. It has recognised that the issue of incorporating future conceptual changes in the annual questionnaires of UNSD, OECD and Eurostat should be reviewed more closely to ensure that all sets of changes to the questionnaires are put through consistently within a reasonable time frame.

New activities: Regarding further proposals on methodological revisions, the ISWGNA has created four electronic discussion groups, in order to engage experts around the world in a broadly based debate.

Activities of ECE:

Ongoing methodological work:

- (a) In conjunction with the OECD's autumn 2001 meeting on national accounts, the ECE will organise a session devoted to issues of specific concern to countries in transition.
- (b) ECE-Eurostat-OECD joint meeting on national accounts, spring 2002 to consider the following substantive topics: (i) Policy uses of national accounts; (ii) Quality and reliability of national accounts; (iii) Implications of the new handbooks on CPI and PPI on national accounts; (iv) Quarterly national accounts (consistency of time series, seasonal adjustments, early estimates); (v) Supply and use tables: practical application; (vi) Capital investment (including software); and (vii) Price and volume measures of services.
- (c) In conjunction with the OECD's autumn 2002 meeting on national accounts, the ECE will organise a session devoted to issues of specific concern to countries in transition.
- (d) Joint UNECE/OECD/CIS-STAT meeting on national accounts for CIS countries (2003) to consider the following: (i) Price statistics for national accounts; (ii) Estimation of gross fixed capital formation; (iii) Estimation of consumption of fixed capital; (iv) The non-observed economy.
- (e) ECE secretariat, in co-operation with the CIS-STAT and OECD, to continue work on capital stock measurement in CIS countries.

Priority objective of the methodological work to be undertaken in the next two years: ECE and other interested organizations to undertake surveys on (i) Best practices in estimating service lives of fixed assets; and (ii) Update the volume on Inventory of National Practices in Estimating Hidden and Informal Economic Activities for National Accounts published by the ECE secretariat in 1993.

Secretariat resources: Substantial.

Activities of OECD: Collects quarterly national accounts on countries' own definitions and classifications, and standardised annual national accounts on an SNA basis and detailed annual national accounts by activity. The first set of data is used intensively by economic analysts and forecasters in the OECD Secretariat. The second set is collected jointly with UNSD and Eurostat. The third set is for industrial analysis.

OECD is currently completing a manual on the Measurement of Capital Stocks and Flows under the aegis of the Canberra Group on Capital Stock Statistics. The manual is scheduled for publication in 2001.

In the period up to the end of 2000, OECD work has concentrated on the progressive implementation by Member countries of the new features of the 1993 SNA. As noted above, one of the main problems arising as a result of SNA93 implementation is the short time series available on an SNA93 basis for a significant number of countries. In addition, some countries do not have detailed estimates available for all institutional sectors, with the government sector being the most important omission.

Under the auspices of the Statistical Working Party of the OECD Industry Committee, the Secretariat has pursued two major methodological projects:

Productivity manual. This manual aims at providing an accessible and theoretically well-founded guide to the computation and interpretation of measures of productivity growth at the industry, sectoral and total economy level. The Manual considers various issues that arise in conjunction with the measurement of output, labour and capital input as well as questions of index number formulae and aggregation. A final draft will be available by end January 2001.

Handbook on the Quality Adjustment of Price Indices for ICT products. This handbook aims at

providing a guide to statisticians concerned with quality adjustment procedures, in particular for ICT products. The handbook explains and compares more traditional quality adjustment procedures with hedonic techniques and provides theoretical and empirical guidances for the latter. The draft for most of the handbook is provided by Mr Jack Triplett, consultant to the OECD Secretariat. A revised draft will be available in early 2001, a final draft is planned for late 2001.

Work on short-term economic statistics collected from non-Member countries is described in 1.3 and 3.XX.

Activities of Eurostat: (*Themes 40 - Annual Economic Accounts, 41 - Quarterly and environmental accounts (411), 43 - Monitoring of own resources*):

Ongoing methodological work:

(i) **Annual Economic Accounts:** In the area of methodology of national accounts the focus will be on consolidation and verification of the implementation of the ESA95. The timetable of the ESA Regulation (2223/96) means important blocks of new data, including industry and sector accounts, will arrive at the end of 2000.

Particular projects include:

- Continued work on methods to calculate and allocate FISIM (financial intermediation services indirectly measured). A common method must be agreed by early 2002.
- To improve data at constant prices, production in 2001 of a manual on best practice, based on the work of task forces and the national accounts working party in 1998-2000. Progressively the improved methods must be implemented by the Member States. Certain methods judged unacceptable must be abandoned altogether. Agree with Member States in 2001 an outline for national inventories of sources and methods of constant prices which will be written in 2002.
- Integration of labour market data with national accounts, including the follow up to the LEG on SAMs.
- Eurozone and EU 15 aggregates: clarify conceptual aspects such as consolidation rules and find practical solutions to the problems for countries' national accounts concerning the asymmetries that arise in actual recording.
- Discussion of the possibilities of a common policy on timing of revisions of national accounts.
- Clarify and interpret ESA as and when problems arise, including possible amendment of SNA in conjunction with other organisations in the inter-secretariat group on national accounts (ISWGNA). Needs will arise from the progressive extension of ESA95 to balance sheets and input-output tables and from administrative uses such as the Stability and Growth Pact and the EU budget.
- Continued methodological co-ordination between national accounts and numerous areas of new and existing basic statistics, including satellite accounts (distribution, tourism, agriculture, etc)
- Contribute to development of the EU practical handbook on input-output tables.

As regards data supply, the principal tasks will include:

- reception, processing and publication of national accounts data according to the schedule set out in the ESA95 Regulation;
- improvement of the ESA data transmission programme, in particular through the shortening of deadlines and cancellation of derogations;
- implementation of a dissemination system focusing on better service to users;
- continuation of the collection and improvement of the accounts of the Candidate countries;
- finalisation of a practical manual on input-output tables.

(ii) **Quarterly National Accounts:**

- Continuation of the implementation of ESA95 following the precepts of the manual on quarterly accounts.

(iii) **Gross National Product and VAT:** In 2002 GNP (gross national product) according to ESA79 will be replaced by GNI (gross national income) according to ESA95 in calculating the so-called "fourth resource". This resource will represent about 50% of the EU budget receipts, while VAT will contribute around 35%. The Court of Auditors and European Parliament will be increasingly attentive to the comparability and reliability of the data.

Particular projects include: The inventories of sources and methods used in compiling ESA95 data will be delivered at the end of 2000 and will need to be thoroughly analysed and discussed with the Member

States in 2001; Statistical assistance to the Budget DG in their verification of the statistical basis of the VAT based "third resource" will continue at the rhythm of about seven countries per year.

The SNA view of the economy is only one among several others, albeit an important one with specific interesting features like coherence. Eurostat actively encourages the development of other views on the economy which are not based on or shaped by SNA conventions: enterprise statistics on new orders, all sorts of labour market statistics, even business and consumer surveys, etc. These (fragmented) statistics also have the advantage of being able to react and thus also depict faster changes in the economic environment.

Priority objective of the methodological work to be undertaken in the next two years:

- manual on best practice in compiling price and volume measures in national accounts
- common EU method to allocate FISIM
- substantial improvements in quality and coverage of quarterly national accounts
- production, publication and implementation of the EU Handbook on the compilation of Input-Output tables.
- preliminary development works for the drafting of a future Handbook on the compilation of capital stock.

New activities to be undertaken in the next two years:

(i) Annual Economic Accounts:

- Implementation in the Member States of the methodologies on input-output tables and, possibly, the capital stock;
- Updating and improvement of the Candidate Countries' national accounts;
- Preparing for the statistical requirements of the possible new system of VAT and its macro-economic clearing has been suspended because of slow progress on the introduction of the scheme at political level.

(ii) Quarterly National Accounts:

- Investigate the possibilities for production of a monthly indicator of GDP for the Euro-zone.
- Develop statistical indicators as contribution to short-term macro-economic analysis.
- Develop constant price inventory.

(iii) Gross National Product and VAT:

- Particular projects include: National accounts statisticians must develop and implement additional tools to assess and demonstrate the quality of national accounts data. Preparatory work in view of the enlargement. The challenge will be to ensure an adequate level of verification, especially of GNI.

Other Activities of the European Commission:

Activities of other organizations:

UN Statistics Division:

Ongoing work methodological:

- (a) Preparation of annual SNA milestone assessments and analysis based on the UNSD national accounts database -- studying its feasibility and working on the refinement of the milestone system.
- (b) UNSD edits, publishes and disseminates worldwide the printed bi-annual ISWGNA newsletter "SNA News and Notes" in four languages. Also the electronic formats of English, French and Spanish versions are posted in the UNSD website. The newsletter contains information on clarifications, interpretations and changes in the 1993 SNA; country experiences in the SNA implementation as well as publications, meetings and seminars and other relevant information.
- (c) Preparation of a guide for Compiling the System of National Accounts 1993 – a Practical Introduction
- (d) Preparation of a handbook on the Non-Profit Institutions in the System of National Accounts in collaborations with the Johns Hopkins University Institute for Policy Studies

The International Monetary Fund (IMF): The IMF conducts two-to three week on-site missions to its member countries to help establish work plans in developing national accounts. To facilitate the development of timely reporting, a particular emphasis is the development of a database and estimation techniques to calculate quarterly national accounts estimates. The IMF also conducts training courses on the 1993 SNA and on quarterly national accounts at the IMF Institute in Washington (in English) and at the Joint Vienna

Institute (in English and Russian). The IMF also contributes to the drafting of the Handbook on the Non-Observed Economy. The Quarterly National Accounts Manual is to be published in spring 2001.

Expert Group on Capital Stock Statistics ("Canberra Group"):

Ongoing methodological work: The objective of the expert group is to produce a handbook on capital stocks and flows measurement which will cover both conceptual issues and best practices in compilation of capital stocks and flows statistics.

A second draft of the handbook is with the expert group for final comments and it is expected that it will be published by OECD in the first half of 2001. As a by-product of this work, a future research agenda has been identified, including suggestions for revisions to, and further elaboration of, SNA93, which will be forwarded to the Intersecretariat Working Group on National Accounts for consideration.

New activities to be undertaken in the next two years: The Group will be maintaining its electronic discussion database, but at this stage no further meetings of the Group are scheduled.

Contact Persons: Mr Rob Edwards, Australian Bureau of Statistics, P.O. Box 10, Belconnen ACT 2616 Australia, tel. +61 2 6252 5841, fax +61 2 6253 1095, email: rob.edwards@abs.gov.au; and Mr Derek Blades, OECD, 2 rue Andre Pascal, F-75775 Paris Cedex 16, France, tel +31 1 4524 8819, fax +31 1 4524 1713, email: derek.blades@oecd.org.

Electronic Discussion Group on the costs incurred in transferring the ownership of assets:

Expert Group on Intangibles:

The Delhi Group on informal sector statistics: The Delhi Group will work on the recommendations of the Fourth Meeting of the Group, which was held during 28-30 August, 2000 at ILO Headquarters, Geneva. The tentative recommendations of the fourth meeting are as follows:

(i) Member countries should include the variable "place of work" in labour force and informal sector surveys and endorses recommendations of the ILO Project on Measurement of Place of Work.

(ii) Studies be undertaken and available experience be evaluated on the construction of different types of frames including dual frames (household and establishment) and on sample design issues related to better coverage of informal sector activities (e.g. how to deal with rare types of activities, clustered or area concentrations of activities).

(iii) A systematic evaluation of data quality of informal sector surveys, that have been conducted, be undertaken. Furthermore, countries are encouraged to report data quality indicators of their surveys.

(iv) Efforts need to be made for separate estimation of employment of certain vulnerable groups of workers such as out-workers, domestic workers, as well as precarious employment in the formal sector.

(v) Should provide guidelines on the role/place of informal sector surveys within data collection programmes of national statistical systems. Guidance on the frequency of data collection and core statistics/indicators on the informal sector are important in institutionalising such data collection given the need for prioritising and economising resources.

(vi) Mixed survey approach is a useful vehicle to provide data for making direct estimates on the economic characteristics of the informal sector. Having obtained the benchmark data for any particular year, it was suggested that in order to save on the costs, estimates of trends may be obtained for intervening years.

(vii) The introduction of a new base year should be taken as an occasion to incorporate available result of informal sector surveys in the national accounts, to the extent possible.

(viii) Experts participating in the Delhi Group are invited to contribute to the draft of the Handbook by sending comments to the OECD. The Expert Group requests that the informal sector chapter of the Handbook be made available to the Group for consideration at its next meeting.

The next meeting of the Delhi Group will be held in September 2001 at Institute of Brasileirode Geografia e Estatística IBGE, Brazil. Contact person: Mr. K.V. Irniraya, Secretary, Ministry of Statistics and Programme Implementation, Sardar Patel Bhavan, Sansad Marg, New Delhi -110 001, Tel. No. 91-11-373

2150.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing methodological work: To introduce the System of National Accounts into the accounting practice of CIS countries in 2001-2003:

- (1) Development of methodological recommendations for Commonwealth countries' statistical services on the compilation of SNA accounts for institutional sectors of the economy in the light of available information; development of general principles for calculating the gross regional product; improvement of the methodology for compiling input-output and supply and use tables; and formulation of recommendations on defining elements of the balance sheet of assets and liabilities;
- (2) Collection, analysis and dissemination of key macroeconomic statistics calculated on the basis of 1993 SNA concepts;
- (3) Advisory assistance to CIS countries on improving methods of defining and reflecting economic processes and phenomena of relevance to CIS countries in their national accounts;
- (4) Holding of a joint ECE/CIS-STAT/OECD meeting on the compilation of national accounts in CIS countries in May 2001.

3.2 MONEY AND BANKING, GOVERNMENT FINANCE, AND BALANCE OF PAYMENTS

Problem Statement: Change in the areas covered by finance statistics - especially in monetary and financial statistics - has been especially rapid. Of particular note is the globalization of financial markets and the discussions at the highest political levels of how to put in place an international financial architecture that will enhance and spread the benefits of globalization while minimizing its risks.

Dissemination of data and metadata in finance statistics is especially challenging in part because, first, the use of data for monetary policy puts a high premium on timeliness of dissemination and, second, because the increasing extent to which data and metadata are needed beyond the national boundaries puts a high premium on rapid and user-friendly modes of distribution.

Data quality is an especially important and/or difficult issue in areas of statistics that are, inter alia, derived from multiple sets of source data; are relatively newly developed and thus less familiar to users; and are used for policy and operational purposes. Several of the sets of finance statistics meet one or more of these criteria.

Work in the fields of balance of payments, international investment position (IIP), government finance, and money and banking statistics is related to work undertaken in programme element 3.1 on the implementation of the SNA. In each of these special fields, the work is being undertaken with a view to harmonization to the greatest extent possible with the 1993 SNA, including its interpretation, extension, and modification as required by changing circumstances and policy needs. In addition, work in each area involves efforts at improved dissemination and shedding more light on and improving data quality.

Strategic Medium-Term Goals: The IMF Monetary and Financial Statistics Manual was published in 2000. The Manual applies SNA standards to the preparation of statistics on money, credit, and other financial activity. The development of the Manual parallels the work now underway in EU countries to prepare monetary statistics under unified standards based on the ESA 95. The Fund is also engaged in a similar endeavour to develop a revised Government Finance Statistics Manual, which is expected to be published in 2001. A database consistent with these methodologies will also be established. Collection of monetary statistics in accordance with the standards in the Monetary and Financial Statistics Manual and the EMU monetary statistics program will begin.

A database has already been established in balance of payments statistics consistent with the fifth edition of the IMF Balance of Payments Statistics Manual. In support of efforts to implement the fifth edition

of the Balance of Payments Manual, the IMF publishes an annual report of its Balance of Payments Committee and a twice yearly Newsletter on Balance of Payments Statistics.

For Eurostat, a database will be developed consistent with the regulations established by the Council of Ministers on the procedures and statistical definitions which are to be transmitted for the excessive deficit procedure and a manual on the Community methodology for the calculation of BoP will be produced.

OECD will provide Internet access to the public at large to the information on Member countries resulting from the joint IMF/OECD Survey of Implementation of Methodological Standards of Direct Investment (SIMSDI). A joint OECD/World Bank WEB site will be organised and opened to the public on privatisation statistics. Working papers on various methodological studies, including additional operational guidelines to foreign direct investment statistics, will be issued to the public as they become available.

Attention of the Conference was drawn to the following:

?? Future action in joint data collection (concerns transition economies): UNCTAD and Eurostat will endeavour to resolve the issue during the course of 2001, subject to resource constraints.

?? A series of IMF manuals have recently been published or are in the stage of being finalized (see text above and under activities of IMF below).

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

OECD: Working Party on Financial Statistics, 12-14 November 2001

OECD: Working Party on Financial Statistics, November 2002

OECD: Working Party on Financial Statistics, November 2003

OECD: Workshop on Foreign Direct Investment Statistics of China, September 2001

OECD: Baltic countries: Seminar on Foreign Direct Investment statistics, 2001

OECD: Working Group on Insurance Statistics (ad hoc meetings, as required)

OECD: Baltic countries: Seminar on Foreign Direct Investment Statistics, 2001

OECD: South East Europe: Seminar on Foreign Direct Investment Statistics, 2001

ECB Statistical Committee: 5-6 meetings per year

Eurostat: Working Group: Short Term Public Finance Statistics, 9-10 October; 2001

Eurostat: Working Group: Balance of payments, 20-21 March 2001 and 15-16 October 2001

Eurostat: Working Group: Financial Accounts, 18 - 19 October 2001

Eurostat: CMFB – Committee on Monetary, Financial and Balance of payments statistics, twice a year in January and June

Eurostat: Working Group: Short Term Public Finance Statistics, 3 times a year in January, June and October

Eurostat: Working Group: Financial Accounts, twice a year in March and October

Eurostat: Working Group: Collection System Workshop, once a year in May.

Rapporteur: International Monetary Fund (IMF).

Activities and means from July 2001 to June 2003:

Intersecretariat Task Force on Finance Statistics: In 1993, the UN Statistical Commission/ACC Subcommittee on Statistical Activities' Task Force on Finance Statistics was established, with a mandate to foster coordination and cooperation of data collection and dissemination activities and methodological developments in the area of financial statistics. The Fund has acted as convener for this task force. The Task Force has held several meetings since 1998 to address issues concerning the adequacy of data for international reserves and external debt that emerged in the wake of the Asian financial crisis. The Task Force will be focussing especially on the preparation of the new publication, External Debt Statistics: Guide for Compilers and Users (Guide), and on enhancing the Joint BIS, IMF, OECD, World Bank Statistics on

External Debt. It is expected that the draft will be circulated to member countries for comment in early 2001 and that the Guide will be published around the end of 2001.

Activities of ECE: None

Activities of OECD:

a) Financial statistics:

(i) Databases on: financial accounts; foreign direct investment (FDI flows and positions); institutional investors; statistics on funded pension schemes; privatisation proceeds; bank profitability - financial statements of banks; central government debt instruments; insurance statistics of which the coverage will be extended to include health insurance.

(ii) Follow up from the joint survey with IMF on the implementation of methodological standards of foreign direct investment aiming to assess the implementation of recommendations included in the OECD Benchmark Definition of Foreign Direct Investment, 3rd edition and IMF Balance of Payments Manual, 5th edition. The activity will continue a) to review the content of survey results; b) to conduct methodological work to clarify specific issues; and c) to provide additional operational guidelines to national compilers.

(iii) Task Force on Funded Pension Statistics, created to propose common definitions and methodology for data collection on funded pension schemes, will pursue its work to ensure harmonisation of the statistics in the OECD area.

(iv) Task Force on Financial Statistics established to provide guidelines for the revision of the OECD financial statistics series [with special emphasis on financial accounts components according to SNA 93 and ESA 95].

(v) Other methodological work related to financial statistics [the statistical treatment of non-profit institutions, of write-offs and write-downs, of asset-backed securities; consolidation within sectors and the treatment of holding companies; co-ordination between financial accounts and income and product accounts; harmonisation of financial accounts statistics and government finance statistics; harmonisation between the rest of the world sector of financial accounts and balance of payments statistics; recording accrual of interest; assessing the methods of valuation and the use of "market valuation" in Member countries; seasonal adjustment of financial accounts; income and holding gains and losses; uses of financial accounts and the presentation of financial accounts; statistical treatment of mergers and acquisitions and the possible use of existing statistics]

(vi) Creation and development of a network of experts of foreign direct investment statistics [under the guidance of the Advisory Group on foreign direct investment statistics].

(vii) Technical assistance to China, to Baltic countries and to South East Europe on foreign direct investment statistics and analysis.

(viii) Technical assistance to China on financial statistics [developing and analysing financial indicators to meet the requirements of the financial sector reform].

(ix) Compilation of FDI statistics for non-Member countries.

b) Revenue statistics: This annual publication provides a conceptual framework to define which government receipts should be regarded as taxes and to classify different types of taxes. It presents a set of detailed, internationally comparable tax data in a common format for all OECD countries from 1965 onwards. The structure of the report has been revised to improve its accessibility to users. Future editions will update databases of level and structure of government revenue sources in OECD Member countries (in cooperation with IMF), and update the interpretative guide to accommodate reference to taxes in cooperation with IMF. New OECD Member and accession countries will also be included. Special features dealing with specific areas of interest (e.g., the interpretation of tax-to-GDP ratios; the impact of revised GDP figures on reported tax levels) have become a new important component of the annual report.

c) Taxing Wages (previously entitled 'The Tax/Benefit Position of Employees'): This annual publication details the tax/benefit position of employees, covering personal income tax and social security contributions paid by employees and their employers, and universal cash benefits received by family units. Taxes and benefits are detailed for eight family-types, which differ by income level and household composition. The

report also presents the resulting average and marginal tax rates. Future editions will include data on new OECD Member and accession countries, and will be further revised to accommodate dynamic demand of policymakers.

d) The Reporting Systems Division of the Development Co-operation Directorate provides statistical support to the Development Assistance Committee (DAC) and to the Inter-Agency Task Force on Finance Statistics. The work covers resource flows to developing, CEEC and NIS countries and norms and definitions for measuring and reporting the stock of external debt and reconciliation of debt flow data with balance of payments and debt stock data. The Division maintains the DAC System of aggregate official and private flows statistics and the Creditor Reporting System (CRS) on individual official transactions. It publishes comparative data on individual donor performance based on this information. It publishes external debt statistics annually and co-ordinates and publishes quarterly data on external debt and reserves taken from OECD sources, the Bank for International Settlements (BIS), the World Bank's Debtor Reporting System, and the IMF.

Activities of Eurostat: (*Themes 42 - Financial Accounts, 52 - Money and Finance, 54 - Trade in Services and Balance of Payments (541, 542)*):

Ongoing methodological work:

(i) **Financial Accounts:** From September 2000 the Member States which have no derogation started to report regularly financial accounts including balance sheets according to ESA 95. Eurostat has started the work on a methodological manual on the compilation of financial accounts. A first draft version should be available by the end of 2001.

(ii) **Money and Finance:**

Statistics of the Euro and the EMS: The Euro yield curve will undergo further improvements, i.e. calculations which take into account the capital market rating of the borrowers and the extension of the sample to bond with a maturity of 30 years.

Monetary and financial indicators (short term and structural): Eurostat continues to be mainly involved to promote the standards of EU monetary and financial indicators in the candidate countries.

Statistics on debt and deficit: The set of short-term comparable indicators for the budgetary performance of the Member States of the monetary union will be operational for the most of the non-financial transactions.

(iii) **Balance of Payments:** See activity 3.6.

Priority objective of the methodological work to be undertaken in the next two years: The manual on government finance will be updated and will include the latest decisions of Eurostat on the measurement of debt and deficit. A compilation manual on financial accounts should be operational within in the next two years.

Balance of payments: See activity 3.6.

New activities to be undertaken in the next two years:

(i) **Financial Accounts:** The procedure for a Council Regulation on the transmission of the quarterly financial accounts for the general government is under way. It is planned to add a further Commission regulation in order to collect those items, which permit to calculate the consolidated general government sector for the Monetary Union.

(ii) **Balance of payments:** See activity 3.6.

Eurostat intends to publish the **Manual on General Government Debt and Deficit** (second edition) in the second half of 2001. Moreover, quarterly accounts (financial and non-financial) for the sector general government are under discussion. Two regulations have been prepared, one which is already discussed at the level of the EU council and Parliament, and one which will be sent before July 2001 to the Council and Parliament.

Other Activities of the European Commission:

Activities of the European Central Bank:

Ongoing methodological work: The ECB's main statistical responsibility is to make available the statistical information needed to enable the tasks of the European System of Central Banks (ESCB) as set out in the Treaty on European Union to be performed. The required information covers a wide range of financial and economic data. By agreement with the European Commission (Eurostat), the ECB takes main responsibility at EU level for money and banking and related statistics (mainly securities issues, interest rates, and data relating to non-monetary financial corporations); shares responsibility with Eurostat for balance of payments and international investment position statistics, and financial accounts; while the Commission is responsible at European level for other economic statistics. The ECB works closely with EU national central banks and other national statistical authorities, the European Commission, and international organisations.

The ECB is required by Statute to "contribute to the harmonisation, where necessary, of the rules and practices governing the collection, compilation and distribution of statistics in the areas within its field of competence". The ECB's on-going methodological work focuses principally (but not exclusively) on achieving better statistics covering the euro area in the areas of main and shared responsibility, and encouraging better and more timely data in the areas of economic statistics for which Eurostat is responsible at EU level.

The most important methodological work in 2000, much of which continues, concerns:

- (a) further improvements to bank (MFI) balance sheet data and derivation of monetary statistics and counterparts from them
- (b) improvements to data on securities issues, interest rates
- (c) data on (non-monetary) financial institutions
- (d) better data on the balance of payments (notably in the areas of investment income and portfolio account)
- (e) better links between balance of payments and monetary statistics
- (f) reserve assets (IMF/BIS template)
- (g) financial accounts for the euro area
- (h) seasonal adjustment

The statistical work of the ECB, and the requirements for economic statistics outside the area of the ECB's statistical responsibility, are described in two recent ECB publications: "Statistical information collected and compiled by the ESCB" (May 2000); and "Statistical requirements of the ECB in the field of general economic statistics" (August 2000). Other recent descriptive or methodological publications of the ECB are: "Monetary and banking statistics: handbook for the compilation of flow statistics" (December 1999) "Seasonal adjustment of monetary aggregates and HICP for the euro area" (August 2000) "Statistical treatment of the Eurosystem's international reserves" (October 2000) "European Union balance of payments/international investment position statistical methods" (November 2000).

The ECB's website (<http://www.ecb.int>) contains methodological notes on ECB statistics.

Supplementary text by Eurostat: The European Central Bank (ECB) conducts monetary policy for the Single Currency. The information needed by ECB is mainly macro-economic data such as national accounts (especially public deficit and debt) and prices. In addition certain short-term indicators on industrial production, orders and turnover, retail sales, labour market and external trade are required. The timing of the provision of data is particularly important. ECB requirements are closely integrated in Eurostat's work programme and it is foreseen that Member States will provide data to the ECB through Eurostat. In the frame of monitoring the stability of the financial system the ECB needs also structural business statistics in the financial services area (e.g. on banks, insurance, or other financial services enterprises).

Priority objective of the methodological work in next two years:

- (a) further improvements to bank (MFI) balance sheet data and derivation of monetary statistics and counterparts from them
- (b) improvements to data on securities issues, interest rates
- (c) data on (non-monetary) financial institutions
- (d) better data on the balance of payments (notably in the areas of investment income and portfolio account)
- (e) the international investment position

- (f) better links between balance of payments and monetary statistics
- (g) financial accounts for the euro area, starting with financing and investment of non-financial sectors
- (h) further work on seasonal adjustment

The ECB intends to develop a Centralised Securities Database as a means of improving the treatment of negotiable securities across the financial accounts.

New activities to be undertaken in the next two years: The ECB has established much closer links in statistical matters in 2000 with the accession countries seeking entry to the EU. In the next 2 years the ECB intends to prepare, with the help of statisticians in these countries, manuals of their statistical sources and methods in the areas of money and banking statistics and balance of payments/international-investment-position statistics.

Activities of other organizations:

The ILO: The ILO has been conducting the Inquiry into the Cost of Social Security since 1949. The data contain the financial transactions (revenues and expenditure) of social security schemes for over 100 member countries. Data for 1990-1996 are available on ILO's Internet Web-site. By the end of 2001 there will be an on-line data-base available, including historical data (1949-1993) on revenues and expenditure of social security schemes from 22 European countries, being developed in co-operation with the ILO by EURODATA Research Archive of the Mannheim Centre for European Social Research (MZES). Current work concentrates on developing a revised methodological approach, compatible as far as possible with SNA, with the EUROSTAT-ESSPROS approach to social protection revenue and expenditure statistics, OECD Social Protection Expenditure data-base and with IMF's new guidelines to the Government Finance Statistics, which would enable collecting, more successfully than in the past, comparable data - particularly from the developing countries. Within this framework, the ILO is also developing, in cooperation with the World Bank, methodologically standardised approach to the in-depth, country-based reviews of social protection expenditure, financing and performance.

The International Monetary Fund (IMF): Following the publication of the fifth edition of the Balance of Payments Manual (BOPM) in 1993, the IMF published a Balance of Payments Compilation Guide in 1995 and a Balance of Payments Textbook in 1996. The IMF published Financial Derivatives: A Supplement to the Fifth Edition of the Balance of Payments Manual in 2000. Following on from the publication of the Monetary and Financial Statistics Manual in 2000, efforts will be made to convert the IMF's database for money and banking statistics to meet the requirements of the Manual. Work will also begin on the preparation of a Compilation Guide to accompany the Manual. In addition, in consultation with concerned regional and international organizations as well as member countries, the IMF will be working toward the identification of a core set of macroprudential indicators concerning the financial system and developing, for consideration by its Executive Board, preliminary proposals for the collection and dissemination of data on macroprudential indicators. Following receipt of comments on the draft of the Government Finance Statistics Manual, a revised draft manual has been prepared for review by an expert group meeting in early 2001. It is expected that the Manual will be published in mid-2001. The IMF conducts two-to-three week on-site missions to its member countries to help establish work plans in developing government finance statistics. The IMF also conducts training courses on government finance statistics at the IMF Institute in Washington (in English).

The IMF established a Committee on Balance of Payments Statistics in 1992 to oversee the implementation of the recommendations presented in the reports of the two IMF Working Parties (Report on the Measurement of International Capital Flows and Report on the World Current Account Discrepancy), advise the Fund on methodological and compilation issues in the context of balance of payments and international investment position statistics, and foster greater coordination of data collection among countries.

In addition, the IMF promotes the implementation of the BOPM, inter alia, through this Committee. Recent projects undertaken by the Committee include the conduct of a coordinated portfolio investment survey in respect of year-end 1997, which involved the collection of information on holdings of long-term foreign

securities as at 31 December 1997. The IMF published, in 1999, Results of the 1997 Coordinated Portfolio Investment Survey and, in 2000, Analysis of the 1997 Coordinated Portfolio Investment Survey Results and Plans for the 2001 Survey. For 2001, the Committee's top priorities are to improve the reporting of external debt data within the international investment position framework, and to make preparations for a repeat of the Coordinated Portfolio Investment Survey as at December 31, 2001.

World Bank: The World Bank has been collaborating with other members of the Inter-Agency Task Force on Finance Statistics on disseminating high frequency data on external debt through the Joint BIS, IMF, OECD, World Bank Statistics on External Debt and on developing new methodological standards for measuring debt. The task force is preparing a publication, External Debt Statistics: Guide for Compilers and Users. The World Bank has been involved in disseminating the newer standards, that are being developed in this publication, through regional workshops, like the Seminar on External Debt at the Joint Vienna Training Institute. Other regional workshops are planned as well.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work: In the field of financial statistics for the period 2000-2003:

- (1) Assistance to Commonwealth countries in improving financial statistics, including the formulation of proposals for the enhancement of statistical reporting and the adaptation of inter-State standards (especially in government finance statistics) to national circumstances in the organization of statistics in these countries, as well as recommendations for the application of new methods and standards in statistics relating to money in circulation and credit;
- (2) Collection, analysis and dissemination of financial and price statistics:
 - (i) State budget income and expenditure in Commonwealth countries;
 - (ii) Money income and expenditure of the population;
 - (iii) Business profits and the status of settlements, both internally and with other countries;
 - (iv) Banking statistics (credit extended, deposits, issuance of money, interest rates, credit indebtedness and investments);
 - (v) Statistics relating to insurance activity;
 - (vi) Analysis and publication of information and statistical bulletins, as well as statistical compendia.

3.3 INTERNATIONAL TRADE IN GOODS

Problem Statement: Countries generally tend to implement the recommended international concepts and definitions for international merchandise trade statistics. However, there are still differences in the levels and details of implementation between countries. National authorities also tend to report international merchandise trade statistics to international organizations on different time schedules. At the international level, organizations adjust the data for comparability and can estimate non-reported data. The methodologies applied are not harmonised, leading to different results that unnecessarily confuse users.

Strategic Medium-Term Goals: To develop implementation guidelines for internationally agreed concepts and definitions in international trade statistics. To further rationalize data collection of international organisations through increased data sharing to further reduce reporting burdens on countries; ensure consistency of data in the databases of each organization including estimates. To continuously improve the coverage of Comtrade and to develop strategic plans for its platform.

Attention of the Conference was drawn to the following: Nothing

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

OECD: Meeting of Experts on International Trade Statistics, end 2001/early 2002

Eurostat: Committee: Trading of Goods (Intrastat/Extrastat), 14 - 16 November 2001

Eurostat: Working Group: Edicom Information & Communication Technology, 9-10 Oct 2001 and 13 November 2001

WTO: Intersecretariat Task Force on International Trade Statistics, 2002 and 2003

Rapporteur: World Trade Organization (WTO)

Activities and means from July 2001 to June 2003:

Intersecretariat Task Force on International Trade Statistics: An Inter-secretariat Task Force has been established by the UN Statistical Commission. The World Trade Organisation (WTO) is the convener of this Task Force. The OECD has set up an electronic discussion forum, which is jointly operated together with the WTO, to facilitate the Task Force's ongoing cooperation work.

Ongoing work methodological work: (i) Methodological work: The Compiler's Manual for International Merchandise Trade Statistics. Statistical territories of the World for use in international merchandise trade statistics. Collection and exchange of information on national practices for compiling and disseminating trade indices. Study the need to compile trade statistics according to the CPC. Address the relation between trade and industrial activity in terms of links between product and activity-based classifications. (ii) Data collection and processing: Increase shared data collection between international organisations. Eventually also share data processing among international organisations. Develop a consistent set of aggregate trade data, including hard data and estimates.

Priority objective of the methodological work in the next two years: To publish the Compilers' Manual for International Merchandise Trade Statistics, the Statistical Territories of the World for Use in International Merchandise Trade Statistics, and the Technical Report on Index Numbers in International Trade.

New activities to be undertaken in the next two years: The treatment of e-commerce in international trade statistics.

Activities of ECE: None

Activities of OECD:

Ongoing methodological work: Collects and maintains two databases for analytical use: (a) monthly data of exports and imports at current prices by partner countries and main categories of commodities, and volume and average value indices for selected countries and main categories; and (b) detailed annual data of exports and imports by commodities and by partner countries using three classifications (SITC, HS, ISIC).

Priority objective of the methodological work to be undertaken in the next two years: Full implementation of the OECD -UNSD data sharing agreement, covering all OECD Member countries. A successful completion of this initiative would result in a reduction of the response burden for Member countries and lead to identical trade figures published by the UN and the OECD.

After the successful first two OECD meetings to continue to use this forum to stimulate the exchange of view and deepen research on methodological issues amongst government officials and trade experts.

Online availability of OECD's detailed international trade database on Internet for external users.

New activities to be undertaken in the next two years: After successful testing, implementation of an activity - based trade database, using ISIC Revision 3 in 2001. Implementation of an improved method for seasonal adjustment of monthly data.

Activities of Eurostat: (*Theme 53 - Trade in goods*):

Ongoing methodological work: The work will mainly be developed in the frame of the Edicom 2 Decision. The construction of a coherent system covering all the methodological, organisational and IT aspects of statistics on the trading of goods will be continued in accordance with the guidelines of the "strategic plan" adopted in 1999. The priority aims of the whole programme are the optimisation of the information collection and processing chain, the exchange of best practices, the development of common IT tools, and the use of modern communication technologies.

The actions accorded priority in the first year of the programme (2001) will have the following objectives:

- to speed up the availability of statistics by the development of advanced estimators ;
- to provide high-quality trade statistics quickly and punctually;
- to provide a more complete range of statistics (e.g. trade statistics on intra-firm, by economic activity, size of enterprise,...);
- to improve the inter-operability of registers;
- to improve collection tools.

Eurostat's effort will be increasingly focused on the EU and Euro Zone entities.

The methodology to produce unbiased Euro Zone trade balances, including a correction of Intra-EU asymmetries, will be finalised.

Co-operation activities will be continued under the various programmes (Phare, Tacis, Medstat, ACP countries, Asia and Latin America (ALA) countries etc.). The emphasis is on the data exchange, quality improvement and harmonisation of methods.

A new enhanced version of Eurotrace system will be made available.

Activities involving the candidate countries will be reinforced.

In addition, the reconciliation exercises will be continued with privileged partners, according to a method which is now harmonised.

Certain work (supplying tariff data, reconciliation exercises) may depend on financing from the External Relations and Trade DGs.

Co-operation work depends on financing under the PHARE, TACIS and other projects.

Other Activities of the European Commission: Certain data analysis and collection work may be carried out by other DGs, particularly: analysis of trade and the preparation of trade negotiations; sector aspects of international trade in goods - Agriculture, Industry, etc.

Priority objective of the methodological work to be undertaken in the next two years: The availability of statistics will be speeded up by the development of advanced estimators.

The quality of trade statistics will be improved by controlling the basic statistics, enhancing quality measurement and assurance, tackling asymmetries, developing imputing methods and harmonising statistical methods.

Special products, including long series, will be made available to macro users, while, for micro users, the present products will be enhanced by sector profiles.

Eurostat will continue to participate to the "International Trade Statistics" (ITS) task force to insure close working links with other international organisation (UNSD, WTO, IMF, OECD etc.). With reference to the United Nations manuals on "Concepts and definition" and the "Compilers guide", an integrated documentary data base on methods and definition (Methodologica) will be prepared. The data base will be accessible by internet and will contain a set of manuals (user guide, concepts and definitions, guide lines for data compilation, description of the acquis communautaire, guide lines for data reconciliation, case books etc.) linked by hypertext references established according a common structure.

The work undertaken on introducing a more statistical and much less accounting-oriented dimension into external trade will provide initial results. In particular, the pilot studies on the availability of statistics by sector will make it possible to compare trade statistics with business statistics and National Accounts.

New activities to be undertaken in the next two years: Actions concerning longer-term adjustments to the Intrastat and Extrastat systems will be planned or continued in the light of the results of the previous work, the availability of resources, changes in the environment (particularly the administrative environment)

and the requirements. In this context:

- work to prepare for the reform of the Intrastat system will be continued by deciding what studies and/or pilot surveys are to be conducted in 2002 by Member States on a voluntary basis;
- efforts will be made to improve the integration of statistics on the trading of goods into the European and international statistical system (meeting new requirements resulting from globalisation, for example; better integration into the European statistical system);
- the adjustment of the Extrastat system will be continued in order to meet the specific and growing requirements regarding the monitoring of trade with non-member countries by an approach that is less dependent on customs formalities and is in line with international recommendations.

Furthermore, emphasis will be placed on disseminating statistics which are increasingly close to the economic analysis by including in the same medium the dimensions of value, volume and price. Emphasis will be placed on analysis in terms of competitiveness, price and market shares.

Activities of other organizations:

UN Statistics Division:

Ongoing methodological work: To provide methodological outputs to help improve international merchandise trade statistics at the national level.

Priority objective of the methodological work to be undertaken in the next two years:

To produce a compilers manual for international merchandise trade statistics (2001)

To produce a technical report describing country practices for index numbers of international trade (2002)

To produce correlation tables between the Harmonized System 2002 to the SITC Rev.3 (2001).

New activities to be undertaken in the next two year: UNSD, OECD and EUROSTAT will extend their cooperation on collection of detailed international merchandise trade statistics to cover all OECD countries to reduce reporting burden on countries and improve the comparability of data maintained by the three organizations.

The International Monetary Fund (IMF): Two-to three week on-site missions focus on the review of existing data, institutional arrangements, concepts, methodologies, collection and processing procedures, staffing, and resources. In light of these assessments, recommendations are made based on UN methodologies for international trade statistics, the 1993 SNA and the Balance of Payments Manual. In some instances, related technical assistance and training is provided on foreign trade prices, also drawing on UN methodologies. Collects and maintains the monthly Direction of Trade Statistics database and disseminates associated monthly electronic and quarterly/annual hardcopy publications. Participates in development and promulgation of standards and methodology for trade statistics compilation such as authoring and commenting on portions of the International Merchandise Trade Statistics Compilers' Manual.

World Bank: The World Bank and UNCTAD are developing a web-based trade system containing data on merchandise trade, tariffs, and non-tariff barriers. This system allows for data retrieval based on Standard International Trade Classifications (SITC Rev.1, Rev.2, Rev.3) and Harmonized System classifications (HS 88, HS96). Data is based on bilateral trade between every reporting and trading partners.

World Trade Organization (WTO):

Ongoing methodological work:

(i) Methodological work: Participation in the work of the Task Force.

(ii) Data collection and processing: The WTO is primarily a user of other organization's data. Analytical value is added by WTO trade statisticians. Some trade policy data are, however, collected from WTO Members, e.g. tariff and non-tariff barrier information. In the context of the WTO Integrated Database, import statistics at the tariff line level are collected.

Priority objective of the methodological work to be undertaken in the next two years: Improving the

coverage of WTO's statistical series and to support the mandated trade negotiations as required. To effectively contribute to the preparatory process for further trade negotiations.

New activities to be undertaken in the next two years: As required by Members in the context of trade negotiations.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT): New measures: Statistics of foreign trade between CIS countries in the light of the creation of a free-trade zone. Broader analysis and dissemination of data on two-way trade between CIS countries. Review of methodological recommendations for the calculation of indices of average prices and physical volumes in foreign trade. Assistance to CIS countries in assimilating and applying methodological recommendations relating to International Trade Statistics: Concepts and Definitions as revised by the United Nations in 1997. Improving the quality and comparability of CIS countries' foreign trade statistics by the 'mirror statistics' method. In the period up to 2002, carry out work on building a database for CIS countries' foreign trade statistics.

3.4 TRANSPORT STATISTICS ^{2/}

Problem Statement: To ensure that transport statistics are consistent with the standards, classifications and needs of mainstream economic statistics. To improve data comparability through the development of a standardized terminology, definitions and classifications in transport statistics. To develop a set of standard price and quantity indices for transport services. To monitor developments in the field of transport database and information systems and promote the coordination of these.

Strategic Medium-Term Goals: Preparation of a third expanded edition of the Glossary for Transport Statistics (ECE-ECMT-Eurostat). Harmonization of existing classifications for the transport of goods.

Attention of the Conference was drawn to the following:

?? International statistical work is being conducted in the field of transport statistics by various international organizations, but that there is comparatively little international statistical work underway in the field of communications

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

ECE(ICT): Workshop on Extension of TERM (Transport and Environment Reporting Mechanism) to ECE CIT's (Copenhagen, European Environment Agency), September 2001

ECE(ITC)-ECMT-Eurostat: meetings of the Intersecretariat Working Group on Transport Statistics (IWG.Trans), held 2-3 times a year with rotation of hosts

ECE (ICT): Working Party on Transport Statistics, 52nd session, 14-16 November 2001

ECE (ICT): Workshop on GIS in Urban Transport, Tunis 2001

ECE (ICT): Working Party on Transport Statistics, 53rd session, 12-14 December 2002

ECMT: Meeting of the ECMT Group of Statisticians, May 2002 and May 2003

Eurostat: Working Group: Rail Transport Statistics, about once a year: next meeting 15-16 Nov. 2001

Eurostat: Working Group: Passenger Transport Statistics, about once a year: next meeting 6-7 Dec. 2001

Eurostat: Working Group: Airports and Air Transport Statistics, once a year in February

Eurostat: Co-ordinating Committee: Transport Statistics, once a year in March

Eurostat: Working Group: Road Transport Statistics, once a year in May

^{2/} For statistical work in the area of information and communications technology see PE 3.8.

Eurostat: Working Group: Maritime Transport Statistics, once a year in June: next meeting 22-23 June 2001

Rapporteur: Eurostat

Activities and means from July 2001 to June 2003:

Intersecretariat Working Group: The Intersecretariat Working Group on Transport Statistics (IWG) is made up of representatives from the secretariats of the ECE, ECMT and Eurostat. The IWG meets 2-3 times per year, with the location rotating between Geneva, Paris and Luxembourg. The objectives of the IWG are to promote the cooperation among the three main international organizations involved in transport statistics in Europe with the aim of harmonizing the collection, publication and dissemination of transport statistics at the international level. The Working party on Transport statistics, at its 51st session in October 2000, asked the IWG to produce a terms of reference and to develop guidelines for strategic directions in future.

The main vehicle for the harmonized work of the IWG is the Common Questionnaire for Transport Statistics. The Common Questionnaire was developed jointly by the IWG in order to avoid the duplication of efforts by any one organization and to reduce the response burden of member countries.

Linked to the Common Questionnaire is the Glossary for Transport Statistics, available in all of the languages of the ECE and the European Union and available on the Internet. The Glossary contains commonly agreed definitions used in transport statistics and is intended to be used by member countries when filling out the Common Questionnaire.

An electronic version of the Common Questionnaire has also been developed into a transport database system, through which the ECMT and Eurostat are able to import data received by member countries directly into a database system where the data can be checked and verified and exported for publication. The ECE is developing a similar system that will be compatible with the IWG Transport Database System.

Activities of ECE: None

Activities by the ECE Transport Division (Inland Transport Committee):

Ongoing methodologic al work:

- a) Standardization activities and other Methodological Work: Revision of the NST/R (Commodity Classification System for Transport) jointly by Eurostat and ECE. Progress foreseen for period in question.
- b) Glossary for Transport Statistics, Third Edition containing chapters of previous two editions and new chapters on road traffic accidents, urban transport and environmental indicators (expected by end 2001).
- c) The Common Questionnaire for Transport Statistics is circulated annually to member Governments, in cooperation with ECMT and Eurostat, and data is published for each organizations' member Governments in annual or less frequent publications. In the case of ECE this data is published in the Annual Bulletin of Transport Statistics for Europe and North America (ABTS) cited above.
- d) Questionnaire on Road Traffic Accidents in Europe and North America (RAS) is circulated annually by ECE to its member countries and is currently not collected or compiled by a Common Questionnaire, although coordination on road traffic accident terminology has been undertaken recently in a Task Force on Road Traffic Accidents (convened jointly by ECE /ECMT and Eurostat, see above under meetings), and the follow-up Ad hoc Expert group on Road Traffic Accident (October 2000).
- (e) Technical Assistance: Workshop for CIT's foreseen in 2001.
- (f) Recurrent and non recurrent statistical publications are listed in Programme Element 6.1.

Activities of OECD/ECMT:

Ongoing methodological work: The European Conference of Ministers of Transport (ECMT) annually publishes a leaflet on Trends in the transport sector, a bulletin on Statistical Trends in the transport sector, a Statistical Report on Road Traffic Accidents; and a statistical study on investment in transport infrastructure. The ECMT also publishes on its Internet site, the results of its quarterly Short Term-Trends Survey. These cover 40 European countries which are members of the ECMT.

The Common Questionnaire is circulated every year and is the basis for the Statistical Trends in Transport publication. The annual questionnaire on road accident statistics follows the terminology and definitions agreed by the Task Force on Road Traffic.

Priority objective of the methodological work to be undertaken in the next two years: Finalise the cooperation with EUROSTAT in developing an electronic version of the Common Questionnaire. Catch up with the delay in publications and improve their timeliness.

New activities to be undertaken in the next two years: Develop quicker ways to make data available according to member states needs. Improve data availability and its dissemination on Internet.

Activities of Eurostat: (*Theme 48 - Transport*):

Ongoing methodological work: Methodological work on transport statistics aims to increase the quality and cost-effectiveness of Community transport statistics, with a complete coverage of all modes of transport, providing data on passenger transport and safety as well as on goods transport, with a consistent and fully-documented set of concepts and definitions.

The Common Questionnaire and the Glossary established jointly by Eurostat, the UNECE and the European Conference of Ministers of Transport (ECMT) define the overall framework, while more detailed Community statistics are collected for certain types of transport.

For all areas of transport statistics, work is in progress

- to promote the use of EDI both to collect data from transporters as well as to transmit data from national authorities to Eurostat;
- to develop automated methods for estimation of data to permit the publication of complete time-series of aggregate EU and euro-zone indicators.

For goods transport statistics, a new standard classification is being developed by Eurostat, in collaboration with UNECE, to replace the NST/R classification currently used in Community transport statistics. The new classification, provisionally named NST-2000, classifies goods according to the activity which produces them; it is based on the CPA and hence closely linked to the NACE Rev 1/ISIC Rev 3 classifications. The NST-2000 classification is still being finalised with a view to its gradual introduction in 2003-2005.

For road freight transport, methodological work is aimed at regular production of statistics collected under the 1998 Council Regulation. The use of modelling to provide complete regional origin-destination matrices is being explored.

For rail transport, a new Council and Parliament Regulation has been proposed by the Commission, and work is in progress to provide a full set of definitions and methodological guidelines.

For maritime transport, methodological work supports the full implementation of the 1995 Council Regulation.

For air transport, a new glossary has been developed to support the voluntary data collection which is based on the draft Council Regulation proposed in 1995.

For passenger transport, Eurostat has a non-harmonised database based on ongoing voluntary transmission of information from existing surveys in Member States. A harmonised EU survey on long distance mobility will start in 2001 within the EU transport research programme (EU Research and Development Fifth Framework Programme).

For intermodal freight transport, Eurostat is preparing a set of methodological recommendations to support the future production of statistics.

For road safety, a set of standard definitions for the main indicators has been agreed with UNECE and ECMT which is compatible with the harmonised CARE Plus indicators derived from the 1993 Council Decision. This will make it possible to publish a set of harmonised statistics on road safety. In addition, work is in progress to define safety indicators for other transport modes which will allow comparisons between transport modes.

Work on the definitions and methodology for a set of transport and environment indicators is continuing under the TERM (Transport and Environment Reporting Mechanism) project (see also point 2.8 - Theme 71 - Environmental statistics and indicators).

Communications statistics are in Eurostat considered as part of business statistics.

Priority objective of the methodological work to be undertaken in the next two years: Eurostat's objective is to provide definitions and methodological guidelines for all areas of regular statistical production. Specific products foreseen in 2001-2003 are:

- reference manual for road freight transport statistics (1998 Council Regulation)
- draft reference manual for rail transport statistics (draft Parliament and Council Regulation) covering goods, passenger and accident statistics
- glossary for air transport statistics (draft Parliament and Council Regulation)
- methodological guidelines for intermodal freight transport
- glossary for road accident statistics (integrated into Eurostat/UNECE/ECMT Glossary).

New activities to be undertaken in the next two years:

- extension of rail transport statistics to cover passenger transport and rail safety;
- extension of air transport statistics to include some service quality indicators (eg delays)

Other possible new activities will aim at completing the coverage of community statistics on transport, by developing definitions, methods and sources for a complete set of key indicators across all modes of transport for each of the domains of the Common Questionnaire and Glossary: I-Infrastructure, II-Equipment, III-Economic data, IV-Traffic, V-Transport measurement, VI-Energy and environment, VII-Safety).

Activities of other organizations:

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work: Collection, processing and publication of transport data for Commonwealth countries:

- Monthly – on the carriage of goods and passengers and goods and passenger turnover by all modes of transport, and on mainline rail transport by type of freight;
- Yearly – on numbers of vehicles by purpose, on the operating length of transport systems by mode (as at year end) and indices of tariffs (mean annual) for the carriage of goods both by the transport sector as a whole and by selected modes of transport (for Commonwealth countries making such calculations);
- Preparation of analytical reports on transport activities.

3.5 DISTRIBUTIVE TRADE

Problem Statement: Development and updating of international manuals and standards in this field in the light of changes taking place in the structure of the retail and wholesale sectors; and provide a forum for transition economies and other countries to discuss methodological problems in this field.

Strategic Medium-Term Goals: For Eurostat: Databases and publications on retail and wholesale trades in the EEA and Central European countries. Implementation of the new regulation on business structural statistics. An annual report on the statistical and economic situation of trade in Europe based on the integrated system of observation. Comparative study of the statistical systems used in Europe and in some other OECD countries.

Attention of the Conference was drawn to the following: Nothing

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

Rapporteur: Eurostat

Activities and means from July 2001 to June 2003:

Activities of ECE: None

Activities of OECD: OECD's work on the development of indicators on electronic commerce is described in 3.8.

Activities of Eurostat: (*Theme 47 - Distributive trades*):

Ongoing methodological work: The main priority will still be to implement Regulation 58/97 on structural business statistics and its annexes in their present form. No major developments are planned in the field of distributive trades. Continuous efforts will, however, be made to improve data availability and quality.

The emphasis will be on the following: continuing to reduce the time taken to make statistics available; continuing the difficult but necessary work on confidentiality, which poses serious problems in the processing and supply of data - the main aim is to improve the availability of EU 15 aggregates; continuing the discussions and work with the Member States to improve data quality; continuing to improve dissemination by, in particular - making greater use of electronic media. The programme of work covers: Collection, validation, processing and publication of data up to the reference year 1999; Support for the Enterprise DG's consideration of new forms of distributive trade, particularly electronic commerce and the new forms of business partnership; The existing Internet site on distributive trades will continue to be updated and improved; Collection, processing and publication of the structural business statistics of the Phare countries in the field of distributive trade.

Since the resources available in the NSIs of the Member States are limited, developments in structural business statistics must be confined to the most important fields. Developments in the field of distributive trade will thus be kept to a strict minimum in order to give priority to developments in the field of services.

New activities to be undertaken in the next two years: The long-standing partnership with the Enterprise DG will be continued, with possible shifts in emphasis depending on the new guidelines which the Commission may adopt in 2001. It is likely to cover the following:

- A publication on Distributive trade statistics. This publication should be accompanied by a pocketbook containing extracts from the main publication. A CD-ROM should enable users interested in more detailed and thorough analyses to have access to all the statistical data available.
- Producing specific analyses to be published in "Statistics in focus" (6 editions foreseen for 2001).
- Finalisation of the work on satellite accounts and the breakdown of turnover by product and release of the results.

Activities of other organizations:

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

- a) Monthly collection, processing, analysis and publication of data on; (i) retail trade turnover through all sales channels (for trading organizations and for the informal sector) (in current prices); (ii) forms of ownership; and (iii) changes in trade turnover (in current and constant prices);
- b) Annual data:(i) structure of sales of food and non-food goods in value terms at current prices and indices of the physical volume of sales; (ii) statistical information on the intermediation activities of various specialized exchanges (goods, raw materials, stocks and shares, currencies, etc.); (iii) general availability in CIS countries of selected durable consumer goods; and (iv) consumption of alcoholic beverages.
- c) Systematic collection and exchange of information between CIS countries on prices for individual consumer goods in commercial enterprises (monthly) and on city agricultural markets in CIS capitals (monthly);
- d) Economic reports are planned for 2000-2001 on institutional changes in the distributive trade and marketed

services sector, on the situation in the consumer-goods and marketed-services market in CIS countries, and on comparative retail prices of selected goods in CIS countries;
e) Elaboration in 2000 of recommendations for the compilation, on the basis of the experience of CES countries' statistical services, of wholesale trade statistics.

3.6 INTERNATIONAL TRADE IN SERVICES

Problem Statement: To help develop suitable international nomenclatures and standards to ensure that national measurements are internationally comparable and consistent with basic economic statistics; to identify and establish a basic set of comparable data that meet the requirements of revised international standards for reporting Balance of Payments (BOP) and National Accounts (SNA) data and of recent agreements on international services trade; to provide further detail and analysis usable for promoting and developing services trade in a globalized competitive setting; to improve and selectively extend multilateral comparisons and exchanges of partner country data; to ensure that countries in transition have access to the methods and practices developed for the measurement of trade in services; and to contribute to the adaptation of the CPC to the specific needs of international trade in services.

Strategic Medium-Term Goals: For OECD, the trade-in-services statistics ad hoc expert group will monitor the implementation of the trade in services classification and work towards improving questionnaires for reporting data on activities of foreign affiliates. An additional output will be a manual on the definitions and classifications of international trade in services which is being funded jointly by OECD, WTO, Eurostat, UNSD, UNCTAD and the IMF. The Manual on Statistics of International Trade in Services (MSITS) will contain the following chapters: (i) Introduction; (ii) The Conceptual Frame work; (iii) Transactions between Residents and Non-residents; and (iv) Foreign affiliates Trade in Services (FATS). The manual will provide a link between balance of payments statistics and GATS requirements. Once the manual is approved by the UNSC attention will turn to implementation of its recommendations. OECD is continuing to work with Eurostat to produce a joint publication on international trade in services. Work has started on a Compilation Guide concerning methods of collecting information. Co-ordination among international organizations is essential in this work.

Attention of the Conference was drawn to the following:

?? In March 2001, the Statistical Commission adopted the draft Manual on Statistics of International Trade in Services (MSTIS), prepared by the inter-agency Task Force on Statistics of International Trade in Services (OECD, WTO, Eurostat, UNSD, UNCTAD and IMF).

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

OECD: Meeting of Experts on Statistics of International Trade in Services, 10-11 December 2001.

Inter-Agency Task Force on Statistics of International Trade in Services, 3-4 May 2001, 12 Dec. 2001

Eurostat: CMFB – Committee on Monetary, Financial and Balance of payments statistics, twice a year in January and June

Eurostat: Working Group: Balance of payments, 20-21 March 2001 and 15-16 October 2001

Rapporteur: OECD

Activities and means from July 2001 to June 2003:

Task Force on Statistics of International Trade in Services:

Activities of ECE: None

Activities of OECD: Collects statistics for the database: OECD Statistics on International Trade in Services. Finalisation of MSITS and if it is approved by UNSC, then implementation of the recommendations in OECD countries will be discussed with Eurostat. The data feed into the STAN database. A collection of international trade in service statistics by partner country data will commence in 2001 in coordination with Eurostat. Joint annual publication on International Trade in Services with Eurostat continues.

Activities of Eurostat: (*Theme 54 - Trade in Services and Balance of Payments (543, 544)*):

Ongoing methodological work: Statistics on FDI, International Trade in Services, Geographical breakdown of the BOP Current Account will be produced. Improvements will concern Foreign Affiliates Trade statistics and Candidate Countries statistics. Balance of Payments of Communities Institutions. The level of detail on cross-border trade will reach its top (at least for the time being). Meta data in the databases will be improved and completed.

Direct reporting. Most MSs will most probably continue or begin the introduction of direct reporting for collecting information from large enterprises. This will improve the quality of the information on trade in services as well as on financial transactions carried out via non-resident banks.

Merchandise transport. Most MS will most probably begin to implement the report. This will improve the quality of the information. Additional information asked by users will be produced on an invoice basis.

Travel. Many MSs will implement a new data collection system for travel adapted to their specific situation, in line with the conclusion of the report.

Intra EU information needs should be reviewed with the full participation of National Accountants.

Data collection systems. Following the discussion at the ECB workshop, a scheme for a data collection system should be drawn up (the so called Matrix), indicating: the data sources (enterprises, banks, general government household); the information to be provided from these sources; the way of providing the information (direct reporting, sample surveys, ITRS);

Asymmetries: The work on comparing and solving bilateral asymmetries (MSs level) will be well advanced. However this will be achieved only by the end of 2002.

Priority objective of the methodological work to be undertaken in the next two years:

Data collection systems. This work is top priority as most MSs will shift from settlements to direct reporting/surveys systems. Eurostat (in co-operation with the ECB) will monitor the whole process in following up the national plans which will include for every MS the target system and the implementation timetable.

New activities to be undertaken in the next two years: Foreign Affiliates Trade statistics and Candidate Countries statistics will be developed. Meta data in the databases will be improved and completed.

Activities of other organizations:

World Trade Organization (WTO):

Ongoing methodological work: (i) Active participation in the work of the Task Force on Statistics of International Trade in Services with particular emphasis on finalisation and implementation of the Manual on Statistics of International Trade in Services; (ii) Continued participation in methodological work with regard to foreign affiliates trade (FAT) statistics conducted by Eurostat and the OECD; (iii) Contribute to the development of more detailed services classifications taking into account requirements of GATS.

Priority objective of the methodological work to be undertaken in the next two years: Within the framework of the Inter-agency task force, assist in the joint publication of the Manual on Statistics of International Trade in Services and in the promotion and implementation of recommendations of the Manual.

New activities to be undertaken in the next two years: None

International Monetary Fund (IMF): The IMF promotes the development and improvement of data on international trade in services as an integral part of its activities related to the implementation of the Balance of Payments Manual. These efforts include (1) technical assistance, (2) training under the aegis of the IMF Institute, the Joint Vienna Institute, and ad hoc courses organized at regional and country levels, (3) activities undertaken in this area by the IMF Committee on Balance of Payments Statistics, and (4) collaboration with other regional and international organizations that are members of the Inter-Agency Task Force on Service Statistics.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT): Collection of statistical information on Commonwealth countries' trade in services. Continued provision of methodological assistance to CIS countries, and organization of the collection of statistical data on trade in services. Publication of CIS countries' data on such trade by main types of service and by trade partner.

3.7 TOURISM

Problem Statement: To develop a comprehensive, coherent and balanced system of tourism statistics capable of supporting government activities relating to developing and adjusting policy, and deepening the understanding of the determinants of tourism. Major components include the development of conceptual frameworks; common concepts and methodologies for measurement and integration of data. The information should also support the broad range of non-government interests (industry, public) including research, and coherent linkages with other areas such as social, demographic, business, economic and environmental studies.

Strategic Medium-Term Goals: A work plan for a coordinated and cooperative development of approaches to (1) assess current international tourism-related statistics against the objectives listed above; (2) examine the compatibilities and the consistency of concepts, definitions and classifications; (3) conclude special agreements with neighbouring countries on the harmonization of methodologies and exchange of statistics on tourism flows between them, and (4) the development of a credible economic statement of the size and significance of tourism industries and their linkages with other industries in the economy.

Attention of the Conference was drawn to the following:

?? The success that different international organizations have experienced in developing and agreeing to joint data collection activities in this field, but that to maintain this progress the situation needs to be continually monitored

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

OECD: Statistical Working Party of the Tourism Committee, 24-25 October 2001 and November 2002

Hungary-OECD-Eurostat sixth international forum on tourism statistics to be held in June 2002

Eurostat: Working Group: Tourism Statistics, 8 - 9 November 2001 and November 2002

Rapporteur: Eurostat

Activities and means from July 2001 to June 2003:

Intersecretariat Working Group on Tourism Satellite Accounts:

Activities of ECE: None

Activities of OECD:

Ongoing methodological work: Recent adoption of the UN-WTO-OECD-Eurostat conceptual framework for a Tourism Satellite Account and of the OECD employment module.

Priority objective of the methodological work to be undertaken in the next two years:

a) To guide OECD Member countries towards the implementation of the Tourism Satellite Account; to share experiences, progress and analysis within the aegis of the Statistical Working Party of the OECD Tourism Committee. Co-operation with the World Tourism Organisation and Eurostat. At that stage, the Secretariat will not undertake a TSA data collection process.

b) To produce an up-to-date inventory of Member countries' experiences, analysis and problems in regard to Tourism Satellite accounts implementation.

c) To develop a project on employment and tourism statistics, aiming to undertake a new data collection as well as regular analysis and publication of these data for selected countries. This project is based on the OECD employment methodology in the field of tourism. Cooperation with interested international organisations.

New activities to be undertaken in the next two years: To explore areas for further work on sustainable tourism indicators.

Activities of Eurostat: (Theme 50 - Tourism):

Ongoing methodological work: Data collection on tourism statistics; implementation of the council directive; methodological work; measurement and improvement of data quality; co-operation with OECD and WTO on implementing Tourism Satellite Accounts; implementation of MEDTOUR work programme; co-operation with candidate countries; dissemination of tourism statistics; migration to a new production system based on common shared tools; management of external contracts.

Eurostat, together with UN, OECD and the World Tourism Organisation, have agreed on a joint methodological references manual to Tourism Satellite Accounts (TSA), which was published in 2001. However, Eurostat does not plan to produce a complete EUR-15 TSA in the next two years. On the other hand, it is encouraging individual Member States to develop their own harmonised TSA, by developing a practical implementation manual within the Community tourism statistics framework.

Priority objective of the methodological work to be undertaken in the next two years: Producing various publications including a Yearbook on CD-ROM; Tourism in Europe, in the Central European countries and in the Mediterranean countries - Key figures; and Tourism in Europe – Trends.

Making regional data available in the TOUR, REGIO and New Cronos databases.

Developing a practical implementation manual adapted to the Community situation to assist Member States starting to produce Tourism Satellite Accounts.

New activities to be undertaken in the next two years: Studies on the measurement of Tourism Employment in Member States.

Other Activities of the European Commission:

Activities of other organizations:

World Tourism Organization:

The Statistical work has been divided into two Departments:

- Statistics and Economic Measurement of Tourism
- Market Intelligence and Promotion.

Statistics and Economic Measurement of Tourism:

Ongoing methodological work: To elaborate and disseminate different methodological and instrumental elements to be used by the whole international community for the development of the Tourism Satellite Account (TSA) and for the improvement of national Systems of Tourism Statistics (STS). Recurrent and non recurrent statistical publications are listed in Programme Element 6.1.

Priority objective of the methodological work to be undertaken in the next two years:

1. **Guidelines for estimating tourism expenditure:** A specific questionnaire on tourism expenditure will be designed to be applied to non-residents, preferably at national borders on departure from the country of reference. The corresponding guidelines will be prepared to make it operational.
2. **Conceptual framework for a tourism satellite account:** Ongoing process for improving and expanding the methodological framework for the development of the TSA, making use of the experience of those countries that have a TSA.
3. **Publications related to the TSA:** Set of technical documents designed to be used for the preparation of TSAs in countries with different levels of statistical infrastructure, as well as training material and other instruments of support for the development of ad hoc initiatives with a view to support the WTO-TSA project.
4. **Enzo Paci papers on measuring the economic significance of tourism:** Publication to be prepared every year, which may bring a better knowledge in the preparation of a TSA and its use by the different users (public and private).

New activities to be undertaken in the next two years:

1. **Ad hoc statistics:** to promote the elaboration of additional statistical indicators related to the economic impacts of tourism in those countries that already have a TSA, that have experience in quantitative analysis of tourism economic impacts or whose level of statistical structure allows this project.
2. **Follow-up on the results of the “Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism”:** to promote and co-ordinate a number of actions (general and specific) for the amelioration of the national System of Tourism Statistics and the development of the TSA.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT): CIS-STAT collects and publishes statistical data on Commonwealth countries' international tourism. In 2000, it is intended to develop, on the basis of World Tourism Organization methodology, a uniform system of indicators for the recording of tourism-sector performance in Commonwealth countries.

3.8 OTHER MARKETED SERVICES, AND NON-MARKETED SERVICES

Problem Statement: To assist in laying a better foundation for the measurement of services and their integration with international trade statistics; to help develop suitable international nomenclatures and standards to ensure that national measurements are internationally comparable; to support policy-makers' analytical needs with data offering new possibilities for analysis in the areas of emerging activities, small- and medium-sized enterprises, productivity or employment at a disaggregated level and to ensure that countries in transition have access to the methods and practices developed for the measurement of activity in the services industries.

Strategic Medium-Term Goals: To continue to develop the detail, comparability and timeliness of the annual publication giving detailed statistics on value added and employment in service activities. Development work by OECD continues on price indices for services purchased by producers. Here OECD is working with the Voorburg Group. An annual survey of national activity is undertaken and presented to the Group. OECD plans to publicise this work further on the OECD web-site. Work has also started in the National Accounts Expert Group on the measurement of labour productivity in government to improve output measures in real terms.

For an inter-secretariat group, including the IMF, the partial integration of the standard balance of payments items on transactions in services with measures of domestic production.

Attention of the Conference was drawn to the following:

- ?? **Problems in joint data collection (Structural Business Statistics):** In 2000, discussions between Eurostat and OECD on the set of data that is similar and agreement of data transmission from Eurostat and OECD. In 2001, continuation of these discussions in order to finally identify the common data set and to agree on data transmission (including transmission formats). In 2002, start of data transmission based on an agreed timetable (continuation in the following years).
- ?? **Future action in joint data collection (Information Society Statistics, see also PE 3.11 and PE 3.13):** The OECD Working Party on Indicators for the Information Society (WPIIS), after having developed an OECD activity-based definition of the Information and Communication Technology (ICT) sector, is now collecting internationally comparable ICT supply data and extending the ICT sector definition to a commodity-based one. The WPIIS has decided to create an Expert Group on "Defining and Measuring E-commerce". Fourteen countries and Eurostat are participating in the Expert Group.

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

OECD: Regular annual meetings on SWIC, FATS, FDI and ITS

OECD: ICCP Committee Working Party on Indicators for the Information Society (WPIIS), 11-12 June 2001 and 3-4 December 2001

OECD: CSTP Working Party of National Experts on Science and Technology Indicators (NESTI), 2001

OECD: Statistical Working Party of the Industry Committee (SWIC), 2000 and 2001

Eurostat: Working Group: Audio-visual services, 11 - 12 October 2001 and October 2002

Eurostat: Working Group: Information Society, 26 - 27 November 2001 and November 2002

Eurostat: Working Group: Communication, once a year in February

Rapporteur: Eurostat

Activities and means from July 2001 to June 2003:

Activities of ECE: None.

Activities of OECD: Statistical work is designed to provide internationally comparable, disaggregated series of variables for indicators and analysis -- the main databases are:

a) The database relating to output and employment in service industries; annual data are published in "Services: Statistics on Value Added and Employment". A collection of National Accounts data by detailed service activity began in 2000. The value added and employment data for services are a part of that. This collection will eventually be stocked on a new national accounts activity database. The data also feed into the STAN database.

b) The database on short-term statistics which has been extended to services and includes monthly and quarterly series at a detailed level of ISIC revision 3 (both quantitative and qualitative business tendency survey data);. Methodological information is collected as well. Output, price and employment indices as well as business tendency survey results relating to a selection of service activities will be published quarterly in the 'Indicators of Activities for Industry and Services' (IAIS), previously called 'Indicators of Industrial Activity' (IIA). (See also P.E. 3.11)

c) The database on structural business statistics which has been extended to services and contains annual data on core economic variables. Methodological information is collected as well. Detailed ISIC revision 3 data are published annually in 'Structural Statistics for Industry and Services' (SSIS), previously called 'Industrial Structure Statistics' (ISS). This database is the primary source for STAN, the OECD structural analysis industrial database which will also cover services. (See also P.E. 3.11)

d) The Small- and Medium-sized Enterprises database which contains detailed information on core variables on industry and service sectors disaggregated by enterprise size. Depending on the quality and quantity of data provided by OECD Member countries, a publication showing detailed statistical information on Small- and Medium-sized Enterprises should be prepared in 2001. (See also P.E. 3.11)

e) Communication Indicators: Work on Communication Indicators provides data for analysts and policy makers in OECD Member governments and contributes to the indicators framework for global information society. Basic performance indicators and the communication tariff comparison methodology are reviewed every two years. Work on the database and compilation of indicators continued through 2000. The fifth biennial "Communications Outlook" will be published in 2001. It presents data and analysis on market structures, performance indicators for public telecommunications services, broadcasting trends on convergence of information and communications technologies, tariffs and includes Internet indicators. In addition, the Telecommunications Database, 2001, was completed (available as a CD). This database provides 90 time series of indicators on telecommunications such as network infrastructure, revenues, expenses and investment of operators, Internet indicators, trade in telecommunications equipment, etc. Work will begin in 2002 on the sixth biennial "Communications Outlook" which will be published in early 2003. (Cooperation with ITU, Eurostat).

(f) Development of Information and Communication Technology Indicators: Work on this aspect involves the development of statistical standards and the compilation of reliable and internationally comparable indicators for the production and use of Information and Communication Technology in businesses, households and governments. This includes indicators for applications that utilise the ICT infrastructure such as electronic commerce and content.

After having developed an internationally agreed definition of the ICT sector, the OECD has subsequently moved to "implement this definition" by developing a set of statistical indicators for the sector. The first compilation is contained in the publication "Measuring the ICT Sector", released in October 2000 and available at <http://www.oecd.org/dsti/sti/stats/index.htm>. It presents data on the size and structure of the industries and relates outputs to international trade and research and development data. The Working Party on Indicators for the Information Society (WPIIS) is currently working to produce a complimentary definition of the commodities produced by the ICT sector for its April 2001 meeting. Work is also being undertaken to look at the issue of a 'content' sector, both in terms of industries and commodities. On the demand side, work involves the establishment of model surveys for the measurement of the use of ICT goods and services in business, Governments and households. It is envisaged that at the April 2001 meeting of WPIIS (a) a model survey in respect of the business enterprise sector will be adopted; (b) a first proposal for a set of model questions to be used in surveys on the household use of ICTs will be discussed. Work on a model survey for the Government sector is less well developed as very few countries have undertaken ICT use surveys for this sector.

Beyond 2001 both methodological work and collection of ICT statistics will continue. The aim is to update the collection of ICT supply statistics while improving their international comparability and include in the publication also ICT usage indicators. In the longer term the methodological work on the different aspects of the information society (concepts, definitions and model surveys) will eventually be brought together in a handbook. (Co-operation with Eurostat, Voorburg Group)

The WPIIS meets only once a year, generally in April, although several aspects of its program of work are carried out in strict collaboration with Eurostat and the Voorburg Group and thereby benefit from discussion in those fora. Smaller meetings of WPIIS sub-groups dedicated to specific topics, e.g. electronic commerce or content, are organised on an ad hoc basis.

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(g) Development of Electronic Commerce Indicators: Electronic business processes are carried out using ICT technologies and applications. In this respect, the measurement of electronic commerce is one of the components of ICT use and so can be considered in the context of the model ICT usage surveys referred to above. However, because of the extreme policy interest in electronic commerce, this aspect has been developed as a separate stream within the WPIIS work program. An Expert Group on Defining and

Measuring E-commerce was established with a mandate to “compile definitions of electronic commerce that are policy relevant and statistically feasible”. This Expert group has worked on the three inter-related aspects of this problem -- a framework for user needs and priorities, definitions and statistical measurement.

In respect of user needs, work concentrated on the development of a model based on three basic sets of indicators: Readiness (measuring the ability to undertake electronic business processes and mainly related to the availability of the ICT infrastructure), Intensity (measuring the extent to which electronic business activities are carried out and mainly related to usage indicators) and Impacts indicators. In respect of definitions to be implemented in statistical surveys, the group focused on transaction-based definitions. Two definitions of electronic transactions were approved in September 2000 – a broad definition and a narrow definition. The broad definition covers the sale or purchase of goods or services over computer mediated networks. The sale and purchase is defined by the action of ordering, not the payment or delivery. The narrow definition relates to the sale or purchase of goods or services over the Internet. In respect of measurement, the Expert Group has considered a range of indicators based on national experiences and, in consultation with policy makers has developed and approved a priority list of indicators related to the business and households sectors to be collected on an internationally comparable basis.

Future work will focus on the measurement aspects. On the one hand the compilation of electronic commerce indicators available from official national sources will be initiated and published in 2001. On the other hand, special modules for the measurement of electronic commerce indicators on an internationally comparable basis are being developed as part of the model surveys of usage of ICT in the business and households sectors. (Co-operation with Eurostat, Voorburg Group)

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h) IT Indicators: Work on IT Indicators provides data for analysts and policy makers and contributes to the indicators framework for the global information society (see also points g) and h) below). A database of indicators is being developed and updated, and this will continue through 2000. The fifth biennial “Information Technology Outlook” will be published in 2000. It presents data and analysis on supply and market structures, indicators of e-commerce “readiness”, analysis of the development and policies for electronic financial transactions, a set of chapters covering various aspects of ubiquitous computing (including GNSS, intelligent agents for the Internet, and flat panel displays) statistical profiles for 12 selected OECD countries, and a set of IT policy profiles for some 19 countries. (Cooperation with Eurostat, EITO, etc.).

i) Development of research and development and innovation indicators for Services: work on this aspect involves the review and establishment of standards for the measurement of research and development and innovation that are contained in the Frascati and Oslo manuals. The outputs will be revised manuals and improvements in the range of internationally comparable data available from existing OECD databases and publications. The methodological work involves refining the definitions of R&D and innovation for the service industries and collecting examples that would help identifying bordercases. In addition, the collection of R&D data from services industries is being extended to an increasing number of countries.

j) Other Working Parties or Committees are involved in statistics related to specific service activities, such as the Maritime Transport Committee, the Tourism Committee, and the Committee for Information, Computer and Communication Policy.

Activities of Eurostat: (*Themes 49 - Communications, 44-Industry (ex- 51 – Services)*):

Ongoing methodological work: It is Eurostat's priority to increase the quantity and the visibility of data on the information society and to improve the data collection process in order to better meet the needs of the users of these data.

Information society: Improving data collection and updating the database; Community surveys on e-commerce and ICT usage compatible with OECD methodology; inventories of existing activities; dissemination of statistics; managing contract work.

The telecommunications questionnaire was extensively revised in 2000, and the COINS database altered accordingly. A study on the measurement of new mobile telecommunications is underway.

A Community survey on e-commerce in enterprises was carried out in the first half of 2001. The methodology is developed and harmonised with the OECD WPIIS. First results will be published in the autumn 2001.

A strategic Task Force has been set up to consider how to rapidly advance the subject. A follow up survey on enterprise use of Information and Communications Technologies (ICT) and e-commerce will be carried out in the first half of 2002. A survey of ICT use in households is planned for 2002, co-ordinated with the OECD work in this area. The Task Force will also consider how the NACE may be revised. The Task Force will look at areas where rapid methodological development is needed, including the statistics needed for growth accounting analyses. The Task Force will collaborate with other Eurostat groups on this, such as National Accounts and price statistics.

Communications: Improving data collection; managing contract work; dissemination of statistics on communications (Statistics in focus).

Audiovisual: Improving data collection; preparatory work for the applicant countries; managing contract work to implement the Council Decision; report to the Council and the EP on the implementation of the Decision; dissemination of statistics on the audiovisual sector (Statistics in focus, Analyses).

The questionnaire on audiovisual statistics will be slightly revised in 2001 to make room for new variables related to digital distribution on the Internet. Pilot studies will be launched with Member States in the framework of the Council Decision on audiovisual statistics.

Structural business statistics: Collection, validation, processing and publication of data up to and including the reference year 1999; Drawing up estimates for recent years for most of the countries and publication of the main EU 15 aggregates at the end of the first quarter of 2001; Publication of all the results up to the reference year 1999 at the end of 2001; Collection, processing and dissemination of the structural business statistics of the Phare countries. A close and active partnership with the Directorates-General will continue, particularly with the Enterprise DG. This mainly concerns development work on business services, enterprise demography and sub-contracting.

Short-term statistics: implementation of the short-term Regulation (derogation, pilot studies, quality report, definitions etc.); re-examine derogations to accelerate data provision; planning to correct data deficiencies identified by the Ecofin council; better coverage of data on turnover, construction and other services; work to improve data transmission, checking, validation and deadlines; dissemination - databases, metadata-bases (methods and definitions), Monthly Panorama of European Business (MPEB), press releases; improvement of databases (Lindarev Documentation); methodological work (structure of weights, summary classification, seasonal adjustment); participation in the Euroindicators projects; co-ordination of work with the applicant countries; management of contracts, invitations to tender and subsidies.

Other Activities of the European Commission: Some statistical data collection is done by the Information Society DG.

Priority objective of the methodological work to be undertaken in the next two years:

- (i) **Information society:** Make Information Society statistics available in the New Cronos database; produce various publications on the Information Society, including a pocket book.
- (ii) **Short-term statistics:** methodology manual; set up of a new data-base Mona Lisa (methodology); introduction of a new metadata-base "STS Sources" (old Mona Lisa).

New activities to be undertaken in the next two years: Collection of statistics on e-commerce; Pilot surveys on ICT usage; Study of the treatment of intangible investment in the context of Information Society statistics.

Work on **Communication and Postal Services:** Statistics on mobile telecommunications; Development of classifications.

Work on **Audiovisual** financed by the Education and Culture DG: Methodological studies and comparison of the Member States' methodologies; statistics on international trade; statistics on structural data; statistics on some sub-sectors.

A legislative act similar to the Council Decision on the audiovisual sector is to be planned, as well as an amendment to the Regulation on structural business statistics on banking, pension funds and other financial

intermediaries.

Activities of other organizations:

UN Statistics Division: Preparation of a handbook on the Non-Profit Institutions in the System of National Accounts in collaborations with the Johns Hopkins University Institute for Policy Studies.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

- a) Monthly data collection on the supply of marketed services, including personal services, to the public in the Commonwealth countries through all sales channels (for enterprises and services rendered by private individuals) in current prices;
- b) Information on changes in the supply of marketed services in current and constant prices;
- c) Annual data collection on the structure of services in value terms at current prices and indices of the physical volume of sales.

The Voorburg Group:

Ongoing methodological work: At its meeting held in Rome in 1998, the Voorburg Group decided the following topics to be the core activity of the Group for the period 1999-2001: Service Product Prices and the classification of service products. Other topics to be addressed were the measurement of demand for services by enterprises and the measurement of non-market services with particular reference to the non-profit sector. It was also decided to contribute the expertise of the Voorburg Group to provide complementary input and feedback to the OECD, on the classification of information and communication technology (ICT) products and a model survey for the collection of information on ICT usage and demand, based on the Nordic experience in collecting such information.

Priority objective of the methodological work to be undertaken in the next two years: Concerning Service Product Prices the decision was taken at the meeting in Madrid 2000 to develop a model for presenting international practices in different services activities concerning the measurement of PPI. The model paper shall include both a methodological section and a section presenting and analysing time series data for price movements. The business model should represent a frequently encountered way of conducting business internationally. The pricing methodology should represent the state of art for that particular business model. The expected output of this activity is the finalisation of papers for the areas accounting services, telecommunication services, legal services and engineering services. The papers shall all be available on the web site of the Voorburg Group (<http://www.statcan.ca/secure/english/citygrp/voorburg/template1.htm>).

Concerning measurement and classification issues related to the Information Society, the model questionnaire on ICT usage, including measurement of e-commerce, shall be presented to the OECD WP on Indicators for the Information Society for final approval in April 2001. In co-ordination with OECD the Group shall also discuss the definitions for the ICT sector and the content sector.

New activities to be undertaken in the next two years: The work program mentioned above has been approved for the period 1999 – 2001. At the meeting of the Group in 2001, in Örebro, Sweden from 17th to 21st of September 2001, a new work program shall be adopted.

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3.9 PRICE STATISTICS, INCLUDING PURCHASING POWER PARITIES

Problem Statement: To define standards for the compilation of reliable and internationally comparable measures of inflation and for their correct interpretation; to help countries in transition convert their measures of price change into internationally comparable indexes; to help refine and implement methods to estimate purchasing power parities and to assist in introducing them to countries in transition.

Strategic Medium-Term Goals: For Eurostat, further work remains on CPI harmonisation, in particular concerning quality adjustment, sampling, and owner-occupied housing. A consolidated Regulation and a manual are planned. A formal system of monitoring compliance with HICP regulations has been established, starting in 2001. The system will aim to raise HICP quality standards generally, through observation and dissemination of examples of good practice.

Regarding PPPs, a Regulation is in course of preparation. It is expected to be adopted in 2003 and will provide the legal basis for PPP work in the EU. The system of organising consumer price surveys in sub-groups comprising EU Member States and candidate countries which was established in 1999 is expected to continue to operate throughout 2001-03 and beyond. Research is being done into the possibility of obtaining price data more efficiently using existing sources including barcode scanner data.

For OECD, assisting with the integration of EU Candidate Countries into Group I of ECP 2000, coordinating the methodology used for ECP 2000, and ensuring linkage between the European and non-European countries participating in ECP 2000.

Attention of the Conference was drawn to the following:

?? The increasing tendency to measure prices on the basis of bar codes;

?? Work on the preparation of new manuals on price statistics is progressing

Decisions taken by the Conference at the 2001 plenary session:

?? The Conference approved the activities to be undertaken by the Conference in this programme element (See "Activities and means" section below).

Meetings from July 2001 to June 2003:

ECE - Eurostat - OECD Joint consultation on the European Comparison Programme, 12-15 November 2001 and autumn 2002

ECE Special session on Consumer Price Indices for transition economies, 31 October 2001

ECE - ILO Meeting on Consumer Price Indices, 31 October-2 November 2001

ILO: Meeting of Experts on Labour Statistics: Consumer Price Indices and Household Budget Surveys, 2001.

Eurostat: Working Group: Harmonisation of consumer prices indices, 2 - 4 July 2001

Eurostat: Working Group: Capital goods, Construction and Civil engineering, 9 - 10 July 2001

Eurostat: Working Group: Harmonisation of consumer prices indices, 24 - 26 September 2001

Eurostat: Working Group: Staff Regulation Article 64, 24 October 2001

Eurostat: Working Group: Harmonisation of consumer prices indices, 3 times a year in approx. February, July and September

Eurostat: Working Group: Staff Regulation Article 64, twice a year in February, and in June or October

Eurostat: HICP Annual Seminars (date yet to be fixed)

Eurostat: Working Group: Purchasing Power Parities (PPP) - once a year in May

Eurostat: Working Group: Capital goods, Construction and Civil engineering, once a year in July (under review)

Eurostat: Task Force: Regulation on Purchasing Power Parities (ad hoc meetings)

Ottawa Group on Consumer Price Indices: 7th meeting, Paris 2002

Rapporteur: Eurostat (consumer prices); OECD (other prices).

Activities and means from July 2001 to June 2003:

Intersecretariat Working Group on Price Statistics:

Ongoing methodological work: The task of the Intersecretariat Working Group, which consists of ECE, Eurostat, ILO, IMF, OECD and the World Bank, is to develop and document best practice guidelines on concepts and methods of price statistics and indicators, consistent with the established international standards on the subject. Price statistics and indicators include Consumer Price Indices (CPI), Producer Price Indices (PPI), International Trade Price Index (ITPI), Construction Price Index and other such price statistics and indicators as required on a priority basis and, to the extent possible, compatible with the System of National Accounts, 1993 and its updates. A technical expert group has been established to advise the IWGPS on the update of the 1989 ILO Manual on CPI. A similar expert group was also established for the production of a manual on PPI. The Ottawa Group and the Voorburg Group are continuously being informed about the work plan of IWGPS.

Priority objective of the methodological work to be undertaken in the next two years: To finalize and publish the manuals on CPI and PPI.

Activities of ECE:

Ongoing methodological work:

a) European Comparison Programme: In cooperation with Eurostat, OECD and CIS STAT organize joint consultations of the 1999 and 2000 rounds of ECP in the Autumn 2001 and 2002.

b) Consumer prices: ECE-ILO joint meeting on consumer price indices (Autumn 2001) to consider: (i) Treatment of quality changes in consumer price indices; (ii) New data sources and technologies for data collection; (iii) Practical issues in maintaining the representative sample (iv) Follow-up on choice of cost of living index versus pure price index; and (v) Treatment of electronic commerce in consumer price indices.

c) Consumer prices: A special session for transition economies to be organized back-to-back with the ECE-ILO joint meeting on CPI in autumn 2001.

Priority objective of the methodological work to be undertaken in the next two years:

a) Consumer prices: Within the framework of the Intersecretariat Working Group on Price Statistics (IWG.PS) to prepare an updated international manual on CPI.

b) Producer prices: Within the framework of the Intersecretariat Working Group on Price Statistics (IWG.PS) to prepare an international manual on PPI.

Secretariat resources: Substantial.

Activities of OECD: Finalising the 1999 round of the PPP Programme, the data collection for which started in the first half of 1997. The 1999 round covers 43 countries (29 OECD Member countries and fourteen non-Member countries). Three of the OECD countries and eight of the non-OECD countries are EU Candidate Countries. During the 1999 round the OECD is working closely with Eurostat to integrate the Candidate Countries into the Programme and to harmonise the methodology employed. The OECD held a special meeting in Ottawa in October 2000 with non-European OECD countries to discuss some preliminary results for those countries. The aim was to sort out any problems with these countries' data prior to the Eurostat meeting in May 2001 which will discuss the preliminary results for the whole programme. A follow-up meeting with the non-European countries will be held in Mexico in October 2001 to finalise the results prior to their publication and to resolve any problems encountered to date in the 2002 round.

OECD will continue to participate in the Inter Secretariat Working Group on Price Statistics, one of the tasks of which is to update the ILO manual of Consumer Price Indices, and another is assisting in the IMF's work on writing a manual on Producer Price Indices.

OECD is also participating in the ad-hoc Task Forces set up to discuss various issues associated with PPPs.

OECD provides practical support to the work of the Voorburg Group by conducting an annual survey of national activity in collecting services PPIs.

Activities of Eurostat: (*Theme 55 - Prices*):

Ongoing methodological work:

(i) Consumer price indices: There will be special emphasis on compliance monitoring and on attention to improving the quality of HICPs. A high priority will be given to Candidate countries, which are producing monthly HICPs from January 2001. The quality of Candidate Countries' HICPs may be less than required unless extra resources for providing technical assistance are provided in time. Further quality improvements and a fully adequate system of on-the-spot compliance monitoring for HICPs seems unlikely unless extra resources are made available.

On HICP quality adjustment and sampling, a strategic action plan will be presented to the September 2001 SPC following a director-level discussion in May 2001.

On owner-occupied housing, a contract is under way with Statistics Austria to study possible ways of constructing such an index in the EU Member States. A decision to construct such an index, initially outside the HICP, was taken by the SPC in September 2000.

Regarding HICP compliance monitoring, plans have recently been announced to the DGINS for a series of in situ visits to Member States. These are due to start in June 2001.

No work has yet started on a consolidated HICP Regulation or on a manual. In the meantime, work is progressing on an international CPI manual to replace the ILO manual published in 1989. Eurostat is carefully monitoring developments on this, and is contributing to its management.

In general, co-operation with candidate countries in all aspects of price statistics (HICPs and PPPs) is very close and fruitful. All candidate countries participate fully in the various Working Party meetings.

(ii) Purchasing power parities: Work will continue on the PPP development plan, aimed at improving the quality of PPPs, and leading to the possible eventual production of regional PPPs. Continued progress on the use of electronic barcode scanner databases and other sources of price data will be made provided Commission funding, including Eurostat's own participation, is forthcoming. This seems likely, given the wide variety of new uses of international price data comparisons. Contracts with the three European Comparison Programme Group Leaders and fulfilment of the PPP Development Plan are also partly dependent on partnership finance from other Commission DGs.

A special Task Force has prepared a draft Regulation of the Council and Parliament on PPPs. This is due for a first discussion in the PPP Working Party in May 2001.

Results are coming in from three contracts let in 2000 with market research companies as a pilot project to obtain barcode scanner-based data on consumer prices and market volume data. It is too early to give any evaluation. Results are clearly patchy, and permanent use of this data source may be costly, but nevertheless it must be monitored carefully for use both in PPP and CPI work.

The integration of candidate countries into Eurostat's PPP comparison group was completed with the addition of Turkey. The group now contains 31 countries, and the division into 3 sub-groups (known as "ECP Reform") is now functioning well, following its launch in January 1999. Progress is being made in a number of directions aimed at improving quality and timeliness.

Eurostat supported the proposal made at the March meeting of the UN Statistical Commission to approve the initiative made by the World Bank to resurrect the currently suspended ICP (International Comparison Programme), and expressed its willingness to assist in the search for central funding.

(iii) Staff remuneration: Efforts will continue to be made to improve the cost-effectiveness of the remuneration work.

On staff remuneration, Eurostat is contributing to work in connection with the proposed Commission reform of pay and pensions. At present, the technically most challenging topic is the creation of special correction coefficients for pensioners, based on country-to-country price comparisons rather than, as

at present, on city-to-city comparisons.

Priority objective of the methodological work to be undertaken in the next two years:

- (i) Consumer price indices: HICP work will be focussed on completion of the methodological framework (including the treatment of owner-occupied housing) and consolidation of the work of the previous years. This will include the production of a consolidating regulation, a Manual, a succinct public information document on HICPs, and the completion of databases on quality adjustment and on new products.
- (ii) Purchasing power parities: Work will continue on the preparation of a Council/Parliament Regulation on PPPs. Expectation of adoption in 2003.
- (iii) Remuneration: Work will be done in support of the Commission reform of the Staff Regulations as necessary.

New activities to be undertaken in the next two years:

- (i) Consumer price indices: HICP work will be focussed on completion of the methodological framework and consolidation of the work of the previous years. Possibility of further implementing regulation(s), together with a consolidating Regulation.
- (ii) Purchasing power parities: The final stages of a full multilateral comparison for 31 countries will be reached. Efforts will be made to promote a wider acceptance of PPPs, both within and outside the EU institutions. Work will be done to provide measures of price-level convergence over time.
- (iii) Staff remuneration: The 1991 pay agreement (the "Method") will expire in 2003, and Eurostat will be closely involved in the statistical development of any replacement. This may require the introduction of new methodology, which may also involve the NSIs. Depending on progress made on EU enlargement, plans will be made for any necessary inclusion of Candidate Countries into the statistical system on remuneration.

Activities of other organizations:

The ILO: The ILO will continue (i) to participate in the Eurostat Working Party on Consumer price indices and in other international fora; (ii) as the focal point for consumer price indices within the UN system, to continue to collect and publish data on consumer price indices and to update the methodological descriptions of national practices published in Sources and Methods; (iii) to collect and publish data on food prices through the ILO October Inquiry; and (iv) to update the existing international standards on CPI, in particular the ILO manual on CPI, through the Inter-Secretariat Working Group on Prices Statistics (ILO, ECE, Eurostat, IMF, OECD, the World Bank and UNSD). A meeting of Experts on Labour Statistics: Consumer Price Indices and Household Budget Surveys will be held in 2001. The ILO databases on CPI are being checked for retrospective verification and will be soon added to the ILO Bureau of Statistics' data dissemination Web-site (<http://laborsta.ilo.org>). These series will present data for some 200 countries and territories, from 1969 onwards.

The International Monetary Fund (IMF): In consumer and producer price statistics, the IMF will continue to provide hands-on training, develop software packages, based on UN and ILO methodologies that can be used by member countries, serve as secretariat for the Technical Expert Group for Producer Price Indices (TEG-PPI) that is developing a revised manual on producer prices, maintain an Internet discussion group on this revision, and be an active participant in the ISWPS and the Technical Group for Consumer Price Indices (TEG-CPI).

World Bank:

a) The World Bank will continue its collaboration with OECD, Interstate Statistical Committee of the Commonwealth of Independent States, and the Russian Goskomstat to compile regional ICP data for the year 2000 ICP round. Plans are underway to launch next round of the ICP for the CIS region with 2003 as the reference year.

Additional activities include: (i) conducting a pilot project to integrate ICP with CPI; (ii) integrating the regional ICP benchmark results into a globally consistent framework; (iii) and maintaining a global

database that incorporates detailed data at the basic heading level. The integration of ICP with CPI has the potential to benefit both activities and ensure the long term viability of ICP. The project aims, as its long term objective, to integrate ICP into the larger context of national statistical work under a comprehensive strategy of national statistical capacity building

b) The World Bank is and will continue to support establishment of a consumer price collection system and estimation of CPI in Croatia as part of a Technical Assistance loan.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work on purchasing power parities: By a decision of the Council of Heads of Commonwealth Countries' Statistical Services, CIS-STAT and Goskomstat Russia are acting as coordinators of the programme to be executed within the United Nations ICP framework and with financial support from OECD and the World Bank for international comparisons of gross domestic product and purchasing power parities of the currencies of CIS countries and Mongolia on the basis of data for 2000.

In accordance with the work plan for comparisons of the CIS countries and Mongolia using 2000 data, it is planned to hold a series of multilateral meetings in the period 2001-2002. The results of the comparisons of CIS countries and Mongolia based on data for 2000 will be published at the end of 2002. It is proposed to interpolate the comparisons for the CIS countries' and Mongolia with similar comparisons of OECD countries through the Russian Federation, which is a permanent participant in both sets of comparisons.

New activities: It is planned to conduct the next round of international comparisons for CIS countries as part of the United Nations ICP using 2002 data.

Ottawa Group on Consumer Price Indices: The Ottawa Group provides a forum for specialists and practitioners who work for, or are advisors to, national statistical agencies or international organisations to exchange their experiences and thoughts on crucial problems of measuring price change. Without avoiding theoretical issues, the focus of the Group is on applied research, particularly though not exclusively, in the area of consumer price indices. The Group examines advantages and disadvantages of various concepts, methods and procedures in the context of realistic operational environments, supported by concrete examples whenever possible.

The fifth meeting took place in Reykjavik, Iceland, 25-27 August 1999. The sixth meeting is planned for Canberra, Australia, 2-6 April 2001. Two topics are included for the first time: price indices for telecommunications and price indices for financial services.

Price indexes for telecommunications and utilities: Papers should deal with the construction (conceptual and practical problems) of price index numbers for the services of telecommunication and utilities. These services are often characterised by complex ways of charging (e.g. subscription, all inclusive prices, pre-paid cards, packaging services, etc.); rapid market change (in the case of telecommunication: interlacing and merging tendency of various technologies and media) and the difficulties for price statisticians to obtaining detailed information in a quickly evolving market.

Particular consideration will be given to i) problems that face price statisticians due to the interlacing and merging tendency among various telecommunication media (telephone, facsimile, Internet, cablevision, etc), ii) designing price indexes for telephone services in view of current changes in pricing strategies, iii) price indexes for cellular telephone communications, and iv) price indexes for internet services.

Price indexes for financial services: For many people one of the major financial services used is financing for their expenditure, through credit cards, lines of credit or secured loans. In most CPIs the payments on these are ruled out of scope, although elements of interest find their way into some of the CPI components. This session will examine the justification for any global view, define the boundaries around which, if any, interest expenditures should be accepted in practice and discuss practical problems related to their measurement.

Because these topics are relevant to producer price index makers as well it is expected that this meeting will be attended by some, as well as by consumer price index specialists.

In addition continuing work on the treatment of quality change in durable goods will be presented. This may include joint papers on the experience of two or more countries on specific treatments, including, possibly, hedonic indexes. It may also include the uses of scanner data, though this topic is likely to be given greater attention in the following meeting in 2002.

In addition to the above topics on which papers are sought, the meeting will provide an opportunity for representatives of the Technical Expert Groups (TEGs), established for the purpose of preparing international manuals on consumer and producer prices, to report on progress. It will also provide a forum to discuss specific issues that may have arisen in the preparation of the manuals.

The seventh meeting will be held in Paris, France, in 2002. The agenda will be determined later. Copies of proceedings of the meetings and information about the Group are available on the Internet at <http://www.statcan.ca/secure/english/ottawagroup>

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3.10 AGRICULTURE, FORESTRY AND FISHERY STATISTICS

Problem Statement: To exchange information on experiences in collecting and compiling food, agriculture, forestry and fishery statistics including their environmental aspects, to ensure that such data are integrated, comply with comparable conceptual frameworks and help answer current policy concerns. Specifically, to contribute to work in developing recommendations for agricultural censuses and to ensure that the concerns and requirements of countries in transition are adequately reflected. To assist national statistical offices to develop agricultural statistical systems capable of being used for organizing agricultural surveys for the collection, analysis and dissemination of current data on both crops and livestock. To continue close inter-organisation cooperation in collecting and publishing forest sector data, relevant to the monitoring of sustainable forest management.

For Eurostat, to provide the essential data required for the Common Agricultural Policy (CAP) within the European Union and the plans for its reform.

Strategic Medium-Term Goals: Agreed concepts and definitions for implementation in the forthcoming round of agricultural censuses. A centrally developed and supported training programme in food and agricultural statistics for countries in transition. Training Seminars organized jointly by ECE-OECD-FAO-Eurostat. Preparation and publication of a new methodological manual for agricultural price statistics is being undertaken by Eurostat. A work programme to develop the use of agricultural statistics to obtain environmental information.

(Cross-reference: See also Programme Activity 5, environment statistics, CES/BUR.2000/26/Add.5).

An improved, more comprehensive set of forest sector statistics collected jointly by FAO, ECE, Eurostat and ITTO.

Attention of the Conference was drawn to the following:

- ?? Future action in joint data collection (agriculture other than economic accounts for agriculture): In 2000, a test has been undertaken by Eurostat and FAO for agriculture price statistics. Thereafter, other types of data sets will successively be identified and included in framework of Common Data Consultation and Utilization. Should be completed within a period of a few years after the initial test phase.
- ?? Future action in joint data collection (fishery statistics): Following a joint Eurostat/FAO/OECD meeting with national statisticians in February 2000 and discussions on this topic in the OECD Committee for Fisheries proposals are being formulated to minimise the duplication of demands made on the national services and to improve the exchange of data between the international agencies.
- ?? Future action in joint data collection (agro-environment indicators): See PE 5.1.

Decisions taken by the Conference at the 2001 plenary session:

?? The Conference approved the activities to be undertaken by the Conference in this programme element
(See "Activities and means" section below).

Meetings from July 2001 to June 2003:

ECE-Eurostat-FAO-OECD Meeting on Food Agricultural Statistics in Europe, 17-19 October 2001
Intersecretariat Working Group on Agriculture Statistics (IWG.AGRI). Meetings twice a year
Intersecretariat Working Group on Forest Sector Statistics, meetings about twice a year (membership:
ECE, FAO, Eurostat, ITTO, OECD, EEA, CEC)
Joint FAO/ECE Working Party on Forest Economics and Statistics, May 2001 and May/June 2003, Geneva
Intersecretariat Working Group on Forest Sector Statistics (twice a year)
OECD: Expert Meeting on Economic Accounts for Agriculture, 2001
8th IWG.AGRI (ECE-Eurostat-FAO-OECD) Seminar on Agricultural Indicators for Economic Analysis,
Paris, autumn 2002
ECE/FAO: Team of specialists on Temperate and Boreal Forest Resource assessment (about once a year)
ECE/FAO: Meeting of national statistical correspondents (as funds allow)
Eurostat: Working Group: Economic accounts for agriculture, 4 - 6 July 2001
Eurostat: Committee: Agricultural Statistical Committee, 11-13 July 2001 + Standing Committee
Eurostat: Committee & Working Group: Crop products statistics+workshop Candidate Countries, 3 - 5
October 2001
Eurostat: Working Group: Forestry Statistics, 16 - 17 October 2001
Eurostat: Working Group: Agricultural price statistics, 17 - 19 October 2001
Eurostat: Working Group: Animal products statistics+workshop Candidate Countries,
22 - 24 October 2001
Eurostat: Working Group: Land use statistics 5 - 6 November 2001
Eurostat: Working Group: Agricultural Statistical Committee + Seminar, 20 - 23 Nov 2001
Eurostat: Working Group: Agro industry statistics, 20 - 21 November 2001
Eurostat: Working Group: Milk statistics, 12 - 13 Nov. 2001
Eurostat: Working Group: Economic accounts for agriculture, 28 - 30 November 2001
Eurostat: Working Group: Agricultural Structure Surveys, Typology, 10 - 11 December 2001
Eurostat: Working Group: Fishery Statistics+workshop for Candidate Countries, once a year in February
Eurostat: Working Group: Animal products statistics, twice a year in March and October
Eurostat: Working Group: Crop products statistics, twice a year in March and October
Eurostat: Working Group: Land use statistics, twice a year in April and November
Eurostat: Working Group: Agricultural Structure Surveys, Typology, twice a year in May and December
Eurostat: Seminar: once a year together with Agricultural Statistics Committee
Eurostat: Working Group: Vineyard and orchard statistics, once a year in June
Eurostat: Working Group: Agricultural price statistics, twice a year in June and October
Eurostat: Committee: Standing Committee of Agricultural Statistics, once a year in July
Eurostat: Working Group: Economic accounts for agriculture, twice a year in July and November
Eurostat: Working Group: Agricultural Statistical Committee, once a year
Eurostat: Committee & Working Group: Crop products statistics+workshop Candidate Countries, once a year
in October.
Eurostat: Working Group: Animal products statistics+workshop Candidate Countries, once a year in October
Eurostat: Working Group: Forestry Statistics, once a year in October
Eurostat: Working Group: Milk statistics, once a year in November
Eurostat: Working Group: Agro industry statistics, once a year in November

Rapporteur: Eurostat

Activities and means from July 2001 to June 2003:

Intersecretariat Working Group on Agricultural Statistics:

Ongoing methodological work: The activities of the ECE, FAO, OECD and Eurostat in the field of agricultural statistics are coordinated and integrated by means of the Intersecretariat Working Group on Agricultural Statistics (IWG.AGRI). Meetings and seminars are convened jointly (additional information on joint work is given below in the section "Activities of ECE"). IWG.AGRI is continuously working towards common data consultation among the organizations. The IWG.AGRI meets twice a year and is convened on a rotating basis.

Priority objective of methodological work to be undertaken in the next two years: (i) establish routines for common data consultation to an increasing number of data sets; (ii) continue the series of focused seminars; (iii) work on new indicators (agro-environmental issues, rural development, agro-tourism etc.); and (iv) initiate work on updated classifications.

Intersecretariat Working Group on Forest Sector Statistics:

Ongoing methodological work: The working group, which consists of UN/ECE, FAO, EU, OECD, International Tropical Timber Organisation, European Environment Agency, meets informally twice a year to coordinate activities and make improvements. There is a wide range of informal and ad hoc meetings at the global and regional level.

Activities of ECE:

Ongoing methodological work:

- (a) ECE-Eurostat-FAO-OECD Meeting on Food and Agricultural Statistics (17-19 October 2001), to consider:
- A. Experiences and lessons: (i) the agriculture census 2000; (ii) interaction of agriculture with environment and rural space; (iii) risks and opportunities in the use of administrative and other non-survey data;
 - B. Methodological issues: (i) income statistics; (ii) productivity; (iii) measuring and forecasting food supply; and
 - C. Making agricultural information more user friendly: (i) use of GIS in agriculture statistics; (ii) techniques for presentation of statistical results.
- (b) ECE-Eurostat-FAO-OECD Seminar on Agricultural Indicators for Economic Analysis (Paris, Autumn 2002).
- (c) ECE-Eurostat-FAO-OECD ISI to organize the 3rd World Conference on Agriculture Statistics in 2004. Agenda to be developed by the organizations involved and presented to the CES Bureau.

Secretariat resources: Moderate.

Joint activities of the Timber Section of the ECE Trade Division and the FAO:

Ongoing methodological work: (data collection, see P.E. 6.1) In 2001, will start the process of evaluating the Forest Resource Assessment 2000, to be published in 2001, (a global effort led by FAO, in which ECE/FAO is responsible for ECE countries). All aspects, including definitions, data collection methods and publication will be reviewed in the light of experience, and decisions taken as to direction and methods of future work. There will be close coordination between global and regional level activities and all stakeholders will be involved.

The quantitative indicators of sustainable forest management agreed and applied by ECE/FAO in the context of the Ministerial Conference on the Protection of Forests in Europe will also be reviewed in the light of experience and improved. ECE/FAO will participate actively in this work

All methodological work in the field of forest and forest products is kept under close review by the Joint FAO/ECE Working Party on Forest Economics and Statistics, which meets every two years (2001, 2003, etc.)

Priority objective of methodological work to be undertaken in the next two years:

- Validate data base on forest products production and trade, remove inconsistencies between ECE, FAO, Eurostat, ITTO data sets, by dialogue with national correspondents
- Capacity building in member countries through workshops and meetings of national correspondents;
- Improved set of quantitative indicators of sustainable forest management for approval by next Ministerial Conference (2003?)
- Agreed plans for next forest resource assessment.

New activities to be undertaken in the next two years: Essentially all the activities described above represent a continuation of methods and arrangements already in hand

Activities of OECD:

Ongoing methodological work: Maintains a database of producer subsidy equivalents/consumer subsidy equivalents. Maintains an outlook/model database, for analytic and forecasting work on commodity projections using different policy scenarios. Maintains a database of economic accounts for agriculture (EAA). The EAA database is undergoing methodological review and extension to better meet future analytical needs.

OECD provided special training on EAA for China.

Priority objective of the methodological work to be undertaken in the next two years: The methodology of the Economic Accounts for Agriculture (EAA) is in the process of being reviewed with Member countries to implement necessary changes and the addition of capital stock measures be investigated for possible inclusion. A consultant report which identified key issues for improving economic agricultural statistics has been released for general distribution. First conclusions of an exchange of views with OECD countries using an electronic discussion forum were discussed at the OECD Expert meeting on Agricultural Accounts on 3-4 February 2000. Concrete results of this methodological work and the new questionnaire will be discussed at an OECD meeting on EAA in 2001.

OECD will include smaller agricultural units in its questionnaire to take better into account the needs of some of its Member countries.

As requested by countries, assistance to transition economies on agricultural statistics will continue to be provided through the IWG.AGRI mechanism in place.

Activities of Eurostat: (*Themes 61 - 69 - Land use and Landscape, Agricultural structures, Agricultural incomes and prices, Crop and animal production, Agro-industry statistics, Other agricultural statistics, Forestry statistics, Fisheries statistics*):

Ongoing methodological work: The principal areas of statistical work are: land use and landscape, farm structures, incomes and prices, crop and animal production, agro-industry, forestry and fisheries. Common features of current activities are:

- regular reception, processing, storage and dissemination of considerable flows of data in application of existing legislation and gentlemen's agreements;
- "maintenance" of this framework of legislation and agreements;
- quality improvement measures following the screening of agricultural statistics.

This third dimension of activity centres on the implementation of the Council/European Parliament Decision on improving Community agricultural statistics (TAPAS), prolonged to end 2002.

The gradual adaptation of the set of Community agriculture statistics to be in a position to meet identified new or changing needs will continue, although only very limited resources can be found for this work. It will involve:

- continuing monitoring of needs and relevant ongoing and proposed activities;
- maximum integration with on-going work on agricultural and non-agricultural statistics;
- continuing attention to efficiency aspects;
- an in-depth comprehensive review of the present system of Agricultural Statistics will be carried out in 2001.

Work on agri-environmental data will continue and be further developed. In particular, work will continue on indicators of the integration of environmental considerations into the Common Agricultural Policy (CAP) and on operational indicators of landscape including the development of a central system of area-frame sampling. Attention will also be paid to the growing need for information in the consumer/welfare aspects of agriculture and to the statistical support for the rural development component of the CAP.

Land use and Landscape

Work on completion and test of nomenclature relating to Land Use and Land Cover will be emphasized with the start in 2001 of the LUCAS project (Land Use / Cover Area Frame Statistical Survey, EP/Council decision n°1445/2000). Data collected in the LUCAS project in each Member States will be introduced into Eurostat's databases for wide electronic access. In addition, there will be a follow-up of the tools used by each European country and attention will be given to joint OECD questionnaire. The work on Landscape diversity indicators will be continued as well as studies on the integration of Land Cover information with statistical and administrative data.

Agricultural structures

(i) Farm Structure and farm typology: Data quality analysis of the FSS data; Processing and publication of the standard results of the 1999/2000 FSS; Analytical work and support to studies in the agricultural policies sectors (publications); Methodological support to the implementation of the farm structure survey in the Candidate Countries; Follow-up and direct support to the development of agricultural statistics in certain Candidate Countries; Integration of the farm structure survey results with other sources of information, including the development of geographical reference to the database; Development of electronic dissemination tools for the data and results of the farm structure survey; Migration of the Eurofarm database to Unix.

(ii) Vineyard surveys and fruit tree surveys: Analysis of the results of the annual Community interim vineyard surveys with a view to disseminating the information collected; Analysis of the results of the 1997 Community surveys on certain fruit tree plantations in view of a Eurostat publication on the information collected; Strengthening and validation of the results of the 1999 basic vineyard surveys; Consolidation of the vineyard survey methodology.

(iii) Community surveys on the structure of agricultural holdings: Work on the Community surveys on the structure of agricultural holdings will continue with financial assistance from the Agriculture DG. The work on deeper analyses and publications of farm structure survey data might be delayed.

Agricultural incomes and prices

The economic accounts of agriculture will focus on the details of the practical implementation of the new EAA (Economic Accounts for Agriculture) (output measurement, secondary activities, basic prices). The review of the production account and capital items in Member States will be completed. The work on the Total Income of Agricultural Household sector will continue (comparisons of national and the target methodology, support for Member States, to update the figures in line with agreed timetable (t-2 data to be transmitted in year t). The Agricultural Price Indices will focus on the details of the practical implementation of rebasing (1995). Work will continue on Agricultural Labour Input Statistics (consequences of ESA/EAA revisions, quality control). Work on Agricultural Sector Modelling will continue the recent strategy (development of an agricultural sector model, continuation of a reference group, development of a user-friendly interface, data consistency checking (an input to data quality work elsewhere), transfer to Member States, review of role and functioning).

In 2002 further attention will be given to the relationships with customers and users, i.e. identification of users and their needs, agri-mailing etc.

(i) Economic Accounts for Agriculture/Forestry (EAA/EAF): Database and publications: Management, updating and improvement of the database. Annual publication of the EAA and EAF data. Implementation of new EAA/EAF methodology: Study of practical questions arising from the implementation of the revised EAA/EAF and preparation of a series of "Working Papers". Integration of the candidate countries in the EAA system of EU. Unit value statistics. Other (current) work.

(ii) Income of the Agricultural Households Sector (IAHS) statistics: Database and publications: management, updating and improvement of the database, including the possibility of introducing accompanying

methodological notes. Annual publication of IAHS statistics including detailed analyses. Methodological points: the continued review of the methodologies used by the Member States, with the aim of ever greater comparability and representativeness and to improve the timeliness, completeness and comparability of the data (key development goals). Verification of the IAHS methodology in the light of the revised ESA and EAA.

(iii) Agricultural Price Statistics (APS): Database and publications: Maintenance, updating, methodological development and documentation of a database. Maintenance and updating of a harmonised set of EU agricultural price indices (output and input). Quarterly and annual publication of absolute agricultural prices and price indices. Methodological points: Consequences of the new EAA methodology for agricultural price statistics. Study of practical questions arising from rebasing of the EU agricultural price indices to 1995=100.

(iv) Agricultural Labour Input Statistics (ALI): Database and publications: Management, updating and improvement of the database. Verification of the data. Annual publication of the ALI data and analyses. Methodological points: Aim to improve methodological harmonisation. Updating of the details of actual methodologies used by the Member States.

(v) Agricultural Sector Modelling (AgrIS): Database: Updating and maintaining of the new database (AgrIS); Regular revisions and up-dates of the database in spring and autumn. Publications and dissemination: annual publication on Agricultural Sector Modelling. Medium-term forecasting using a new medium-term policy simulations system. The integration of candidate countries into AgrIS. Special attention will be paid to improving the user-friendliness of the existing model. Development of tools to achieve a closer co-operation with Member States in the use of AgrIS.

Crop production

The activities already under way will be continued in 2001: improving data collection and processing flows; improving delivery times by computerised reminders with human follow-up; all measures being applied to the Member States by using the reference manuals and TAPAS actions, extended, where appropriate, to Candidate Countries using external services. The AGROMET statistical regression model for crop production forecasts has been linked directly with the FAME data bank: user friendly presentation of Meteo data in maps in co-operation with JRC Ispra and GISCO.

With regard to data, special contributions for the Agriculture and the Health and Consumer Protection DGs will probably be provided.

Animal production

In 2001, animal production statistics should comprise a body of data consisting of data from the Member States, estimates and forecasts so that it will be possible to evaluate the various methods used for forecasts and estimates and, if necessary, to make adjustments. Special attention will be given to the use of administrative data.

The action to improve data quality and the use of common methodologies will be continued with an assessment of the models developed for validation and for forecasts and estimates.

Certain adjustments will be made to the statistics on milk and dairy products, particularly the 'protein content' approach.

The actions started with supply balances and the development of statistics on the sector in the applicant countries are to be continued.

Work will continue on: a) Improving statistics on milk and dairy products; b) Extending poultrymeat statistics; c) Adjusting the weighting coefficients for slaughtering; d) Statistics on the sector for the applicant countries; e) Supply balances: continued examination of data quality, particularly external trade data; f) Publications: intensification 'Statistics in focus'; g) Fodder balances: continued expansion; h) Livestock, meat, milk, eggs: application of existing legislation and bilateral agreements.

Agro-industry statistics

Table of interrelations within the agri-foodstuffs industry (technical coefficients). Development of a comprehensive database on the agri-foodstuffs sector capitalising on existing data (national, PRODCOM). Unless new resources can be found all the work on this sector is not likely to progress at a speed commensurate with the increased need for information on the food chain to support food safety policy.

Reforming agricultural statistics

Implementation of the prolonged Council/European Parliament Decision on TAPAS, the technical action plans for agricultural statistics which cover selected topics. TAPAS serves as a tool improving Community agricultural statistics and facilitating their evolution to meet the challenges of the future. Steering and co-ordination of work in the field of agricultural statistics. Implementation of actions relating to the evolution of agricultural statistics in the light of current or expected developments, including a central system of area-frame sampling. Developing statistics and indicators illuminating the agriculture-environment interaction including operational indicators on landscape and preparing indicators on the integration of environmental concerns in agriculture policy; publishing the results. Support for improving agricultural statistics in applicant countries including in-depth analysis of agricultural statistical systems and integration of regular data flows into the Eurostat structures dealing with EU data.

Forestry statistics

Regular compilation of Community forestry statistics on forest structure, production and trade of raw wood and wood-based products, supply balance sheets and other forestry related issues. Preparation of a new publication on Community Forestry Statistics. Co-ordination of other forest-related projects. Development of the data base (on the context of the European Forestry Information and Communication System – EFICS - program).

Fisheries statistics

Ongoing work related to catch, landings and aquaculture production statistics will still be the major activity in fisheries statistics. Developments of statistical work on employment in the fisheries sector, socio-economic indicators and Mediterranean fisheries will be intensified. Collaboration with other international agencies will be continued and intensified with the view to a further rationalisation and reduction in the workload on national authorities. Further development in FAME and NewCronos databases are foreseen, in order to adapt and complete the work carried out in 2000: including data collection processes and dissemination of statistical information and other services for the Commission and other EU institutions. Near to the first round of accession, the accuracy of the fisheries data in candidate countries will be assessed regarding to the body of EU law. Supply balance sheets for fishery products be delayed by a lack of resources to study the methodological and conceptual problems.

Other Activities of the European Commission:

Agricultural structures: The Farm Accounting Data Network uses Farm Structure Survey results under the Community typology for calculating raised totals.

Agricultural incomes and prices: The Agriculture DG collects weekly agricultural prices in the context of the management of agricultural markets.

Crop production: The Space Application Institute of the JRC Ispra provides the MARS bulletin on the situation of crops at different stages of the agricultural year.

Animal production: The Agriculture DG collects Member States' data on the production and marketing of eggs for incubation and chicks. The results are made available to Eurostat.

Forestry statistics: Eurostat's work is in co-ordination with and feeds into the European Forestry Information and Communication System being developed by the Agriculture DG.

Fisheries statistics: Implementation of the EU legislation concerning the collection of basic data (scientific, biological and economic) needed for the management of the CFP.

Priority objective of the methodological work to be undertaken in the next two years:

Fisheries statistics. In collaboration with FAO particular attention will be given to up-dating and extending the content of the joint publication "Handbook of Fishery Statistics" and the production of a CD-ROM version of the publication.

New activities to be undertaken in the next two years:

Land use and Landscape

The year 2002 will be dedicated to the evaluation of the LUCAS 2001 survey results in term of methodology, comparability with other sources and possible use to trace evolutions. On that base, the decision will be taken on the possible renewal of the operation in 2003. In the context of the PHARE program, the same LUCAS approach will be tested with candidate countries, especially in view to evaluate the land use

and landscape modifications involved by the farms structures evolution.

The External Relations DG, the Agriculture DG, the Environment DG, The Transport and Energy DG, the Research DG, the Regional Policy DG, the Joint Research Centre and the European Environment Agency (European Topic Centre on Land Cover) are or may be financial partners in the new projects.

Agricultural structures

(i) Farm Structure and farm typology: Definition of the new list of characteristics for the 2003 survey, presentation of the legal instruments; Implementation of newly developed methodologies for the dissemination of the results of the 2000 farm structure census; Validation of the farm structure census or farm survey data collected so far in Candidate Countries, Publication of new SGMs; Development of the publication programme based on the results of the 1999/2000 farm structure census; Development of statistical tools for monitoring "sustainable agriculture"; Construction of a sound co-operation with regional policy statistics for the development of information systems including agriculture and regional policies.

(ii) Vineyard surveys and fruit tree surveys: Setting up and development of a global reflection on the future of vineyard statistics; Preparation of the 2002 basic fruit tree surveys

Agricultural incomes and prices

Theme 63 comprises five modules: 631 (Economic Accounts for Agriculture/Forestry (EAA/EAF)), 632 (Income of the Agricultural Households Sector IAHS)), 633 (Agricultural Price Statistics (APS)), 634 (Agricultural Labour Input Statistics (ALI)) and 635 (Agricultural Sector Modelling (AgrIS)).

The methodology for economic accounts for forestry (EAF) will be implemented. A practical system is developed to allow the calculation of new Agricultural Income Indicators (having regard to the EAA revisions).

There are two activities that have an impact on most, possibly all of these modules; these are the implementation and analyses of the first results of the new EAA/APS methodologies with elaboration of a detailed description (Inventory) of methods, concepts and definitions used in each Member State and the integration of the candidate countries into the Monetary Agricultural Statistics System. Work in both fields was launched in 2000/2001 and will considerably influence the programme for at least the year 2002.

Elaboration of medium-term policy simulations using MFSS II based on alternative policy scenarios on request of the Agriculture DG.

(i) Economic Accounts for Agriculture/Forestry (EAA/EAF). Implementation of new EAA/EAF methodology and analyses of results: Considerations to extend the sequence of accounts to include certain items (flows) in the account "Other changes in assets" and the balance sheets. Integration of candidate countries: development of a true common questionnaire for Eurostat, OECD and UN/ECE with Eurostat as co-ordinator for EU countries.

(ii) Income of the Agricultural Households Sector (IAHS) statistics. Methodological points: Support programmes with Member States (a selection) will be needed for establishing interpolation and extrapolation models. Implementations on a voluntary basis (in the framework of a created task force) of the test phase of a project, which encourages parallel microeconomic developments to supplement the essentially macroeconomic IAHS statistics. A special study should be conducted on the implications of using a single budget household rather than the dwelling household.

(iii) Agricultural Price Statistics (APS). Methodological points: implementation of the new handbook for Agricultural Price Statistics. Integration of the candidate countries in the system of EU agricultural price statistics.

(iv) Agricultural Labour Input Statistics (ALI). Methodological points: The implementation of a revised target methodology in line with the revised EAA and the analysis of the data will be important. Integration of the candidate countries: Establishing ALI statistics for the candidate countries according to Eurostat's target methodology will need support.

(v) Agricultural Sector Modelling (AgrIS). Methodological points: Implementation of the new AgrIS data and analysis of data quality. The running project is to develop and to test a new medium-term forecasting system. Main aim is improvement of data flow and transparency. Presentation of ideas for a closer collaboration between Eurostat and Member States / Agriculture DG. Integration of the candidate countries: Speed-up of

the work on the integration of data of candidate countries into the Agricultural Sector Model.

Crop products

It is planned to up-date the supply balance sheet handbooks, product by product, as regards the new legislation on wine and to re-launch the animal feed balance sheets.

Animal production

It is planned to draw up a reference document on the methodological aspects of animal production statistics. It is also planned to draw up the following documentation: methodology, information processing procedures and monitoring of processing. Evaluation of data management models. Production of manuals and reference documentation.

Reforming agricultural statistics

Following preparatory work and discussion in the Agricultural Statistics Committee, an in-depth comprehensive review of the EC system of Agricultural Statistics will be carried out in 2001. This will concentrate on the role of Eurostat in ensuring that the system is responsive to user requirements and at the same time cost effective within the limits imposed by resource constraints.

Forestry statistics

Analysis of national publications on forestry statistics in view of collecting additional information to be included in the European Forestry Information and Communication System. Elaboration of harmonised common concepts and definitions for the purpose of compiling more forestry statistics comparable at Community and world level. Development of electronic joint questionnaire (ECE, FAO, OECD, ITTO). Development of Forestry Statistics Interest Group on CIRCA.

Fishery statistics

The development of socio-economic indicators for fisheries. The extension of the development of statistics on employment in the fisheries sector to the EU Candidate Countries.

Other Activities of the European Commission:

Activities of other organizations:

The FAO:

Ongoing methodological work: Most of the methodological work in fishery is of a global nature. Refinements to current systems are planned to conceptualize the additional statistical requirements for monitoring the implementation of international fishery management instruments, for the collection of socio-economic data, structural aquaculture statistics, inland fishery statistics, small-scale fisheries statistics and indicators. Improvements to fishing fleet data for monitoring trends in capacity will continue. For ECE countries, the bi-annual meetings of the Coordinating Working Party on Fishery Statistics (CWP), through the membership of Eurostat and OECD, provide the mechanism for fishery statistical harmonization and for agreeing on a common minimum statistical programme. They are also the forum for discussing conceptual and methodological issues.

- To further develop the information system on national methods of data collection and dissemination of crop and livestock statistics under the ABCDQ Project.
- FAO will continue to collaborate in the Intersecretariat Working Group on Agricultural Statistics (IWG.AGRI) and the FAO-UN/ECE Study Group on Food and Agricultural Statistics in Europe, planned and organized by the Conference of European Statisticians (CES) to be held in autumn 2001.

Technical assistance will be provided through FAO's Technical Cooperation projects.

Priority objective of the methodological work to be undertaken in the next two years:

- To prepare and publish The Handbook on Food Balance Sheets.
- To publish in CD-Rom format Technical Conversion Factors.
- To update the information on the web page on agricultural census:
www.fao.org/WAICENT/FAOINFO/ECONOMICS/ESS/wcares/wcaresfr.htm.

- To publish the Handbook on Preparation of Economic Accounts for Agriculture for Use of Developing Countries.
- To publish a handbook on collection of data for compilation of environmental indicators and accounts relating to agriculture.
- To complete the documentation of the Handbook of Fishery Statistics.
- To release the revised and updated version of the Handbook on Internet.

New activities to be undertaken in the next two years: Implementation of technical improvements to facilitate the timely data flow from national reporting authorities and their improved access to global databases held by FAO/FI. Collaboration with North Atlantic agencies and Eurostat in the production of a common database for Atlantic fisheries.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work: Collection, processing and publication of data on agriculture in the Commonwealth countries:

- Monthly, for output of selected types of livestock products;
- Quarterly, for agricultural output in current prices and indices of agricultural output in comparable prices, for numbers of cattle and poultry, and on the progress of crop harvesting (five times a year);
- Yearly, for sales by agricultural producers of the main agricultural products, indices of producers' prices for products sold, gross harvests and crop yields (according to FAO recommendations), a balance sheet of resources and uses of products, per capita consumption of the main food products, and number of peasants' (farmers') holdings and associated land;
- Preparation of analytical reports on the situation and development of agriculture.

3.11 INDUSTRIAL STATISTICS

Problem Statement: To ensure that industry statistics are consistently classified for purposes of international comparability; to ensure that all member countries and particularly countries in transition apply the latest version of international standards and classifications; to ensure that recent trends in the structure of the economy (industry and services) can be analysed by means of series of statistics that are harmonised, comparable, detailed and up-to-date. To support policy-makers' analytical needs with longitudinal micro-level databases offering new possibilities for analysis in the areas of small and medium-sized enterprises, entrepreneurship, productivity, technology or employment at a disaggregated level. To contribute to the development of internationally comparable and policy-relevant indicators such as productivity measures at detailed industry level.

Strategic Medium-Term Goals: Advance the compilation and publication of core industry-level data in ISIC Rev. 3 (NACE Rev. 1) with the objective of providing time series that can be used for policy-relevant analysis; examine measurement issues in industry statistics such as those associated with information and communication technology; publish international SME statistics; advance the development of a manual for the development of globalisation indicators and for the measurement of productivity.

Attention of the Conference was drawn to the following:

- ?? Future action in joint data collection (short term industrial indicators): Since 1997 discussions have been held between OECD and Eurostat with regard to closer cooperation. For the moment there is no plan for a joint data collection activity.
- ?? Future action in data collection on SME statistics: Data collection will continue to be carried out by OECD.

Decisions taken by the Conference at the 2001 plenary session:

?? The Conference approved the activities to be undertaken by the Conference in this programme element (See "Activities and means" section below).

Meetings from July 2001 to June 2003:

OECD: Statistical Working Party of the Industry Committee, to be held from 12-14 November 2001 and Autumn 2002

Eurostat: Working Group: SBS Regulation Implementation + SBS Quality, 17 - 18 Sept 2001

Eurostat: Working Group: Business Statistics – Phare Countries, second half of 2001

Eurostat: Working Group: Business Services Statistics, 1 - 2 October 2001

Eurostat: Working Group: Insurance Services Statistics, 15 - 16 October 2001

Eurostat: Working Group: Business Statistics Directors, 7-8 June 2001

Eurostat: Working Group: Financial Services Statistics, 13 - 14 November 2001

Eurostat: Committee: Statistical Programme Preparatory Committee - PRODCOM, 19 - 20 November 2001

Eurostat: Working Group: Enterprises Demography, November 2001

Eurostat: Working Group: Implementation of the short term statistics regulation 13 - 14 Dec. 2001

Eurostat: Working Group: Iron and steel industry “Steel”, once a year in January

Eurostat: Working Group: Structural Business Statistics, once a year in February

Eurostat: Working Group: SBS Regulation Implementation, once a year in March

Eurostat: Working Group: Enterprises Demography, twice a year in March and December

Eurostat: Working Group: Business Statistics Directors, once a year in June

Eurostat: Working Group: Business Services Statistics, twice a year in April and October

Eurostat: Committee: Statistical Programme Preparatory Committee PRODCOM, twice a year in June and November

Eurostat: Working Group: Implementation of the short term statistics regulation, twice a year in June and December

Eurostat: Working Group: Business Statistics – Phare Countries, twice a year in March and September

Eurostat: Working Group: SBS Regulation Implementation + SBS Quality, once a year in Sept.

Eurostat: Working Group: Insurance Services Statistics, once a year in October

Eurostat: Working Group: Financial Services Statistics, once a year in November

Rapporteur: OECD

Activities and means from July 2001 to June 2003:

Activities of ECE: Within the EU 5th Framework Programme on "Specific programmes promoting competitive and sustainable growth", the European machine-tool builders association CECIMO (Comité Européen de Coopération des Industries de la Machine-Outil) has been appointed the co-ordinator of a four year project on socio-economic aspects of manufacturing technologies. CECIMO has asked ECE to participate in the statistics related aspects of this project. This work will focus on:

- (i) defining the manufacturing technology sector (in the same way as the ICT sector has been defined and which partly overlap with the manufacturing technology sector),
- (ii) develop statistics which better capture production and supply of manufacturing systems, in contrast to stand-alone machining concepts, (iii) suggest improvements in the classification systems;
- (iv) create short-term indicators; and
- (v) establish networks of competence in this area.

The Bureau noted that both Eurostat and OECD are also interested in participating in this planned project. The Bureau asked the ECE secretariat to follow developments with the planning of the proposed new project, so that it can make an updated briefing to the Bureau at the Bureau's autumn 2001 meeting.

Secretariat resources: Minimal.

Activities of the ECE Trade, Industry and Enterprise Development Division:

- a) **Steel:** During annual meetings steel experts examine statistical questions relating to the development of the steel industry and promote the establishment of steel statistics. They pay particular attention to improving statistics on stocks and on the actual consumption of steel. Several publications on steel statistics are described under programme element 6.1.
- b) **Chemical industry:** Experts on the chemical industry review developments in the chemical industry in the ECE region at annual meetings. The publication planned to be issued within the programme of work is described under programme element 6.1 ("Chemical Industry Annual Review").

Activities of OECD:

- a) The OECD Statistical Working Party of the Industry Committee (SWIC) meets once a year to examine different aspects of analytical and statistical work related to industry and service activities carried out by the Secretariat in support of the OECD Industry Committee.
- b) Statistical work is designed to provide internationally comparable, disaggregated series of variables for indicators and analysis -- the main databases are:
 - (i) The database on short-term industrial statistics which has been extended to services and includes monthly and quarterly series at a detailed level of ISIC revision 3 (both quantitative and qualitative business tendency survey data). Indices on base 1995=100 are published quarterly in the 'Indicators of Activities for Industry and Services' (IAIS), previously called 'Indicators of Industrial Activity' (IIA). (See also P.E. 3.8)
 - (ii) The database on structural business statistics updated through a joint questionnaire with UNIDO. It contains annual data on core economic variables, relating to both industry and services, at a very detailed level of ISIC revision 3 which are published annually in 'Structural Statistics for Industry and Services' (SSIS), previously called 'Industrial Structure Statistics' (ISS). This database is the primary source for STAN, the OECD structural analysis industrial database. (See also P.E. 3.8)
 - (iii) The Structural Analysis industrial database (STAN, based on SSIS and compatible with national accounts) has been developed to construct internationally comparable indicators of technology, industrial performance and competitiveness and the database on business R&D expenditures (ANBERD).
 - (iv) The database on Activities of Foreign Affiliates (AFA), covering variables such as employment, production or R&D in conjunction with foreign direct inward investment. This data bank has been extended to the activity of affiliates of national firms abroad (outward investment) and to services, but will be subject to further review (in collaboration with OECD experts on services and with Eurostat).
 - (v) The trade in high-technology products database. This data base includes information on 240 product groups identified in collaboration with Eurostat.

(vi) The Small- and Medium-sized Enterprises Database contains detailed information on core economic variables on industry and service sectors disaggregated by enterprise size. Depending on the quality and quantity of data provided by OECD Member countries, a publication showing detailed statistical information on Small- and Medium-sized Enterprises should be prepared in 2001. (See also P.E. 3.8).

Most countries have implemented the ISIC revision 3 and produce several years of observations. However, questionnaires for most databases are still prepared in both ISIC Rev. 2 and ISIC Rev. 3 to allow the few countries which are not yet in a position to provide OECD with ISIC Rev. 3 statistics to continue to transmit data.

The transition to ISIC Rev. 3 will continue to pose a significant problem for the availability of coherent time series of international industrial statistics.

c) Other Working Parties or Committees are involved in statistics related to specific economic activities, such as the Steel Committee, the Council Working Party on Shipbuilding and the Committee for Information, Computer and Communication Policy.

d) Short-term indicators: Maintaining the Main Economic Indicators database. This database contains a wide variety of monthly and quarterly short-term indicator statistics for OECD Member and a number of non-member countries. It provides statistical information required by economic analysts, policy makers and business both internal and external to the OECD. There is a process of on-going review and improvement to the contents of the database in order to maximise its relevance for short-term economic analysis and to identify and incorporate emerging areas of statistical need. This process of review, etc, requires the co-ordination of a number of activities with ECE, IMF, ILO, ECB and Eurostat. These activities include data collection and the development of effective international statistical recommendations and guidelines for the collection and presentation of statistical metadata, and increasing the coverage and quality of statistical metadata, whilst at the same time minimising the reporting burden of member countries. The OECD is working with the IMF and other international and national agencies in the development of XML as a standard for the transmission of metadata. It is planned to include short-term indicators for additional non-member countries (see below) into these publications in 2001 and 2002, and to expand the range of indicators for non-member countries currently included in the database. Improving relevance will focus on the service sector and financial statistics. The OECD is also developing a list of "target" short-term indicators (with accompanying "target" definitions drawn from existing international statistical standards) in order to provide more transparency on the requirements of the Organisation and to expand the number of common (if not comparable) indicators across as many countries as possible. The OECD is also working closely with other international organisations (in particular Eurostat and the ECB) to further co-ordinate and stream line data collection activities by the various OECD Directorates involved in the collection of short-term economic statistics, with the objective to reduce the reporting burden on agencies in Member countries and to increase the efficiency within the OECD. Another goal is to collect and load these indicators onto OECD databases the day they are released by the producer agency. The OECD is also working with ECE, IMF, ILO and other international organisations in the development of manuals for the compilation of consumer prices and producer prices to be completed in 2001 and working with Statistics Netherlands, ISTAT, Russian Goskomstat, CIS, IMF and the ILO and NSOs in the preparation of a manual for the measurement of the non-observed economy. Work is being undertaken in 2001 and 2002 to improve the quality of the OECD Leading Indicators which are currently compiled for 22 Member countries. This activity includes investigating alternative compilation methodologies with other national and international agencies, improving the OECD compilation methodology and revising existing OECD leading indicators and improving the presentation and transparency of leading indicators to broaden the audience of users. Leading indicators for new Member countries will also be developed.

Summary methodological information (providing brief information on individual national practices for each of the indicators published in MEI under the specific headings of definition, coverage, collection, calculation) is updated on a continuous basis. A series of Main Economic Indicators: Comparative Methodological Analysis publications is planned for release during 2001 and 2002. An updated version of the existing paper publication OECD Leading Indicators and Business Cycles in Member Countries 1960-1985:

Sources and Methods will be made available electronically. The collection and dissemination of metadata is being co-ordinated with other international organisations such as IMF, Eurostat, ILO, ECB and UNSD. This entails reference (via URLs) to detailed metadata collected these agencies in lieu of direct collection by the OECD from national sources.

e) **Business tendency surveys:** Works with CITs to develop qualitative measures of economic activities by promotion of such techniques in the areas of business tendency and consumer surveys.

f) **Short-term indicators: Non-Member countries.** Using the same Main Economic Indicators Database as for Member countries, the OECD collects, maintains and disseminates short term indicators for the Russian Federation, Ukraine, Estonia, Latvia and Lithuania, Bulgaria, Romania, Slovenia, Brazil and China. During the course of 2001, the aim is to extend coverage to include Argentina, Chile, India and Indonesia. The indicators include industrial production indices, national accounts, producer and consumer price indices, business and consumer opinions, labour statistics, interest and exchange rates, money supply, domestic and foreign trade, and balance of payments. These data are accompanied by metadata descriptions that enable an assessment of their quality, comparability across countries, and fitness for any particular use. The data and metadata are published on the OECD Web site at <http://www.oecd.org/std/DNM/> and are included in the Main Economic Indicators printed publication and CD-ROM.

Activities of Eurostat: (*Theme 44 - Industry*):

Ongoing methodological work:

(i) **Structural business statistics:** Concerning structural business statistics, work will concentrate firstly in evaluating and improving the quality of the data on industry and services received after the end of the transition period for implementation of the SBS Regulation. Secondly, development work by means of the three-year rolling programme will progress through agreement with Member States. The main subject areas for development are business services, enterprise demography and FATS. Thirdly, the financial services annexes to SBS will be presented to the Council and the European Parliament for adoption.

Methodological work on statistical units and their impact on the quality of data, as well as on confidentiality rules and their impact on availability of European aggregates will be pursued. The impact of globalisation on statistics will also be analysed and actions that will enable to better grasp this phenomenon will be proposed.

Ongoing work on: Collection, validation, processing and publication of data up to and including the reference year 1999; Drawing up estimates for recent years for most of the countries and publication of the main EU 15 aggregates at the end of the first quarter of 2001; Publication of all the results up to the reference year 1999 at the end of 2001; Collection, processing and dissemination of the structural business statistics of the Phare countries.

The partnership with the Directorates-General will continue, particularly with the Enterprise DG. This involves mainly development work on business services, enterprise demography and sub-contracting.

(ii) **Steel statistics:** Ongoing work on: processing of questionnaires; dissemination of Steel Statistics; compilation of statistics on steel consumption; analysis of the steel industry; methodological developments; analysis of the applicant countries' data; changing the production system of the database on the sharing of common tools; adaptation of systems for new data collection procedures after the end of the ECSC treaty.

The ECSC Treaty expires in July 2002, and a replacement system of steel statistics is being discussed with Member States. Eurostat will propose to continue the collection of steel data along the lines of the old system for the five months until the end of 2002, and then incorporate steel production and sales statistics into PRODCOM. A remaining part of the steel statistics will be the subject of separate legislation.

(iii) **Prodcom:** Work to improve the quality and utility of Prodcom data following the lines identified in the Prodcom seminar of March 2000 will be undertaken. A proposal of a reduced statistical information system for Steel after the expiry of the ECSC treaty will be prepared.

Ongoing work on: contract management; checking and validation of data; dissemination of data (PRODCOM list, Database, Europroms, Newsletter); methodological harmonisation (surveys).

(iv) **Short term statistics:** With respect to Short-Term Business Statistics, the work will concentrate in the

implementation aspects, including an effort to agree with Member States on implementation priorities that will result in the availability and timeliness of EU and EMU indicators that are identified as important by users and policy makers, in particular those considered by the ECOFIN report. The good dissemination of these indicators will be targeted.

Ongoing work on: implementation of the short-term Regulation (derogation, pilot studies, quality report, definitions etc.); re-examine derogations to accelerate data provision; planning to correct data deficiencies identified by the Ecofin council; better coverage of data on turnover, construction and other services; work to improve data transmission, checking, validation and deadlines; dissemination: databases, metadata-bases (methods and definitions), Monthly Panorama of European Business (MPEB), press releases; improvement of databases (Lindarev Documentation); methodology manual; methodological work (structure of weights, summary classification, seasonal adjustment); participation in the Euroindicators projects; coordination of work with the applicant countries; management of contracts, invitations to tender and subsidies; introduction of a new metadata-base "STS Sources" (old Mona Lisa).

Priority objective of the methodological work to be undertaken in the next two years: Subject to the agreement of the SPC, a new Council Decision on Steel Statistics after the expiry of the ECSC Treaty.

New activities to be undertaken in the next two years:

Prodcom: Collection of steel production statistics within PRODCOM. Launching PRODCOM services.

Activities of other organizations:

UN Statistics Division: (For publication on industrial statistics, see P.E. 6.1). UNSD plans to revise its standard list of industrial commodities. Work will also start on the development of the new (1995) weight base for the index numbers of industrial production (the current base year is 1990).

United Nations Industrial Development Organization (UNIDO):

Ongoing methodological work: UNIDO, in collaboration with OECD, will continue to assume the sole responsibility for compilation and dissemination of world-wide key industrial statistics at the 3- and 4-digit levels of ISIC: UNIDO collecting data directly from non-OECD member countries while OECD collecting data from its member countries and providing them to UNIDO to complete the global coverage of the UNIDO industrial statistics database. Recurrent and non recurrent statistical publications are listed in Programme Element 6.1

UNIDO will continue to develop its Set of Industrial Development Indicators by increasing the number of indicators from the current thirty indicators and by expanding their country coverage.

New activities to be undertaken in the next two years: The organization plans to develop a consistent nowcasting method to reduce the reporting time lag of industrial statistics to minimal.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work: Collection, processing and publication of data on industry in Commonwealth countries:

- Monthly, for output of the main types of industrial products and consumer goods in physical terms (with reference to the nomenclature for submission of the data to international organizations) and for the amount (in current and comparable prices) and indices of industrial output (in comparable prices);
- Quarterly, for the amount and indices of industrial output by main sector of industry;
- Annually, for output of the main types of industrial products by product category;
- Preparation of analytical reports on the situation and development of selected sectors of industry.

3.12 ENERGY STATISTICS

Problem Statement: To coordinate the integrated compilation of statistics on energy; to promote the use of internationally agreed concepts and definitions; and to ensure proper linkages between energy statistics, other fields of economic statistics (e.g. conventional industrial statistics and transport statistics) and environmental statistics.

Strategic Medium-Term Goals: Consistent, integrated data on energy statistics - flows of production and consumption - compiled according to agreed frameworks. Assessment of whether different databases for energy statistics are needed. Dissemination from time to time of updates to existing standards and methods for the compilation of energy statistics. A PRODCOM/Energy list will be drawn up and published by Eurostat.

Attention of the Conference was drawn to the following: Nothing

Decisions taken by the Conference at the 2001 plenary session:

?? The Conference approved the activities to be undertaken by the Conference in this programme element (See "Activities and means" section below).

Meetings from July 2001 to June 2003:

OECD-IEA/Eurostat: Tentatively a joint meeting on energy statistics in 2001

OECD: 2nd International Meeting on Oil Statistics: mid-2001

Eurostat: Working Group: Energy Statistics, 10 – 11 October 2001

Eurostat: Working Group: Energy and Environment back-to-back meeting, 12 October 2001

Eurostat: Working Group: Combined Heat and Power Statistics, September 2002

Eurostat: Working Group: Energy Statistics, June 2002

Rapporteur: OECD/IEA

Activities and means from July 2001 to June 2003:

Activities of ECE:

Ongoing methodological work: No ECE-OECD/IEA-Eurostat joint meeting is planned in the next bi-annium. The shared work on data collection will continue as before.

Secretariat resources: Minimal.

Activities of OECD: The International Energy Agency (IEA) collects and maintains numerous databases on energy supply, transformation, demand as well as on energy prices and taxes for all OECD Member countries and for many non-OECD countries.

Ongoing methodological work: Co-ordination of the integrated compilation of statistics on energy; promotion of the use of internationally agreed concepts and definitions; and facilitation of proper linkages between energy statistics, other fields of economic statistics (e.g. conventional industrial statistics and transport statistics) and environmental statistics.

Priority objective of the methodological work to be undertaken in the next two years: On 23-24 November 1999, the IEA organised jointly with UNECE and Eurostat a meeting of energy statisticians from Member countries. Several changes were proposed to the joint annual questionnaires by the participants to the meeting. The main changes - which deal with the addition of a fifth questionnaire on Renewable and Waste, and more detailed information on CHP - were added to the questionnaires sent in August 2000. Moreover, a

more user-friendly electronic questionnaire has been prepared and sent to all OECD/Eurostat/UN-ECE member states.

The priority of the current (and next years) work is to ensure that Member countries are able to properly meet the new requirements

New activities to be undertaken in the next two years: i) Initiative on oil data transparency: On 13-14 November 2000, the IEA hosted an international meeting on oil statistics. Eurostat, UN (New-York), APEC, OLADE and OPEC participated in the meeting. Differences in methodologies, units and definitions were investigated; data comparisons for selected countries and regions were discussed and recommendations for further actions were made in order to reduce differences as well as to make the information more readily available to the world.

All the participants agreed that increasing data quality could not be achieved at once and that this could only happen if there were more resources allocated to national and international statistics, and if total support and co-operation were provided by all parties, including from producers and consumers. It was the general view of the participants that a second meeting, enlarged to selected key member countries from each organisation, needed to be held in early 2001. As a consequence, a major effort will be put on increasing oil data quality and timeliness.

ii) Energy efficiency indicators: A special attention will be given in the collect energy consumption at a sub-sector level as well as various related socio-economics data in order for analysts to calculate energy efficiency indicators in order to measure the impact of energy efficiency policy. This work will closely be undertaken with Eurostat.

Activities of Eurostat: (*Theme 45 - Energy statistics*):

Collection of monthly and annual statistics on energy will be continued. The collection of gas and electricity prices according to Directive 90/377/EEC will be carried out on a half-yearly basis. The survey on co-generation with its important environmental implications will be continued. Work on energy-efficiency indicators, under the SAVE programme, will be also carried out. Eurostat will also work closely with Member States in collecting necessary indicators to measure the effectiveness of the liberalisation of energy markets.

Ongoing methodological work: Refinement of CHP-statistics methodology for closer monitoring of the evolution of this technology and the attainment of targets. Definition of a set of energy efficiency indicators responding to priority policy issues. Reconciliation of differences in energy-related CO2 emissions between the official reporting mechanism and those resulting from the reported energy statistics.

Priority objective of the methodological work to be undertaken in the next two years: Preparation of a pocketbook on 'Sustainable development - Energy indicators'. Preparation of a publication on energy efficiency.

New activities to be undertaken in the next two years: Implementation of temperature correction to energy consumption statistics. Implementation of the recommendations of the Task Force on liberalisation of energy markets; collection of appropriate indicators measuring effectiveness of liberalisation.

Activities of other organizations:

UN Statistics Division: (For publications on energy statistics, see P.E. 6.1). Priorities for the next two years include improvement of data quality and coverage and the revision and harmonization of the concepts and definitions used in the annual energy questionnaire.

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work: Collection, processing and publication of data on the electric power balance of selected Commonwealth countries.

3.13 SCIENCE AND TECHNOLOGY STATISTICS

Problem Statement: To compile integrated statistics on the conception, development, appropriation, diffusion and application of new technologies to the production of goods and services; to describe statistically the role of science in the national innovation systems of member countries and the linkages between science and technology; and to maintain and improve the set of internationally agreed standards and conceptual frameworks for the compilation of such science and technology statistics including for R&D, innovation, patents, human resources for S&T and the technology balance of payments.

Strategic Medium-Term Goals:

Nineteen discussion groups have been set up to prepare improvements on various aspects of the Frascati Manual for R&D surveys that will be discussed in May 2001 in an OECD conference. The revised version of the Frascati Manual is scheduled for 2002/2003. Updating and expanding existing methodologies and surveys in order to provide better indicators of the internationalisation of S&T and its application; and, improving regional breakdowns within Member countries.

The review of the Oslo Manual for innovation surveys will be launch at the 2001 NESTI meeting.

Further develop statistics and indicators on HRST notably on their mobility as a vector of flows of knowledge within and between economies. This will conduct to improvements of the existing methodology in revising the Canberra Manual for HRST.

To continue analytical work on patents and where necessary improve the Patent Manual.

Attention of the Conference was drawn to the following: Nothing

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

Eurostat: Working Group: R&D and Innovation statistics, 22 – 24 October 2001

Eurostat: Working Group: EPROS, once a year in March

Eurostat: Working Group: Innovation statistics, once a year in May

Eurostat: Working Group: R&D and Innovation statistics, once a year in October.

Rapporteur: OECD

Activities and means from July 2001 to June 2003:

Activities of ECE: None

Activities of OECD:

Ongoing methodological work: The major areas of OECD work on science and technology (S&T) include R&D, patents, the direct measurement of innovation, human resources for S&T, biotechnology statistics and globalisation of S&T including technology balance of payments. The work is carried out under the aegis of the Group of National Experts on S&T Indicators (NESTI) of the Committee for Science and Technology Policy (CSTP). This Group meets formally once a year and organises workshops on specific topics. These meetings and workshops are planned to match those of the corresponding Eurostat experts.

Priority objective of the methodological work to be undertaken in the next two years:

(i) Management and/or development of internationally comparable statistics on resources devoted to R&D and revision of the OECD international methodology for R&D survey, the Frascati Manual, which is a foundation for that work. Diffusion of S&T statistics and corresponding metadata via “Basic S&T Statistics” and “Main S&T Indicators” OECD publications. Improving comparability of R&D expenditures by Industry by developing and publishing the ANBERD database. The country coverage of OECD S&T databases and

publications will be expanded to include comparable S&T indicators and statistics for non-member economies such as China, Russia, Singapore and Chinese Taipei.

(ii) Development of Patents statistics by Industry and Technology groups for the calculation of new indicators and improving methodological interpretation of patents statistics via analytical studies.

(iii) In co-operation with Eurostat, methodological and statistical work will be pursued on the direct measurement of innovation based on the exploitation of member countries innovation survey. The revision of the joint OECD/Eurostat international methodology for innovation survey, the Oslo Manual, which is a foundation for that work, will be launch in 2001. The OECD work on the development of composite innovation indicators will be pursued.

(iv) Measurement of Human Resources devoted to Science and Technology is developing with a new work on international mobility launched at the 2000 NESTI meeting. A series of country reports is being prepared and will be presented at an international workshop to be organised beginning of 2001. Another project on evaluation of stocks of workers by skill level across industries has been started in view of the evaluation of their role in the economy, better measure of the use of highly-qualified personnel in sectors experiencing significant changes and a possible accounting for changes in the quality of human capital in productivity measures. The outcomes of these projects may contribute to a review of the Canberra Manual on HRST.

(v) Following the 2000 ad hoc meeting accessing the feasibility of developing internationally comparable statistical indicators of biotechnology, an inventory of Biotechnology statistics is being developed and a compilation of existing (non-comparable) data undertaken. Work will pursue on the development of statistical definitions to use in the future measurement of Biotechnology statistics and another ad hoc meeting for evaluation will be organised in 2001.

(vi) A Manual on Globalisation Indicators, including a chapter on the globalisation of technology (previously discussed at the 1999 NESTI meeting), will be discussed beginning of 2001. A review of available TBP data in OECD countries will be undertaken and achieved in 2001 to assess the utility of this information as an indicator of the international diffusion of technology.

Activities of Eurostat: (*Theme 73 - Science and technology*):

Ongoing methodological work: Collection work and provision of harmonised and comparable information on R&D activities (funding and execution) in Europe will be continued. Where appropriate, data will be broken down by regions. The database on regional European patent applications will be updated and extended based on the data of the European Patent Office.

The database on High Technology statistics will be extended by several indicators on economic performance.

Continuation of the building of a S&T database by gender financed by Research DG. Follow-up of the implementation of the programme CBSTII (Common Basis for Science, Technology and Innovation Indicators) and production of the statistical annex of the 3rd European Report on Science and Technology Indicators financed by Research DG. Improvement and development of new regional indicators financed by Regional Policy DG.

Calculation and improvement of indicators on human resources in S&T as well as mobility of highly qualified personnel.

Methodological work for better harmonization of regional R&D data collection will be continued. Eurostat is participating in the ongoing revision of the Frascati Manual which is being managed by the OECD.

Priority objective of the methodological work to be undertaken in the next two years: Within the EU Benchmarking of national research policies, Eurostat will be co-ordinating the development of 5 new indicators which are part of a list of 20 indicators proposed by the Commission services.

The Oslo-manual for innovation surveys will be revised. This revision will be done in co-operation with OECD and will take into account the recommendation and methods used for the third Community Innovation Survey.

New activities to be undertaken in the next two years: In conjunction with OECD, the revision of the

Canberra Manual will be proposed. A conference on Knowledge Society indicators will be organised. Regular collection of R&D and Innovation statistics from Candidate countries in close co-operation with the OECD will be undertaken. New indicators related to the "New Economy" will be developed and measured.

The third Community Innovation Survey will be launched. The survey will be based on a common core questionnaire, common survey methodology and common methods for processing of data co-financed by Eurostat and the Enterprise DG.

A new project on family patents data will be launched in conjunction with OECD and DG Research, based on data from EPO, USPTO and IPO.

A Decision concerning the production and development of Community statistics on science and technology is foreseen to be approved by the European Parliament and the Council in 2001.

A Commission Decision for implementation of the Decision will be worked out and may be presented to the SPC late 2001.

Activities of other organizations:

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

Ongoing work: In the period 2001-2003, CIS-STAT will continue its consultations with national statistical services concerning arrangements for statistical observation of scientific and technological work on the basis of the accepted international standards for science statistics.

In the third quarter of each year it will prepare a report on "Scientific research and scientists in Commonwealth countries".

Electronic Discussion Group on Information Economy:

3.14 BUSINESS REGISTERS AND ADMINISTRATIVE RECORDS IN SUPPORT OF ECONOMIC STATISTICS

Problem Statement: To promote the use of business registers and general purpose survey frames for business surveys; to disseminate information about the best practices used by countries in the construction and maintenance of business registers; to assist transition countries in constructing sampling frames, in maintaining their coverage and quality with particular emphasis on new business accessions and changes, and in defining their structure and major applications, particularly in the area of statistics on small and medium-sized enterprises and in the long run, to develop techniques for obtaining full information on the demography of enterprises; to promote the harmonization of the coverage of business registers and the concepts used, and of the uses of business registers.

Strategic Medium-Term Goals: Occasional bulletins with details on standard frame contents (Eurostat); methods, costs, and pitfalls related to the construction of frames (Roundtable on Business Frames); dissemination of the Roundtable papers (Eurostat); and a record of technical assistance projects particularly related to the upkeep and maintenance of business frames and area files with business lists. There is a need for training on the definition and application of statistical units in business registers and on the use of business registers as a coordinated survey tool. Although this need is particularly striking in the case of CITs, it is not limited to this group of countries.

Attention of the Conference was drawn to the following:

- ?? The increasing concerns some countries have about confidentiality issues in this field;
- ?? The importance of using links between business registers and international trade statistics in studies of globalization.

Decisions taken by the Conference at the 2001 plenary session:

?? The Conference approved the activities to be undertaken by the Conference in this programme element
(See "Activities and means" section below).

Meetings from July 2001 to June 2003:

ECE-Eurostat Meeting on Business Registers (June 2003)

Eurostat: Working Group: FEBI, FEBS, UNICE, Eurostat, NSIs, 7 November 2001

Eurostat: Working Group: Statistical Units, once a year in March

Eurostat: Working Group: FEBI, FEBS, UNICE, Eurostat, NSIs, twice a year in May and Nov.

Eurostat: Working Group: Business Registers, once a year in June

Rapporteur: Eurostat

Activities and means from July 2001 to June 2003:

Activities of ECE:

Ongoing methodological work: Joint UN/ECE-Eurostat Seminar on business registers (June 2001) to consider: (i) How to improve links between statistical business registers and administrative sources; (ii) Quality issues and methods to improve various aspects of the quality of business register
(iii) Experiences in developing a single business register in member countries; (iv) Cooperation between various users of statistical business registers within national statistical offices; (v) Problems with statistical units in business registers.

ECE collects data from non-EEA countries for the inclusion in the Eurostat database.

The meeting may recommend to organize a joint ECE/Eurostat meeting in Luxembourg in June 2003.

Secretariat resources: Minimal.

Activities of OECD: None

Activities of Eurostat: (*Theme 24 – Registers*):

Ongoing methodological work: The supply of information concerning the optional sections and variables of the register regulation will be promoted and further discussed in the Working Group. Some MS have difficulties to access certain information like the ownership of legal units; and legal preconditions may be needed for registering, storing and analysing this information in business registers.

Problem statement and feasibility study on European register on enterprise groups; study on how to meet the needs of the Enterprise, the Competition, the Internal Market, and the Economic and Financial Affairs DGs for statistical units.

The annual inquiry on business registers will be further developed taking into account the increased use of business registers as data source, especially for business demography purposes. Assistance with business demography projects will be provided. Subject to the result of the feasibility study conducted in four MS in 1999 and enlarged to all MS in 2000, guidelines for the inclusion and treatment of enterprise groups in business registers could be prepared. Collaboration with other Eurostat units dealing with issues connected to globalisation will continue as well as collaboration in Roundtable on Business Survey frames and with OECD in preparing indicators and manual on globalisation.

Most of this work will be done in-house and in close collaboration with the Member States.

Priority objective of the methodological work to be undertaken in the next two years: The priority on this theme is to improve the quality of the registers, the statistical units and their characteristics in the Member States, and to ensure the advancement of operational and practicable concepts, definitions and methodological recommendations of Eurostat. In this context, a methodology for assessment of quality for statistics based on registers will be developed.

A close follow-up on the implementation of the Council Regulation on business registers in MS will be done. The register recommendation manual will be updated and further developed. It is constantly available on web site and published on paper when deemed necessary.

New activities to be undertaken in the next two years: The Phare pilot project Demography of small and medium enterprises in Central European countries will end in 2001 and the candidate countries will be incorporated in the EU statistical data production.

Activities of other organizations:

Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT):

The Roundtable on Business Survey Frames:

Purpose: To provide a forum for the exchange of views and experiences and the conduct of joint experiments bearing on the development, maintenance and use of sampling frames for business surveys (business registers). The Roundtable is an informal body and participation is on a voluntary basis. Participants, however, are required to contribute to the program of the meeting. The Roundtable's mandate does not emanate from a formal body but it could, on the basis of its discussions and/or experiments, make a recommendation to a formal body (e.g. the UN Statistical Commission) concerning, for example, the consideration/adoption of certain practices or standards.

Most recent meeting: October 30 to November 3, 2000 in Auckland, New Zealand. (Contact person: Tom Woodhouse, Statistics New Zealand; e-mail: tom_woodhouse @stats.govt.nz). Topics discussed at the Auckland meeting: Quality of business registers (this being the theme of the conference); Administrative and Statistical Units; Globalisation; Continuity and Business Demography; Measuring Electronic Business; and Technology (applications for business registers and to integrate business surveys). Members also discussed the idea of establishing a dedicated Roundtable website and a working group (NZ, France and UK) was set-up to investigate this including where it should reside, what it should contain and who would be responsible for its management. A working group (Canada, France, Italy, Portugal and Netherlands) was also set-up to develop quality measure guidelines.

Products: Technical papers produced and discussed at the first thirteen meetings are available on CD-ROM. The host agency updates an Internet site with the most recent documentation after each meeting. For the 14th session this documentation can be found on www.stats.govt.nz/nzroundtable.htm

Next meetings: Washington, United States, October 22 – 26, 2001 and Lisbon, Portugal, October 2002.

Contact person: Mr. Richard Barnabé, Director General, Classification Systems, Statistics Canada, Jean Talon Building 13 B 7, Ottawa, Canada K1A OT6. Telephone: 613-951-9850; Fax: 613-951-0411; E-mail: barnric@statcan.ca.

For information on the meeting in Washington in the fall of 2001: Mr. Bill Iwig, National Agricultural Statistical Service, SOAGRIBG RM 4818, 1400 Independence Ave, Sw, Washington, DC 2050; Telephone: 1 202 720 38 95; Fax: 1 202 720 87 38; e-mail: biwig@nass.usda.gov

3.XX OTHER WORK IN THE FIELD OF ECONOMIC STATISTICS

Attention of the Conference was drawn to the following:

Decisions taken by the Conference at the 2001 plenary session: None

Meetings from July 2001 to June 2003:

Eurostat: Working Group: Euro-Sics, 2 – 3 July 2001

Eurostat: Working Group: Euro-Sics, 17 – 18 December 2001

Rapporteur: Not applicable.

Activities and means from July 2001 to June 2003:

Activities of ECE: None

Activities of OECD:

a) **Public sector statistics:** To support comparative analysis of the public sector and its management, a set of data on the size and structure of employment in general government will be developed, that yields more international comparability than is currently possible. Beginning with consultations in a few countries, an analysis will be carried out of a range of concepts, definitions and data collection procedures. On this basis a method for generating the desired data, from existing building stones, will be set up and successively applied to an increasing number of countries.

A permanent computerised database on public sector pay in OECD countries provides, on a country by country basis, an annual series on pay trends. Data are collected on individual remuneration, based on the method of typical employee, as well as on aggregate pay bills, total compensation and corresponding employment.

b) **Measurement of the Non-Observed Economy.** Working closely with the Eurostat Tacis country programme, the OECD is promoting the use of best practice in the measurement of the non-observed economy (NOE) through workshops, training and publications. Arising from this work, and in support of it, the OECD is managing and contributing to the production of a Handbook for Measurement of the Non-Observed Economy. The Handbook is being developed by a team of experts drawn from a cross-section of international and national agencies, including the ILO, UN Statistical Commission, Statistics Netherlands and ISTAT. Its aim is to present an integrated approach to NOE measurement that is consistent with international standards. The Handbook is viewed as a supplement to the SNA93. A first draft was prepared and discussed in detail at a Workshop organised jointly with Eurostat and the Russian Federation in October 2000. A second version will be circulated widely for comments in March 2001 and a final version will appear in the autumn, 2001.

Activities of Eurostat: (*Themes 18 – Statistical coordination, 57 - Other economic statistics*):

Ongoing methodological work: Activities will focus on definitions of variables and concepts, statistical units, and, in particular, the following topics:

- Intangibles – The work on Intangibles will continue according to the Work Programme.
- Administrative sources – Work will continue to co-ordinate all Eurostat activities concerning administrative sources, and to explore the possibilities offered by the greater use of administrative sources for statistical purposes.
- CODED – The CODED database of concepts and definitions will be further expanded to cover all areas of statistics relevant to Eurostat.
- FEBI - Complete further developments to Febinet system (input of documents by individual FEBI and use of discussion areas); extend role of Brussels based meetings to involve other DGs; pursue wider involvement of service sector FEBI.

New activities to be undertaken in the next two years: Activities will focus on definitions of variables and concepts, statistical units, and, in particular, the following topics:

- Focal points – The co-ordination of Eurostat activities by means of Focal Points on Accounting, Administrative Sources, Globalisation, Information Society and on Intangibles will continue. Their functioning and visibility will be improved and new focal points be created on the basis of experiences gained.
- Business Methods – The "Business Methods" reference framework, which is to bring together all existing methodology relating to business statistics within a coherent and user friendly framework, will be expanded to cover methodology relating to all areas of business statistics in the widest sense. The expansion of the

"Business Methods" idea to other areas of statistics will be considered.

- Accounting – Ensure through accounting "focal point" activities that changes to the accounting Directives are well understood by Eurostat managers; ensure that changes to Member State data transfers arising from new EU accounting legislation are anticipated by Eurostat managers; ensure that Eurostat input to the Internal Market DG on accounting issues is well focused and timely.
- Directorate D publications - Ensure co-ordination of dissemination work between D1, D2, D3 and C1 for the successful implementation of the proposed new pattern of Eurostat business statistics.

Activities of other organizations:

UN Statistics Division: UNSD is facilitating the work of so-called 'city groups', in order to address issues identified by the Statistical Commission as critical problems. UNSD will continue to encourage countries to actively participate in the discussions of the various groups. It will also disseminate information on the groups and their activities widely. Detailed information on the groups and their activities is available at UN Web page (<http://www.un.org/Depts/unsd/citygrp/>).

World Bank:

(i) Atlas GNI per Capita. The World Bank estimates dollar converted gross national income (GNI) per capita for all borrowing member countries, as well as most other economies.

Per capita GNI for a country in local currency terms is converted into U.S. dollars by applying the Atlas conversion factor. The Atlas conversion factor is the simple arithmetic average of the current exchange rate and the exchange rates in the previous two years adjusted for the ratio of domestic to international inflation. The change in the GDP-deflator is used as a measure of domestic inflation, and the change in the SDR-deflator to represent international inflation. The SDR-deflator is compiled as a weighted average of the G5-countries' GDP-deflators.

The purpose of applying the Atlas conversion factor is to lessen the effect of fluctuations and abrupt changes in the exchange rate, which can be heavily affected by capital flows. Thus, income measures converted using the Atlas conversion factor tend to be more stable over time, and changes in income rankings are more likely to reflect changes in relative economic performance than exchange rate fluctuations.

(ii) Special conversion factors. Much of the international trade of transition economies in the ECE region has been carried out at exchange rates that differ markedly from official rates. In these cases, official rates can not be used to convert GNI from local currency to U.S. dollars. In view of this problem, a synthetic Atlas-type conversion factor (SACF) is adopted.

The SACF is based on an estimated relationship between purchasing power parities and exchange rates for lower to middle income countries. In order to derive the SACF, U.S. dollar GNI per capita estimates using Purchasing Power Parities (PPP) are estimated for all countries for which a synthetic exchange rate is needed as well as for all other low- and middle-income countries – to serve as comparators. For the comparator countries, a linear regression technique is used to determine the relationship between official exchange rates and PPPs. This relationship is then applied to estimate the SACF for each of the countries, for which a synthetic exchange rate is needed, knowing the corresponding PPPs.

The following informal groups have been constituted:

- Expert Group on Capital Stock Statistics ("Canberra Group"), see PE 3.1;
- Electronic Discussion Group on Intangibles, see PE 3.1;
- The Delhi Group on Informal Sector Statistics, see PE 3.1;
- The Voorburg Group on Service Statistics, see PE 3.8;
- The Ottawa Group on Price Indexes, see PE 3.9;
- Electronic Discussion Group on Information Economy, see PE 3.13;
- The Roundtable on Business Survey Frames, see PE 3.14;
- The Sienna Group for Social Statistics and Social Monitoring, see PE 4.11 a);

- The Paris Group on Labour and Compensation Statistics, see PE 4.4;
- The Canberra Group: Expert Group on Household Income Statistics, see PE 4.7 a);
- The Rio Group on Poverty Statistics, see PE 4.7 a); and
- The London Group on Environmental Accounting; see PE 5.2.

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