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STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

<u>Fiftieth plenary session</u>
(Paris, 10-12 June 2002)

**PROGRAMMES OF INTERNATIONAL STATISTICAL
WORK IN THE ECE REGION, 2002/2003 AND 2003/2004:
AN INTEGRATED PRESENTATION**

(Pre-plenary session version)

**PROGRAMME ACTIVITY 3
ECONOMIC STATISTICS**

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/2002/3)
Programme Activity 1: Organisation and operation of statistical services (CES/2002/3/Add.1)
Programme Activity 2: Technical infrastructure and other cross-cutting issues (CES/2002/3/Add.2)
Programme Activity 3: Economic statistics (CES/2002/3/Add.3)
Programme Activity 4: Social and demographic statistics (CES/2002/3/Add.4)
Programme Activity 5: Environment statistics (CES/2002/3/Add.5)
Programme Activity 6: Dissemination and support for secretariat activities (CES/2002/3/Add.6)

2.   This version of the Integrated Presentation was prepared for review at the 10-12 June 2002 plenary session of the Conference of European Statisticians. The Conference uses it as an aid in carrying out its primary role of coordinating the international statistical work that is pla nned to be carried out in the next two years which is of relevance to ECE, EU and OECD countries. The Integrated Presentation is also used as a valuable tool for coordination 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. The information presented in this version of the

Integrated Presentation will be amended after the plenary session, and re-issued as the "post-plenary session" version of the Integrated Presentation.

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.

PE 3. 1

PE	Heading	Text
3.1	Title	**Implementation of the system of national accounts**
3.1	Goal	That there exists the full range of high quality national accounts data produced according to SNA/ESA standards for all ECE countries with lengthy time-series.
3.1	Issues & problems	♦ Consistent application of SNA/ESA. 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. ♦ The length of time series available on the new SNA/ESA basis is a major problem for some users. Some countries have produced time series from only the early 1990s on. 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. ♦ The Delhi group has recommended better measurement of and distinguishing between informal employment and employment in the informal sector of the economy. ♦ Replacement of GNP with GNI in Eurostat's "fourth resource" calculations. ♦ Measurement of the non-observed economy (NOE).
3.1	Strategic medium-term objectives	♦ Revise the collection system for balance of payments statistics. ♦ Develop a common policy on the timing of national accounts revisions. ♦ Development of additional tools to assess and demonstrate the quality of national accounts data, in co-operation with NSI's.
3.1	Expected outcomes in the next two years	♦ The following task forces of national accounts experts have been set up: ▪ Measurement of software – there is inconsistency of methods applied internationally ▪ Insurance services with emphasis on catastrophe insurance ▪ Banking services, especially portfolio management ▪ The Canberra Group has been called upon by ISWGNA to review the treatment of intangible assets ♦ ECE to undertake survey of best practice in estimating service lives of fixed assets. ♦ ECE to update Inventory of National Practices in Estimating Hidden and Informal Economic Activities for National Accounts. This inventory, which will be published at the end of 2002 and updated every five years, is complimentary to the OECD Handbook on Measuring the Non-Observed Economy. ♦ Eurostat manual on best practice in compiling price and volume indices in national accounts has been published. It is complimentary to the OECD productivity Manual ♦ Common Eurostat method to produce FISIM. ♦ Improvements to quarterly national accounts. ♦ Production and implementation of Eurostat Handbook on the compilation of Input-Output tables. ♦ Draft Eurostat handbook on compilation of capital stock. ♦ Publication of an OECD Handbook on Measuring the Non-Observed Economy. ♦ IMF report on the accrual accounting for interest. ♦ IMF report on treatment of non-performing loans.

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3.1	Attention of the Conference is drawn to the following	♦ <u>Future action in joint data collection (concerns transition economies)</u>: ECE and Eurostat both collect national accounts data from EU candidate countries. Outstanding issues of timeliness, data detail, 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. ♦ How to quickly address new and emerging issues in national accounts.
3.1	Decisions recommended by the Bureau to the Conference	♦ that the Conference approves the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.1	Rapporteur	OECD
3.1	Meetings	♦ ISWGNA: Working group meetings, autumn and spring 2002-2004 ♦ EUROSTAT: Quarterly National Accounts, 8-10 July 2002 ♦ EUROSTAT: Working Group: National Accounts, 17-18 October 2002 (+ 3 times a year in February, May and October) ♦ EUROSTAT: GNP Management Committee, 5-6 November 2002 (+ 3 times a year in March, July and November) ♦ EUROSTAT: Seminar: Financial Intermediation Services Indirectly Measured (FISIM), 2-4 December 2002 ♦ 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 ♦ OECD Workshop on Quarterly National Accounts for Baltic States, July 2002 ♦ OECD Annual expert meeting, October 2002 and 2003 ♦ ECE special session on National Accounts for transition countries October 2002 back-to-back with above OECD annual expert meeting ♦ Joint OECD-Eurostat Workshop on Quarterly National Accounts and Seasonal Adjustment for EU Candidate Countries, July 2002. ♦ ECE, OECD, CIS-STAT Meeting on national accounts for CIS, 2003 ♦ Delhi Group on Informal Sector Statistics: the next meeting will be held in 2002 possibly at the "Instituto Brasileiro de Geografia a Estatistica" - IBGE, Brazil
3.1	Activities of Inter-secretariat 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 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. ♦ The ISWGNA has discussed and reached agreement on 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,

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		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 several electronic discussion groups, in order to engage experts around the world in a broadly based debate.
3.1	Activities of CES	**Ongoing methodological work**: ♦ 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. ♦ 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. ♦ 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**.
3.1	Activities of OECD	♦ 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. ♦ 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. ▪ 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 final draft is planned for the beginning of 2002. ♦ Under OECD leadership, a Handbook on the Measurement of the Non-Observed Economy is being prepared in co-operation with the ILO, IMF and the Interstate

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		Statistical Committee of the CIS. It will be published jointly by the four organisations in early 2002. National experts from a number of countries have contributed to the handbook - in particular, France, Italy, Netherlands and Russia. <u>Measurement of the Non-Observed Economy.</u> ♦ Working closely with other international agencies, the OECD is continuing to promote best practice in the measurement of the non-observed economy (NOE) through workshops, training and publications. During the course of 2002 it is envisaged that NOE workshops for statisticians and data users will be conducted by the OECD in Moscow, Zagreb, and Delhi. In addition, in partnership with Eurostat (Tacis country programme) and the World Bank, the OECD is aiming initiate and oversee NOE measurement projects in the Russian Federation, Turkmenistan, Kyrgystan and Bulgaria. The work is being based on the Handbook for Measurement of the Non-Observed Economy. The Handbook presents an integrated approach to NOE measurement that is consistent with international standards. The Handbook has been developed by a team of experts lead by the OECD and drawn from a cross-section of international and national agencies, including the ILO, the IMF, the Interstate Statistical Committee of the CIS, Russian Goskomstat, Statistics Netherlands and ISTAT. It is being published in English, French, Russian and Chinese. ♦ In addition OECD has started four task forces relating to specific treatments in national accounts: software measurement, financial services (focus on portfolio management), insurance services (focus on catostrophic losses), capital stock and intangibles (see the Expert Group on Capital Stock Statistics "Canberra Group") ♦ Work on short-term economic statistics collected from non-Member countries is described in 1.3 and 3.99.
3.1	Activities of Eurostat	**<u>Overall Goal</u>** During the period 2003-2007 the Commission will aim to: ♦ pursue the development and production of statistics in the framework of the ESA 95 transmission program, in particular concerning the EMU Action Plan for the conduct of macroeconomic policy co-ordination and of monetary policy, for the Stability and Growth Pact and for the continued assessment of economic convergence; ♦ intensify the implementation of the Regulation on the European System of Accounts (ESA 95); ♦ revise the transmission program of ESA 95 regulation; ♦ revise the collection system for balance of payments statistics. **<u>Ongoing methodological work</u>** <u>Annual Economic Accounts:</u> In the area of methodology of national accounts the principal tasks will be the following: ♦ Finalise work on methods to calculate and allocate FISIM (financial intermediation services indirectly measured) leading to a decision on the allocation of FISIM before the end of 2002 as required by the FISIM Regulation 448/98. ♦ To improve data on the price and volume measures of national accounts, implement the recommendations of the manual of best practice that was finalised and published at the end of 2001. ♦ Assist candidate countries in the application of ESA in preparation for membership. ♦ Review implications for national accounts of changes in balance of payments data: asymmetries and weakened intra-EU data. ♦ Consolidate links between labour market statistics and national accounts (including social accounting matrices). ♦ Clarify and interpret the ESA as and when problems arise, including possible amendments to SNA in conjunction with other international organisations in the ISWGNA.

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		♦ Continued methodological co-ordination between national accounts and numerous areas of basic statistics including satellite accounts. <u>Quarterly National Accounts:</u> ♦ Continuation of the implementation of ESA 95 following the precepts of the manual on quarterly accounts. ♦ Completing the backward calculations for the euro-zone. <u>Gross National Product and VAT:</u> Particular projects include: ♦ Work in Eurostat and the GNP Committee to verify and to improve the reliability, comparability and exhaustiveness of GNI/GNP data, based on Member States' inventories of the sources and methods they use in compiling ESA95 accounts. The inventories were delivered late in 2001 and will be thoroughly analysed and discussed with the Member States in 2002-2003. ♦ Transversal, cross-country, studies of particular important new features introduced by ESA95. ♦ Review the possibility of separate, more explicit estimates of the hidden economy. ♦ Prepare accession of the candidate countries. ♦ 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 Member States per year. **Priority objective of the methodological work to be undertaken in the next two years** <u>Annual Economic Accounts</u> Concerning national accounts data for the management of economic and monetary union, the priorities in 2002 will be: ♦ Reception, processing and publication of national accounts data according to the schedule set out in the ESA 95 regulation, in particular tables 15-19 on the Input-Output system. ♦ Improve timeliness and coverage of the ESA 95 transmission programme by accelerating the revision process of transmission programme (amending regulation, new regulations). ♦ Implementing the programme of the EMU Action Plan on improving coverage and timeliness of Table 1 of the questionnaire as well as other tables of the ESA 95 regulation. ♦ Implementation of a limited set of quarterly institutional sector accounts. ♦ Disseminating news releases, Statistics in Focus, ad hoc publications and the Panorama "The Economic Portrait of the European Union". ♦ Continuing collection and improvement of the accounts of the candidate countries in line with the ESA 95 transmission program. ♦ Implementing the rules of the manual on the Input-Output system. ♦ Improving the service to users. <u>Quarterly National Accounts:</u> ♦ Proposal for a Regulation of the European Parliament and of the Council on quarterly non-financial accounts for general government ♦ Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2223/96 with respect to the delays in the transmission of quarterly non-financial accounts, the abrogation of derogations and transmission of hours worked **New activities to be undertaken in the next two years** <u>Annual Economic Accounts:</u> ♦ Develop a common policy on timing of revisions to national accounts data. ♦ During 2002 the national accounts working party will have to determine the scope and pace of implementation of the requirements of the manual on price and volume

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		measures of national accounts and countries will have to write an inventory of the methods they use in practice. ♦ New problems will arise in 2002 from the extension of ESA to fixed and financial assets and input-output tables. Interpretations needed for the excessive deficit procedure. Quarterly National Accounts: ♦ Implementation and consolidation of the project on flash estimates for which first results will be available mid 2001. ♦ Implementation of the EMU Action Plan and the EFC progress reports, in particular reducing the delays for the euro-zone estimations and also the quality of these estimations. ♦ Developing and implementing methods on seasonal adjustments following the recommendation of the Task force. 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 the European Parliament will be increasingly attentive to the comparability and reliability of the data. Particular projects include: ♦ National accounts statisticians must develop and implement additional tools to assess and demonstrate the quality of national accounts data.
3.1	Activities of UN Statistics Division	**Ongoing methodological work:** ♦ Preparation of SNA data and conceptual assessments and analysis based on the UNSD national accounts database. ♦ In cooperation with the IMF and CEPAL, 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. ♦ Preparation of a guide for Compiling the System of National Accounts 1993 – a Practical Introduction ♦ 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.
3.1	Activities of International Monetary Fund (IMF)	The IMF conducts two- to three-week on-site missions to its member countries to assess the quality of the national accounts and assist in their further development. Particular emphasis is placed on the development of a database and estimation techniques to calculate quarterly national accounts. The IMF also conducts training courses on the 1993 SNA and on quarterly national accounts at the IMF Institute in Washington, the Joint Vienna Institute, and other venues. The IMF contributed to the drafting of the Handbook on the Non-Observed Economy. The IMF will write a report on the accrual of interest, for which it has set up an electronic discussion group. Another electronic discussion group will be created regarding the treatment of non-performing loans.

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3.1	Activities of the Expert Group on Capital Stock Statistics ("Canberra Group")	**Ongoing Methodological Work** The Group developed a manual on capital stock and flow measurement that covers both conceptual issues and suggested best practices in compilation. The manual, which was published by the OECD in 2001, is part of the reference material on the 1993 SNA. **New Activities to be Undertaken in the Next Two Years** The Group will continue to discuss, through the Group's electronic discussion group database, concepts and practices in the measurement of capital stocks and flows. The 'research agenda' described in Annex 4 of the capital stock handbook will provide a basis for further discussion. There will be a particular focus on intangible assets. The Group is likely to meet again in the second half of 2002. Contact Persons: Mr Peter Harper, Australian Bureau of Statistics, PO Box 10, Belconnen, ACT 2616 Australia, tel +61 2 6252 6035, fax +61 2 6252 1095, email: peter.harper@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. See also website http://www.oecd.org/std/Nameet.htm
3.1	Activities of the Delhi Group on Informal Sector Statistics	The Delhi Group on Informal Sector Statistics will work on the recommendations of the Fifth Meeting of the Group, which was held during 19-21 September 2001 in New Delhi, India. The recommendations of the fifth meeting are as follows: ♦ Depending upon their employment relationships and types of contracts, home workers can be found in any category of status in employment. Home-workers should therefore, be identified through the variable "place of work" in conjunction with existing other classifications, such as industrial and occupational classifications, rather than as a separate category of status in employment. ♦ In order to define the criteria for the distinction between independent and dependent home-workers, as well as between own-account workers and employees in general, questions on the type of contractual arrangements should be used in surveys. Such questions provide better results than a mere self-assessment by respondents of status in employment. ♦ The concept of informal employment is distinct from the concept of employment in the informal sector. Informal employment (to be defined in terms of characteristics of jobs) extends from the informal sector (defined in terms of characteristics of enterprises) to other sectors. The definition and measurement of employment in the informal sector need to be complimented with a definition and measurement of informal employment. Members of the Delhi Group, as well as other countries, are encouraged to test on the basis of available data the conceptual framework developed by the ILO for relating the measurement of employment in the informal sector to the measurement of informal employment within a labour force framework. Experiences should be reported in the next meeting of the Delhi Group to help evolve an operational definition of informal employment and measurement methods of the same. India and Mexico agreed to the request to provide the data support for testing the framework. ♦ For developing a programme of statistics in the informal sector, the parallel use of several methods (in particular, household surveys and mixed household and enterprise surveys) is re-iterated. The methods used should be documented in sufficient detail, so that data obtained from different sources can be compared and the differences, if any, explained. ♦ Data on the informal sector should be collected at sufficiently frequent intervals, so that time series can be obtained that make it possible to monitor trends and developments. ♦ Future work of the Delhi Group should concentrate on a project to establish a common pool of data bases on the informal sector (along similar lines as the Luxemburg Income Study), for which financial support will be sought from donor

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		agencies. The aim of the project is to undertake the necessary work in order to obtain the best possible internationally comparable statistics of the informal sector. The project will therefore, include studies aimed to improve the quality of existing informal sector data, and the formulation of technical guidelines regarding the statistics to be included and how to develop them, including the formulation of questions for the identification in labour force surveys of informal sector workers on a regular basis. The external funding of the project may also lead to increased country representation in the Delhi Group. ♦ Members of the Delhi Group are invited to assist the secretariat of the Group in formulating a project proposal within the next three months and submitting it to donor agencies. ♦ The Chair of the Delhi Group will seek the institutional support of the UN Regional Commissions in order to address the Heads of National Statistical agencies in providing cooperation for accomplishing the aims of this project and to designate a contact person for the above mentioned purposes. ♦ Review may be made as to how far the objectives set in the terms of reference of Delhi Group have been achieved. ♦ The website of the Delhi Group should be used as an electronic discussion forum to enable more countries to participate in the deliberations of the Group. ♦ Procedures should be established for linking informal sector data obtained from existing sources (labour force surveys, mixed household surveys and enterprise surveys, economic census) with other sources (like household income & expenditure, consumer expenditure surveys, etc.)in support of the work of national accountants and for analysing the relationship of the informal sector with other topics like poverty. 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.
3.1	Activities of CIS-STAT	**Ongoing methodological work** To implement the System of National Accounts in the accounting practice of CIS countries in 2002-2004: ♦ Formulation of methodological recommendations for Commonwealth countries' statistical services on calculating indicators for the compilation of SNA accounts for financial corporations, general government, non-profit institutions serving the households sector and households using available sources of information; ♦ Collection, analysis and dissemination of key macroeconomic statistics prepared on the basis of 1993 SNA concepts; ♦ Preparation of compilations (Russian-English) of CIS countries' national accounts and principal macroeconomic indicators, as well as analytical reports on production and use of the gross domestic product in Commonwealth countries; ♦ 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.

PE 3. 2

3.2	Title	**Money and banking, government finance, and balance of payments**
3.2	Goal	That there exists a comprehensive, coherent and balanced system of money, banking government finance and balance of payments statistics capable of supporting government activities relating to developing and adjusting policy, and deepening the understanding of the determinants of globalisation.
3.2	Issues & problems	♦ Rapid change in the areas covered by finance statistics - especially in monetary and financial statistics. ♦ 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. • Harmonisation with 1993 SNA of balance of payments, international investment position (IIP), government finance, and money and banking statistics. • In addition, work in each area involves efforts at improved dissemination and shedding more light on and improving data quality.
3.2	Strategic medium-term objectives	♦ An IMF database consistent with the standards in the <u>Monetary and Financial Statistics Manual</u>. ♦ A compilation guide for contributors to IMF financial and monetary statistics. ♦ Collection of Foreign Direct Investment (FDI) flow and stock data For Eurostat: ♦ Production of statistics needed for the conduct of macroeconomic policy and to support the Stability and Growth pact. For OECD: ♦ 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.

3.2	Expected outcomes in the next two years	♦ OECD 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.
		♦ A Eurostat compilation manual on sources and methods for financial accounts should be operational within in the next two years.
		♦ Further improvements to bank (MFI) balance sheet data and derivation of monetary statistics and counterparts from them.
		♦ Improvements to data on securities issues, interest rates.
		♦ Data on (non-monetary) financial institutions.
		♦ Better data on the balance of payments (notably in the areas of investment income and portfolio account).
		♦ Better links between balance of payments and monetary statistics.
		♦ Financial accounts for the euro area, starting with financing and investment of non-financial sectors.
		♦ The ECB intends to develop a Centralised Securities Database as a means of improving the treatment of negotiable securities across the financial accounts.
		♦ IMF Compilation Guide on Financial Soundness Indictors.
		♦ Conversion of the IMF's databases for the *Government Finance Statistics Yearbook* and for *International Financial Statistics* to comply with the *Government Finance Statistics Manual* (end-2003).
		♦ Conversion of the IMF's databases of monetary and financial statistics to comply with the *Monetary and Financial Statistics Manual*.
		♦ Publication of *Producer Price Index Manual* (2002).
		♦ Publication of proceedings of IMF seminar on the statistical implications of inflation targeting (2002).
		♦ Automated data collection of balance of payments statistics (IMF).
		♦ Issuing of guidance for the compilation of FDI flow and stock data and their dissemination via UNCTAD.
		♦ Issuing of guidance for the compilation of external debt statistics.
3.2	Attention of the Conference is 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 2002, subject to resource constraints.
		♦ Problems that countries are facing in collection of good quality data on balance of payments.
3.2	Decisions recommended by the Bureau to the Conference	None
3.2	Rapporteur	IMF

3.2	Meetings	◆ ECB Statistical Committee: 5-6 meetings per year
		◆ EUROSTAT-ECB: Task Force, once a year in March
		◆ EUROSTAT: Working Group: Short Term Public Finance Statistics, 7-8 October 2002 (+ twice a year in May/ June and October)
		◆ EUROSTAT: Working Group: Balance of payments, 15-16 0ctober 2002 (+ twice a year in March and October)
		◆ EUROSTAT: Working Group: Financial Accounts, 30-31 October 2002 (+ twice a year in March and October)
		◆ EUROSTAT: Committee on Monetary, Financial and Balance of payments statistics (CMFB), twice a year in January and June
		◆ EUROSTAT: Working Group: Quarterly Financial Accounts for the Government Sector, once a year in April
		◆ OECD: Steering Group on Revenue Statistics, 19 November 2002
		◆ OECD: Steering Group on Revenue Statistics, 3 June 2003
		◆ OECD: Steering Group on Revenue Statistics, 25 November 2003
		◆ OECD: Steering Group on Revenue Statistics, June 2004
		◆ OECD: Working Party on Financial Statistics, November 2002
		◆ OECD: Working Party on Financial Statistics, November 2003
		◆ OECD: Working Group on Insurance Statistics (ad hoc meetings, as required)
		◆ Inter-Agency Task Force on Finance Statistics (ad hoc meetings, as required)
3.2	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 IMF 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 has focused especially on the preparation of the new publication, External Debt Statistics: Guide for Compilers and Users (Guide), on enhancing the Joint BIS, IMF, OECD, World Bank Statistics on External Debt and examining differences that arise when external debt data are compiled from differing (credits and debtor) sources. After review by member countries in 2001, the guide was posted on the IMF's website in November 2001, subject to editing. It will be released in hard copy form in 2002.
3.2	Activities of CES	None
3.2	Activities of OECD	**Financial statistics:** ◆ 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. ◆ 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. ◆ 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. ◆ Task Force on Finance 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].
♦ 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] .
♦ 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].
♦ Technical assistance to China, to Baltic countries and to South East Europe on foreign direct investment statistics and analysis.
♦ Technical assistance to China on financial statistics [developing and analysing financial indicators to meet the requirements of the financial sector reform].
♦ Compilation of FDI statistics for non-Member countries.
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. For 2002-4, methodological work will concentrate on the implementation of an accrual basis for reporting tax revenues.
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.
Other activities:
♦ 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. |

		♦ To work with the ACC Inter-Agency Task Force on Finance Statistics to produce a guide to users and compilers of external debt statistics. The Guide is now on the IMF website and will be published during 2002. ♦ To continue to publish quarterly Joint BIS, IMF, OECD, World Bank Statistics on External Debt with improvements to methods, coverage and timeliness as possible.
3.2	Activities of Eurostat	**Overall Goal** During the five year period 2003-2007 the Commission will aim to: ♦ pursue the development and production of statistics in the framework of the EMU Action Plan for the conduct of macroeconomic policy co-ordination and of monetary policy, for the Stability and Growth Pact and for the continued assessment of economic convergence; ♦ intensify the implementation of the Regulation on the European System of Accounts (ESA 95); ♦ revise the collection system for balance of payments statistics. **Ongoing methodological work**: (i) Financial Accounts: ♦ The first issue of the manual on sources and methods for financial accounts should be operational and an update could be envisaged. ♦ Regular dissemination of the data via Internet, statistics in focus and a hardcopy with data on CD-ROM should take place. ♦ Moreover, candidate countries will send their financial accounts data on an experimental basis. (ii) Money and Finance: *Government finance* ♦ Follow-up of the action plan of the EFC (Economic and Financial Committee). ♦ The regulation of the Council and Parliament on quarterly non-financial accounts will be implemented by then. *Excessive deficit procedure* ♦ Audit missions in Member States will continue. ♦ A press release on debt and deficit data, will be published twice a year, and will include data on Government receipts and expenditures. *Pilot project on government finance for candidate countries* ♦ Candidate countries will notify once a year (1 April) their debt and deficit statistics. ♦ The collection of representative long-term interest rates of the government sector of candidate countries (Convergence criteria) will be carried out in close collaboration with the European Central Bank. ♦ Training courses by Eurostat staff and traineeships for statisticians from candidate countries in Member States are foreseen under the pilot project. *Financial Indicators* The work on the euro-yield curve (publication, further refinement, and adaptation for other purposes) will continue. (iii) Balance of Payments: See activity 3.6. **Priority objective of the methodological work to be undertaken in the next two years** (i) Financial Accounts: Proposal for a Regulation of the European Parliament and of the Council on quarterly financial accounts for general government. (ii) Money and Finance: A 'Yellow Book' on the evaluation statistics by Eurostat of Candidate Countries' data on debt and deficit statistics will be made available annually (iii) Balance of Payments: See activity 3.6. A regulation defining the statistics requirements of the Commission will be prepared. **New activities to be undertaken in the next two years** (i) Financial Accounts:

		Quarterly financial accounts for the central government sector will be submitted for the first time. (iii) <u>Balance of Payments</u>: See activity 3.6.
3.2	Activities of the European Central Bank	**Ongoing methodological work** <u>Money and banking and related statistics:</u> ♦ Implementation of new banking balance sheet and interest rate Regulations. ♦ Improvements to securities issues and OFI statistics. <u>Balance of payments and related statistics:</u> ♦ Contribution to development of b.o.p. collection systems in EU Member States. ♦ Improvements to compilation of portfolio investment account. ♦ Enhancements to data on international investment position. ♦ Work to improve consistency between monetary and b.o.p. statistics. <u>Financial accounts:</u> ♦ Amplify present quarterly table on financing and financial investment of non-financial sectors in euro area. ♦ Contribute to development of quarterly sectoral accounts. <u>General:</u> ♦ Improve statistical recording of securities issues, redemptions, outstandings, and holdings of securities, through implementation of a centralised securities database. ♦ Contribute to further development of seasonal adjustment/working day adjustment techniques, and their application. ♦ Intensify work with accession countries to prepare them for entry into EU and eventually euro area. ♦ Continue efforts to improve data dissemination and exchange (in collaboration with other European and international institutions). **Priority objective of methodological work** The objective is always to improve the quality, timeliness, relevance and general usefulness of data needed to support the ECB's conduct of monetary policy and other functions under the Treaty on European Union. Completed work is usually embodied in an ECB legal instrument (published regulation/guideline), compilation guide, handbook or similar, but particular publications in mid-2002 to mid-2004 are not in mind. **New activities** All of the items listed above contain new elements or a substantial intensification of existing work, but none of them are wholly new. There are no plans to discontinue activities.

| 3.2 | Activities of UNCTAD | **Ongoing methodological work:**
♦ Methodological work: participation in the Globalization Session of the Statistical Working Party of the OECD Committee on Industry and Business Environment, in particular, as regards the preparation of the *Manual of Economic Globalization Indicators.*
♦ Data collection and processing: continuous update of the FDI/TNC database (FDI flow and stock; based on the database, the World Investment Directory, volumes on Developed Countries, and on Central and Eastern Europe, are being prepared); data on cross-border mergers and acquisitions; the largest TNCs, information on bilateral investment treaties and double-taxation treaties, changes in national legislation on FDI.
♦ Methodological work: participation in the work of the Inter-Agency Task Force on Finance Statistics, in close consultation with national compilers of external debt and balance of payments statistics, in order to prepare *External Debt Statistics: Guide for compilers and Users (*final draft: November 2001). The Task Force was chaired by the IMF, and the work involved representatives from the BIS, the Commonwealth Secretariat, the European Central bank, Eurostat, the IMF, the OECD, the Paris Club Secretariat and UNCTAD. The future activities of the Task Force have to be redefined.
Priority objective of the methodological work to be undertaken in the next two years:
Collection of FDI flow and stock data as well as data on the operations of foreign affiliates in the host economy, in line with internationally-agreed recommendations (such as the 5th edition of the *IMF Balance of Payments Manual* and the forthcoming *Manual on Statistics of International Trade in Services).*
New activities to be undertaken in the next two years:
♦ Guidance to developing countries wishing to adopt internationally-agreed recommendations for the compilation of FDI flow and stock data.
♦ Dissemination of such data, including metadata, through the UNCTAD website.
♦ Guidance to developing countries for the compilation of External Debt Statistics, especially through the enhancement of the DMFAS software in order to facilitate the production of these statistics, as well as training and advice in collaboration with the IMF. |
| 3.2 | Activities of 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. |

3.2	Activities of International Monetary Fund (IMF)	The IMF Committee on Balance of Payments Statistics oversees 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), advises the Fund on methodological and compilation issues in the context of balance of payments and international investment position statistics, and fosters greater coordination of data collection among countries. Preliminary work has begun on the sixth edition of the IMF Balance of Payments Statistics Manual (BPM6). Following a first successful exercise in 1997, the Coordinated Portfolio Investment Survey (CPIS) will be undertaken anew, covering a larger number of jurisdictions, including all industrial countries and a large number of offshore financial centers. Its results will be available to the balance of payments compilers by the end 2002.
		Following the international financial crises of the late 1990s, in response to requests from its member countries, the IMF is working on a Compilation Guide on Financial Soundness Indicators. The focus of the work will be on the financial soundness of banks but will also cover other institutional sectors. Work in 2002 will involve consultation with member countries and other international agencies. The IMF has also completed work on the revised Government Finance Statistics Manual, which took account of comments received on, and an Expert Group discussion of, an earlier draft version. The new manual was published in December 2001. The IMF has begun working on the implementation of the new methodology, including the conversion of the IMF's database for the Government Finance Statistics Yearbook and the presentation of fiscal statistics in International Financial Statistics (IFS). The database conversion is expected to be completed by the end of 2003. Work is also underway on the preparation of material that will elaborate on the new methodology. 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 monetary and financial statistics to meet the requirements in the manual. Work will also begin on the preparation of a compilation guide to accompany the manual.
3.2	Activities of the 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.
3.2	Activities of CIS-STAT	**Ongoing methodological work** : ♦ Assistance to Commonwealth countries in improving financial statistics, including the formulation of proposals for the enhancement of statistical reporting and the adaptation of interstate 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; ♦ Collection, analysis and dissemination of financial and price statistics: (i) State budget income and expenditure in Commonwealth countries; (ii) Money income and expenditures 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, investments and securities); (v) Statistics relating to insurance activity; (vi) Analysis and publication of information and statistical bulletins, as well as statistical compendia including financial and price statistics.

PE 3. 3

3.3	Title	**International trade in goods**
3.3	Goal	That there exist consistent and comprehensive traded goods sector statistics that are consistent with international standards and definitions.
3.3	Issues & problems	♦ 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. ♦ The treatment of e-commerce in international trade statistics. ♦ The use of alternative trade data sources to complement customs data. ♦ Assessment of data quality.
3.3	Strategic medium-term objectives	♦ To develop implementation guidelines for internationally agreed concepts and definitions in international trade statistics (see also P.E. 2.4). ♦ 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. ♦ To develop a commonly agreed consistent aggregate data set on merchandise trade. ♦ Consolidation of Intrastat and Extrastat systems (EU).
3.3	Expected outcomes 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 version of Eurotrace software. ♦ Full implementation of the OECD -UNSD data sharing agreement, covering all OECD Member countries. ♦ Resumption of the calculation of volume, price, and terms of trade indices (UNCTAD).
3.3	Attention of the Conference is drawn to the following	♦ The work carried out by UNSD to develop commonly agreed data sets through an interagency cooperation with a view to reducing the response burden on national statistical offices.
3.3	Decisions recommended by the Bureau to the Conference	None
3.3	Rapporteur	WTO
3.3	Meetings	♦ EUROSTAT: Committee: Trading of Goods - Intrastat/Extrastat (joint with EDICOM –Electronic Data Interchange for the Commission), 13-15 November 2002 (+ 3 times a year in March, June and November) ♦ EUROSTAT: Working Group: EDICOM Information & Communication Technology (EDICOM-ITC), 14-15 October 2002 (+ twice a year in February and October) ♦ OECD: Trade Indicators Roundtable, 2002 ♦ OECD: 4th Meeting of Experts on International Trade Statistics, early 2003 ♦ WTO: Inter-secretariat Task Force on International Trade Statistics, 2003 and 2004

3.3	Activities of 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 convenor 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:** a) Methodological work: Study new issues for inclusion in follow-up work to the Compiler's Manual for International Merchandise Trade. Update the Statistical Territories of the World for use in international merchandise trade statistics. Collect and exchange information on national practices for compiling and disseminating trade indices. Collect and exchange information on the use of alternative trade sources to complement customs information. Address the relation between trade and industrial activity in terms of links between product and activity-based classifications. b) Data collection and processing: Increase shared data collection between international organisations with a view of eventually also sharing data processing. Develop a consistent set of aggregate trade data that includes hard data and estimates. **Priority objectives**: To continue work on the Technical Report on Index Numbers in International Trade. To develop a commonly agreed, consistent aggregate data set on merchandise trade. **New activities to be undertaken in the next two years:** The treatment of e-commerce in international trade statistics. The use of alternative trade data sources to complement customs information. The assessment of data quality.
3.3	Activities of CES	None
3.3	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; ♦ (b) detailed annual data of exports and imports by commodities and by partner countries using three classifications (SITC, HS, ISIC). Quality and timeliness of both (a) and (b) has considerably improved during 1999-2001 together with methodological information. **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 (from 22 countries in 2001 to 30 countries in 2002). 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 (and also WTO and others). ♦ After the successful first three 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. ♦ Further complete and make available sources, definitions and methods. ♦ Online availability of OECD's detailed international trade database on Internet for external users. **New activities to be undertaken in the next two years:** ♦ Contribute, together with other international organisations, to a new unified aggregate trade data set, published by WTO. ♦ Begin in 2002, together with other trade organisations, a stocktaking of available trade indicators and start developing an OECD trade indicators data set.
3.3	Activities of Eurostat	**Overall Goal** The overall goal is to adapt and improve the systems of statistical measurement of the trade of goods between Member States and with third countries, taking into account the development of the information requirements and the economic and administrative environment.

The 2002 work programme, in conjunction with the Member States, will largely depend on the first annual action plan adopted in 2001 in the context of the Edicom II decision. The three main areas of activity in 2002 will be as follows:

1. greater consolidation of Intrastat and Extrastat systems;
2. increased statistical availability;
3. preparatory work for the accession of candidate countries and co-operation with other non-member countries.

Ongoing methodological work:

Consolidation of the Intrastat and Extrastat systems will therefore be intensified. In particular, the Member States will be encouraged to improve data-transmission times by relying, if necessary, on estimates, whilst guaranteeing adequate quality. More systematic quality evaluation and control, both within Eurostat and in the Member States, will allow improved communication and a much-improved service for users of highly detailed statistics. The quality reports distributed to the Member States and Eurostat will be updated. Work on reconciling intra-EU flows will make it possible to provide data with no intra-EU asymmetry, at least at an experimental level. At the same time, work must continue to improve the quality of statistics on bilateral trade flows by means of the bottom-up approach.

Increased statistical availability: Priority will be given to the availability of statistics on the EU and Euro Zone entities.

The initial results of work on the adoption of a more statistical and far less accountancy-orientated foreign-trade approach should be available. In particular, the pilot studies on the breakdown of external trade statistics according to activity sector of declaring firms should make it possible to produce first estimates at EU level and to supplement the analysis by a more direct comparison of the results with business statistics and national accounts.

The emphasis will be on the dissemination of statistics which are better adapted to economic analysis by incorporating value/volume price elements in the same medium. Both the Member States and the candidate countries will be encouraged to make use of import and export price surveys. Attention will initially focus on the analysis of price competitiveness and market shares based on the calculation of revised unit value indices. Services to users will finally be improved by the provision of more easily accessible data (particularly through the Internet server and a new CD-ROM) and better documentation (meta-information) .

Preparation for the accession of the candidate countries will continue with the consolidation of (current) data collection and preparation of the collection of advanced indicators and volume indices required for economic and monetary policy. Possible ways of ensuring more comprehensive collection of the available customs data will be examined. In defining pilot projects preparatory to the application of the Intrastat system, special attention will be given to testing a simplified version of the system which meets Community requirements. Co-operation will continue in the context of existing projects (Phare, Tacis, Medstat, ACP, Asia, Latin America, etc). Priority will be given to data exchange, improved data quality and harmonisation of the methods used. Harmonisation exercises will also be continued with specific partners on the basis of a method which should be standardised.

Other areas of activity

At the same time as these priority activities, the continuation of Edicom action should be prepared by the definition of a new annual plan to be drawn up by the Commission, with existing projects being subjected to rigorous management, co-ordination and evaluation. In this context, longer-term methodological adjustment of the Intrastat and Extrastat systems will be planned by the definition of preliminary studies and/or pilot surveys within the framework of Edicom. This work will contribute to a better integration of trade statistics in both the European and international statistical systems; Eurostat will also continue to play an active part in the "International trade statistics" Task Force, in

		order to ensure close links between its activities and those of other international organisations. Some activities (provision of tariff data, harmonisation exercises) could depend on the funding of the RELEX and Trade DGs. Co-operation will depend on funding in the context of the PHARE, TACIS and other programmes. **Priority objective of the methodological work to be undertaken in the next two years** Eurostat's objective is to update the user-guide, to make other guides dedicated to specific users available (compilers manual and guide on concepts and definition). Preparation for the accession of the candidate countries A new improved version of the Eurotrace software should be made available. **New activities to be undertaken in the next two years**: Consolidation of the Intrastat and Extrastat systems ♦ Action will be initiated with the Member States to develop the provision of seasonally adjusted indicators on the basis of a harmonised methodology. ♦ Work will be initiated to improve confidential data processing and the Eurostat data-processing and checking system will be modernised and improved. Action to improve the availability of statistics ♦ Analyses will be conducted to identify the information sources which will make it possible to distribute an extra-EU and extra-EMU balance-sheet evaluated on an FOB/FOB basis. ♦ The content and relevance of the information required for trade negotiations should be evaluated; new machinery or analytical procedures (global matrix, environment, high-tech products, globalisation, e-commerce, etc) should be defined or tested on the basis of a prior assessment of requirements. **Other Activities of the European Commission:** Some analytical and data-collection work might be carried out by other DGs, particularly as regards: ♦ trade analyses and preparation of trade negotiations; ♦ sectoral aspects of international trade: agriculture, industry, etc.
3.3	Activities of UNCTAD	**Ongoing methodological work:** ♦ Methodological work: participation in the work of the Task Force. ♦ Data collection and processing: update of the Database on Trade Control Measures covering tariff, para-tariff and non-tariff measures disseminated in TRAINS (Trade Analysis and Information System). **Priority objective of the methodological work to be undertaken in the next two years**: To contribute in the preparation and dissemination of a consistent set of aggregated trade data by international organizations. **New activities to be undertaken in the next two years:** Resuming the calculation of volume, price and term of trade indices and trade analytical indicators.
3.3	Activities of 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 technical report describing country practices for index numbers of international trade (2002). **New activities to be undertaken in the next 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.

3.3	Activities of 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 <u>Direction of Trade Statistics</u> 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 the <u>International Merchandise Trade Statistics Compilers' Manual</u>.
3.3	Activities of the 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.
3.3	Activities of the World Trade Organization (WTO)	**Ongoing methodological work:** <u>a) Methodological work:</u> Participation in the work of the Task Force. <u>b) Data collection and processing</u>: 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 objectives:** Improving the coverage of WTO's statistical series and to support the mandated trade negotiations within the Doha Development Agenda. **New activities to be undertaken in the next two years**: As required by Members in the context of trade negotiations.
3.3	Activities of CIS-STAT	**Priority objective of the methodological work to be undertaken in the next two years:** ♦ Apply the "Common methodology of customs statistics for the foreign trade of States members of the Commonwealth of Independent States" to the compilation of statistics on the CIS countries' foreign trade in goods, taking into account the second revised edition of the "International Merchandise Trade Statistics: Concepts and Definitions" (IMTS, Rev.2) guide approved by the United Nations Statistical Commission at its 29th session. ♦ Continue work on improving data interchange between CIS-STAT and the Commonwealth countries' national statistical and customs services, thus helping to enhance the quality and comparability of CIS countries' two-way trade statistics. ♦ Ensure full statistical coverage by continuing work to collect monthly data on exports and imports in value terms at current prices, with a breakdown for CIS and other countries and for the main products, and quarterly data on exports and imports by product group and for selected goods, with a breakdown for the main trading partners. ♦ Provide advice and methodological assistance on compiling price and physical-volume indices for foreign trade. ♦ Issue more extensive publications of foreign trade statistics with separate data on two-way trade for Commonwealth countries and for member countries of the Eurasian economic community.

PE 3. 4

3.4	Title	**Transport Statistics** (NOTE: For statistical work in the area of information and communications technology see PE 3.8 - Other marketed services, and non-marketed services)
3.4	Goal	That there exist transport statistics that are consistent with the standards, classifications and needs of mainstream economic statistics and with international standards and definitions.
3.4	Issues & problems	♦ Improve data comparability through the development of a standardized terminology, definitions and classifications in transport statistics. ♦ Develop a set of standard price and quantity indices for transport services. ♦ Monitor developments in the field of transport database and information systems and promote the co-ordination of these.
3.4	Strategic medium-term objectives	♦ Publication of a third expanded edition of the Glossary for Transport Statistics (ECE-ECMT-Eurostat). ♦ Harmonisation of existing classifications for the transport of goods. ♦ Conduct the first Combined Census of Rail Traffic and Inventory of Standards and Parameters in 2005.
3.4	Expected outcomes in the next two years	Inter-secretariat Working Group on Transport Statistics (OECD/ECMT/Eurostat) ♦ Finalise in co-operation with EUROSTAT and ECE an electronic version of the Common Questionnaire. Catch up with the delays in publications and improve their timeliness. ♦ Produce an Internet version of the Common Questionnaire. ♦ 3rd edition of Glossary of Transport Statistics. ECE/Eurostat ♦ Agreement on the second digit of the NST/R classification of transport commodities. Eurostat ♦ Reference manual for road freight transport statistics (1998 Council Regulation). ♦ Reference manual for maritime transport statistics (1995 Council Directive). ♦ Glossaries for air and maritime transport statistics and road accident statistics. ♦ Methodological guidelines for inter-modal freight transport. ♦ Implementation of EU Regulation on rail transport statistics (passengers and freight), rail safety, including draft reference manual. ♦ Implementation of EU Regulation on air transport statistics. ♦ Publication of pan-European survey on long distance mobility.
3.4	Attention of the Conference is drawn to the following	♦ Very little progress has been made in developing price indices for transport, which remains an area of high demand.
3.4	Decisions recommended by the Bureau to the Conference	♦ That the Conference note and endorse the activities to be undertaken by other Divisions and PSB's in the ECE, notably the NST/2000 classification on transport of goods, adopted by the ECE Transport Committee.
3.4	Rapporteur	Eurostat

3.4	Meetings	♦ ECE (ITC)-ECMT-Eurostat: meetings of the Inter-secretariat Working Group on Transport Statistics (IWG.Trans), held 2-3 times a year with rotation of hosts ♦ ECE (ICT) Working Party on Transport Statistics (fifty-third session, Geneva, 25-27 November 2002) ♦ Ad-hoc meeting on definitions of sustainable urban transport, Prague, 2002 ♦ ECMT: Meeting of the ECMT Group of Statisticians, May 2003 and May 2004 ♦ EUROSTAT: Working Group: Co-ordinating Committee on Transport Statistics (CCST), March 2003 (once a year in March) ♦ EUROSTAT: Working Group: Road Transport Statistics, around November 2003 (future meetings approximately every 18 months) ♦ EUROSTAT: Working Group: Rail Transport Statistics, 11-12 November 2002 (future meetings approximately every 18 months) ♦ EUROSTAT: Working Group: Airports and Air Transport Statistics, 17-18 June 2002 and around January 2004 (future meetings approximately every 18 months) ♦ EUROSTAT: Working Group: Maritime Transport Statistics, around January 2003 (future meetings approximately every 18 months) ♦ EUROSTAT: Working Group: Intermodal Transport Statistics, 10-11 October 2002 (future meetings approximately every 18 months) ♦ EUROSTAT: Working Group: Passenger Transport Statistics, around May 2003 (future meetings approximately every 18 months)
3.4	Activities of Inter-secretariat Working Group on Transport Statistics	♦ The Inter-secretariat 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 52nd session in November 2001, has accepted the Mission Statement presented in annex 2 to the report TRANS/WP.6/141. ♦ 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 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 and allows the three organisations an easier maintenance of the datasets in their respective database systems. In order to facilitate further the work from the member states, an Internet version of this questionnaire is under development.
3.4	Activities of CES	None

3.4	Activities of ECE Transport Division (Inland Transport Committee)	<u>Ongoing methodological work:</u> ♦ Standardization activities and other Methodological Work: Revision of the NST/R (Commodity Classification System for Transport) jointly by Eurostat and ECE. The first digit of this new classification (NST/2000) has been agreed upon; a proposition for the second digit is foreseen in 2002. ♦ Glossary for Transport Statistics, Third Edition containing chapters of the previous two editions and new chapters on road traffic accidents, urban transport and environmental indicators. ♦ The Common Questionnaire for Transport Statistics is circulated annually to member Governments, in cooperation with ECMT and Eurostat, and the data are published in the Annual Bulletin of Transport Statistics for Europe and North America (ABTS) cited above. ♦ 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. ♦ The Combined Census of Motor Traffic and Inventory of Standards and Parameters on Main International Traffic Arteries in Europe has been published on a quinquennial basis for many years now. For the first time in 2005 a similar survey will be held for the Rail. ♦ The European Transport Database System, based on the developments made in the UNECE Statistical Division, is maintained from the structural point of view as well as from the point of view of the content.
3.4	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 report on Transport Statistics, a Statistical Report on Road Traffic Accidents; and a statistical study on Investment in Transport Infrastructure. The ECMT also publishes on its website, the results of its quarterly Short Term-Trends Survey. These cover 41 European countries which are members of the ECMT. ♦ A Common Questionnaire (Eurostat/ECMT/UNECE) is circulated every year and is the basis for the Transport Statistics publication. The Common Questionnaire follows the terminology and definitions from the "Glossary for Transport Statistics", which can be downloaded from the ECMT WEB site (http://www.oecd.org/cem/online/glossaries/index.htm). 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 and UNECE in developing an electronic version of the Common Questionnaire. ♦ Catch up with the delay in publications and improve their timeliness. ♦ Also improve the current data collecting system by using internet environment. **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. ♦ Compare Eurostat, ECMT and UNECE databases in order to eliminate discrepancies and better harmonise transport data information.
3.4	Activities of Eurostat	**Overall Goal** During the five year period 2003-2007 the Commission will strive: ♦ to complete the coverage of Community transport statistics across all modes of transport and all types of information; ♦ to continue to adapt and complete, where necessary, the legal basis for transport statistics; ♦ to promote the collection of additional statistics on inter-modal transport chains as

well as those additional data needed to monitor the integration of environmental considerations into transport policies (the TERM exercise).

Priorities in transport statistics will continue to stem from the need to monitor the liberalisation and rationalisation of European transport, as well as its impact on regional development, environment and safety. The main effort will continue to be devoted to improving the total quality (coverage, timeliness and statistical quality) of transport statistics. Statistics on each mode of transport, based on legal acts and voluntary agreements, will continue to be the core of the Community system of transport statistics. By 2002, important developments in maritime, air and road transport statistics will be largely completed. The next significant step will be the implementation of the proposed Regulation on rail transport statistics (replacing the existing Directive).

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, UNECE and the European Conference of Ministers of Transport (ECMT) are the mechanism for voluntary data collection and for harmonisation of concepts and definitions across all modes of transport and all types of data, including data on infrastructure and transport equipment. Eurostat will work with UNECE to support the introduction of the new classification of goods in transport.

For all areas of transport statistics, work is in progress:

♦   to give additional emphasis to the regional dimension of transport statistics;

♦   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.

If adopted, it is intended that the proposed Regulation on rail transport statistics should be implemented from 2002, providing statistics on rail freight and passenger transport as well as rail safety (replacing the 1980 Directive, which covered only rail freight statistics).

New arrangements for processing data on inland waterway freight transport, collected under the 1980 Directive, will improve the quality of information for this mode of transport.

For road freight transport, there will be regular dissemination of data from the 1998 Council Regulation.

The 1995 Directive on maritime transport statistics provides regular data on the carriage of freight and passengers.

For air transport, data have already been regularly collected since 1993 on a voluntary basis. If the draft Council Regulation that is already before the Council is adopted in 2001, formal implementation could start in 2002.

Eurostat will continue to disseminate available data relating to intermodal freight transport and to develop proposals for regular data collection based on a harmonised methodology.

For passenger transport, 2002 should see the dissemination of the first results of the pan-European survey on long distance mobility within the Transport 5th Research and Development Framework Programme, subject to review of the quality of data collected via organisations other than competent national authorities. Eurostat will continue to ask Member States to supply data on short-distance mobility on a voluntary basis. Eurostat will work with Member States to develop plans for regular harmonised surveys of long and short-distance mobility.

A high priority will be given to supplying transport data for transport and environment indicators in the context of the ongoing EU TERM (Transport and Environment

		Reporting Mechanism) project. Data collection from <u>candidate countries</u> will be gradually extended to cover all areas of transport statistics, not only supporting the <u>enlargement</u> process but also completing the statistical coverage of transport operations in EU territory. Eurostat will also continue to work with the Mediterranean partner countries on the development of their transport statistics. For <u>goods transport</u> 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. **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 2002-2003 are: ♦ Reference manual for road freight transport statistics (1998 Council Regulation). ♦ Reference manual for maritime transport statistics (1995 Council Directive). ♦ Draft reference manual for rail transport statistics (draft Parliament and Council Regulation) covering goods, passenger and accident statistics. ♦ Glossaries for air and maritime transport statistics and for road accident statistics (to be integrated in the third edition of the Glossary, see next item). ♦ The third edition of the Eurostat/UNECE/ECMT Glossary of Transport Statistics ♦ Methodological guidelines for intermodal freight transport. **New activities to be undertaken in the next two years** Eurostat will start to publish statistics on transport safety for all modes of transport on a regular basis, using existing data sources, including data collected under the 1993 Council Decision on the CARE road accident database. ♦ Regulation (EC) of the European Parliament and of the Council on rail transport statistics. ♦ Eurostat may propose a European Parliament and Council Decision on a development programme for statistics to be used in monitoring the integration of environmental considerations into transport policy (for the TERM project). A similar approach could also be envisaged for other areas of transport statistics in need of additional resources. ♦ 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).
3.4	Activities of UNCTAD	Update the maritime transport statistics for the preparation of the annual Review of Maritime Transport.
3.4	Activities of CIS-STAT	**Ongoing methodological work**: ♦ Collection, processing and publication of indices of tariffs for the carriage of goods both by the transport sector as a whole and by selected modes of transport for individual Commonwealth countries. ♦ Preparation of analytical reports on the transport sector.

PE 3. 5

3.5	Title	**Distributive trade**
3.5	Goal	That there exist internationally comparable and timely statistics on the distributive trades.
3.5	Issues & problems	♦ Keep international manuals and standards in this field up-to-date in the light of changes taking place in the structure of the retail and wholesale sectors. ♦ Provide a forum for transition economies and other countries to discuss methodological problems in this field.
3.5	Strategic medium-term objectives	For Eurostat: ♦ Implementation of the new regulation on business structural statistics (see PE 3.11).
3.5	Expected outcomes in the next two years	None
3.5	Attention of the Conference is drawn to the following	Nothing
3.5	Decisions recommended by the Bureau to the Conference	None
3.5	Rapporteur	Eurostat
3.5	Meetings	None
3.5	Activities of CES	None
3.5	Activities of OECD	None
3.5	Activities of Eurostat	**NB:** The statistical work on distributive trades is now entirely integrated into Eurostat theme 44. Work is described under PEs 3.8 and 3.11.
3.5	Activities of CIS-STAT	<u>**Ongoing methodological work**</u>: ♦ Monthly collection, processing, analysis and publication of data: (i) on volumes of retail trade turnover through all sales channels (for commercial organizations and the informal sector, at current prices); (ii) on volume changes in trade turnover (at current and constant prices). ♦ Quarterly data: (i) on volumes of retail trade turnover by form of ownership and (ii) for small enterprises (at current prices), ♦ Annual data: (i) on the 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 services of various specialized exchanges (goods, raw materials, stocks and shares, currencies, etc.); (iii) availability to the public in CIS countries of selected durable consumer goods; and (iv) consumption of alcoholic beverages. ♦ Systematic collection and exchange of information between CIS countries on prices for selected consumer goods in commercial enterprises (monthly) and on city agricultural markets in Commonwealth capitals (monthly). ♦ Economic reports are to be prepared in 2002-2004 on institutional changes in the distributive trades and marketed-services sector, on the situation in the consumer-market for goods and marketed services in CIS countries, on the structure of retail trade turnover and on comparative prices for selected goods in Commonwealth capitals.

		♦ Recommendations are to be made in 2003, on the basis of the experience of Commonwealth countries' statistical services, on improving the system of statistical observation of domestic trade under market-economy conditions and ensuring the supply of full and objective data on retail trade turnover.

PE 3. 6

3.6	Title	**International trade in services**
3.6	Goal	That there exist consistent and comprehensive statistics on international trade in services that are consistent with international standards and definitions.
3.6	Issues & problems	♦ To 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. ♦ To contribute to the adaptation of the CPC to the specific needs of international trade in services. ♦ Economic and monetary union has implications for reporting thresholds. ♦ Change from settlements to direct survey/reporting systems (EU MSS).
3.6	Strategic medium-term objectives	♦ Defining and measuring international online delivery of products. ♦ Measuring trade by GATS mode of supply. ♦ Removal of bilateral asymmetries (EU). 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. ♦ Production of the Manual on Statistics of International Trade in Services (MSITS) to contain the following chapters: (i) Introduction; (ii) The Conceptual Framework; (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, WTO, Eurostat, UNSD, UNCTAD and the IMF) ♦ OECD is continuing to work with Eurostat to produce a joint publication on international trade in services. Work has started on a <u>Compilation Guide</u> concerning methods of collecting information. Co-ordination among international organizations is essential in this work.
3.6	Expected outcomes in the next two years	♦ Change in 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. ♦ Issuing of guidance on the compilation of statistics on the activities of TNC's and their affiliates, and their dissemination (UNCTAD).
3.6	Attention of the Conference is drawn to the following	Nothing
3.6	Decisions recommended by the Bureau to the Conference	None
3.6	Rapporteur	OECD

3.6	Meetings	♦ EUROSTAT: Working Group: Balance of payments, 15-16 0ctober 2002 (+ twice a year in March and October) ♦ EUROSTAT: Committee on Monetary, Financial and Balance of payments statistics (CMFB), twice a year in January and June ♦ Inter-Agency Task Force on Statistics of International Trade in Services, twice a year in May and December ♦ OECD: Meeting of Experts on Statistics of International Trade in Services, (early 2003)
3.6	Activities of the Task Force on Statistics of International Trade in Services	♦ The Manual on Statistics of International Trade in Services (MSITS) final prepublication agreed draft is available on the internet from OECD and UNSD. ♦ A joint publication by the six sponsoring organisations (OECD, WTO, Eurostat, UNSD, UNCTAD and the IMF) is being prepared by UN and is expected to be published in the first half of 2002 in English, with the other languages translations to follow. ♦ The Task Force is giving priority to development of compilation guidance material to aid countries' implementation of the new MSITS's recommendations. ♦ A new UNSD web page is the central reference point for information about MSITS and new developments. This provides links to the other organisations web pages on trade in services. OECD has established an email hotline for questions. ♦ Parallel to this, work is beginning on standard questionnaires and codes for reporting the data. This is being coordinated by the organisations. ♦ In addition, the need for further development work has been signalled on measurement of online delivery of products and movement of natural persons.
3.6	Activities of CES	None
3.6	Activities of OECD	♦ Collects statistics for the database: OECD Statistics on International Trade in Services. ♦ OECD in consultation with other international agencies and Eurostat has begun work with OECD Member countries to implement the recommendations of the Manual on Statistics of International Trade in Services (MSITS). ♦ An initial summary publication by OECD of trade in services by partner country is planned for summer 2002 and will be expanded in detail in 2003. ♦ OECD is planning to publish for the first time statistics of foreign affiliate trade in services in 2002. ♦ The joint annual publication with Eurostat of trade in services by detailed type of service continues. ♦ OECD conducted a survey of countries measurement of trade in software in 2001 as part of a wider national accounting exercise in measuring software in the national accounts. The results will be reported in 2002.
3.6	Activities of Eurostat	**Overall Goal** The establishment of Economic and Monetary Union has considerable implications for the balance of payments statistics. Of particular importance here are the reporting thresholds, which if modified as currently foreseen, will require significant development work to ensure that the quality of this data can be maintained. In the five year period 2003-2007, the Commission will aim to: ♦ revise the collection system for balance of payments statistics; ♦ develop statistics on the trade of foreign branches: the identification and monitoring of foreign affiliates (FATS) will allow the europeanisation and internationalisation of the production systems to be measured. **Ongoing methodological work**: ♦ Statistics on FDI, International Trade in Services, geographical breakdown of the Balance of Payments Current Account, Quarterly BOP and Community Institutions BOP and related publications will be produced.

		♦ Direct reporting/surveys: The shift from Banks Settlements systems to DR/surveys will be well on the way: most MSs will most probably continue the introduction of direct reporting for collecting information from large companies; most MSs will be prepared to introduce sample survey systems for small and medium size enterprises. Eurostat will continue the monitoring of the national implementation plans. The adaptation of the systems will lead to an improvement of the quality of the information on trade in services as well as on all transactions carried out via non-resident banks. ♦ Merchandise transport: Most MSs will most probably begin to implement the report. This will improve the quality of the information. Detailed information by modes of transport will be produced on a transaction basis (in complement to the FOB-FOB basis). ♦ Travel: Many MSs will implement a new data collection system for travel adapted to their specific situation, in line with the conclusions of the report. ♦ Asymmetries: The work on comparing and solving bilateral asymmetries (MS level) will be fairly advanced by the end of 2002: main bilateral asymmetries will have been removed following the bottom up approach. ♦ Quality report: The quality report will be finalised. **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** ♦ Direct reporting/surveys: A regulation defining the statistics requirements of the Commission will be prepared. This will guarantee that the new systems produce the information required at EU level. ♦ In the near future, the introduction of direct reporting and survey methods may imply that data on cross-border trade will be available only for a less detailed geographical breakdown. ♦ Foreign Affiliates Trade statistics and Candidate Countries statistics will be developed ♦ Metadata in the databases will be improved and completed.
3.6	Activities of UNCTAD	**Ongoing methodological work:** ♦ Methodological work: participation in the work of the Inter-agency task force on International trade in Services with particular emphasis on FDI/FATS (mode 3) and Movement of Natural Persons (mode 4). ♦ Data collection and processing: update of the FDI/FATS/TNC data (stocks and flows) and Acquisitions & Mergers data. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Implementation of the recommendations of the manual on trade in services and pursuit of the work undertaken in the field of Movement of Natural persons in order to establish recommendations. ♦ Collection of data on the operations of foreign affiliates in the host economy, in line with internationally-agreed recommendations (such as the 5th edition of the *IMF Balance of Payments Manual* and the forthcoming *Manual on Statistics of International Trade in Services).* **New activities to be undertaken in the next two years:** ♦ Development of statistics that would better describe the Movement of Natural Persons. ♦ Guidance to developing countries wishing to adopt internationally-agreed recommendations for the compilation of data on the operations of TNCs and their foreign affiliates. ♦ Dissemination of such data, including metadata, through the UNCTAD website.

3.6	Activities of the World Trade Organization (WTO)	**Ongoing methodological work:** ♦ Active participation in the work of the Task Force on Statistics of International Trade in Services with particular emphasis on the implementation of the Manual on Statistics of International Trade in Services. ♦ Cooperate in the development of compilation guidance material. **Priority objectives:** 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.
3.6	Activities of 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 (i) technical assistance, (ii) training under the aegis of the IMF Institute, the Joint Vienna Institute, the Joint African Institute and ad hoc courses organized at regional and country levels, (iii) activities undertaken in this area by the IMF Committee on Balance of Payments Statistics, and (iv) collaboration with other regional and international organizations that are members of the Inter-Agency Task Force on Service Statistics.
3.6	Activities of CIS-STAT	♦ Collection of statistical information on foreign trade in services of the CIS countries. Continuation of work on provision of methodological assistance to the CIS countries, as well as on organization of collection of data on statistics of foreign trade in services. Publication of data on foreign trade in services of the CIS countries classified by major kinds of services and trade partners. ♦ Elaboration of the classification of foreign trade services on the basis of "European Statistical Classification of Products by Kinds of Economic Activities (CPA)". To expand the publication on the balance of payments statistics of the individual CIS countries in order to improve servicing the users which are interested in the balance of payments statistics and, in particular, in data on the foreign trade services.

PE 3. 7

3.7	Title	**Tourism**
3.7	Goal	That there exists 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.
3.7	Issues & problems	♦ The development of conceptual frameworks. ♦ Common concepts and methodologie s for measurement and integration of data. ♦ 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 envir onmental studies. ♦ Development of sustainability indicators.
3.7	Strategic medium-term objectives	♦ A **work plan** for a co-ordinated and co-operative development of approaches to ♦ Assess current international tourism-related statistics. ♦ Examine the compatibility and the consistency of concepts, definitions and classifications. ♦ Conclude special agreements with neighbouring countries on the harmonization of methodologies and exchange of statistics on tourism flows between them. ♦ The development of a credible economic statement of the size and significance of tourism industries and their linkages with other industries in the economy. ♦ Manual for measuring the effects of tourism on employment.
3.7	Expected outcomes in the next two years	♦ To produce an up-to-date inventory of Member countries' experiences, analysis and problems in regard to Tourism Satellite accounts implementation (OECD). ♦ 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. Eurostat: ♦ 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 implementatio n manual adapted to the Community situation to assist Member States starting to produce Tourism Satellite Accounts. World Tourism Organisation: ♦ <u>Guidelines for estimating tourism expenditure</u>: 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. ♦ <u>Conceptual framework for a tourism satellite account</u>: 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. ♦ <u>Publications related to the TSA</u>: 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. ♦ <u>Enzo Paci papers on measuring the economic significance of tourism</u>: 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).

3.7	Attention of the Conference is drawn to the following	♦ International cooperation in the field of tourism statistics continues to work well. The next important field to work on is the update of the 1993 UN Recommendations on Tourism Statistics.
3.7	Decisions recommended by the Bureau to the Conference	None
3.7	Rapporteur	Eurostat
3.7	Meetings	♦ EUROSTAT: Working Group: Tourism Statistics, once a year in January ♦ Hungary-OECD-Eurostat sixth international forum on tourism statistics, Budapest, 25-27 September 2002 [http://w3.ksh.hu/tourforum/bev.htm] (+ once a year in June) ♦ OECD: Statistical Working Party of the Tourism Committee, last quarter 2002
3.7	Activities of CES	None
3.7	Activities of OECD	♦ 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. To examine innovative developments undertaken in OECD countries, like e.g. the regional TSA. Co-operation with the World Tourism Organisation and Eurostat. At that stage, the Secretariat will not undertake a TSA data collection process. ♦ Benchmarking of OECD national policy in the field of tourism statistics and related reports. ♦ To produce an up-to-date inventory of Member countries' experiences, analysis and problems in regard to Tourism Satellite accounts implementation. ♦ To co-operate with the Environment Directorate for the development of a system of environmental (sustainable) indicators on tourism. ♦ To contribute with other international organisation to the up-date when necessary of the 1993 UN/WTO definitions on tourism.

3.7	Activities of Eurostat	**Overall Goal** During the 5-year period 2003-2007 the Commission will strive to: ♦ Progress in the development of satellite accounts in the domain of tourism, in order to analyse sustainable tourism together with sustainable development. **Ongoing methodological work**: ♦ Data collection on tourism statistics. ♦ Implementation of the Council Directive. ♦ Methodological work. ♦ 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. **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** ♦ Pilot studies on Tourism Satellite Account in a number of Member States. ♦ Making regional data available in the TOUR, REGIO and New Cronos databases. ♦ Implementation of a Community methodology for measuring tourism employment. ♦ Methodological work on measuring sustainable tourism.
3.7	Activities of ILO	On request, the ILO will provide support for work to develop labour accounts estimates to the Tourism Satellite Accounts
3.7	Activities of the World Tourism Organization	**Overall aim:** ♦ To elaborate and disseminate methodological references 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). ♦ To act as a clearing-house for the collection, processing and dissemination of statistics on domestic and international tourism worldwide, in order to achieve international comparability. **Associated activities:** 1. To develop general guidelines for the implementation of the second international standard on tourism statistics (Recommendations approved by the United Nations Statistical Commission for the design of the TSA). The TSA will help the various agents operating in the tourism sector and institutional units requiring information on the economic impact of tourism at the national level, to have at their disposal relevant data that can be used for their own specific purposes. 2. To actively promote international comparability of the above-mentioned data, since the TSA constitutes a strategic project for WTO and prepare additional statistical indicators (of a physical or monetary character, not specifically associated with the TSA) to those already published by WTO in its general statistical publications: Yearbook of Tourism Statistics and Compendium of Tourism Statistics. 3. To analyse the usefulness of additional initiatives for a more widespread implementation of international standards on tourism statistics (the aforementioned methodological design of the TSA and the 1993 Recommendations for the development of national Systems of Tourism Statistics). These initiatives will mainly focus not only on broadening the regional and local scope of a set of statistical data that should be compatible with these standards, but also on analysing the use of input-output tables in measuring the economic impacts of tourism and in the future

development of the TSA.

4. To further these objectives by promoting interagency cooperation (national and international) among those that, owing to their administrative level of competence or for any other reason, show a special interest in tourism statistical information as an essential and priority element in developing the System of Tourism Statistics (STS) and, eventually, the TSA.

Statistics:

♦ Yearbook of Tourism Statistics: Contains data, for the last five years, on total arrivals and overnight stays of international inbound tourists, broken down by country of origin.

♦ Compendium of Tourism Statistics: Provides 20 selected indicators for more than 200 countries and for the last five years.

♦ Guidelines for estimating tourism expenditure of non-residents: Design of a basic questionnaire on tourism expenditure to be applied to non-residents, preferably at national borders, on departure from the country of reference and preparation of the corresponding guidelines to make it operational.

♦ Data dissemination in machine-readable form: Strengthen the efficiency of management of WTO's tourism statistics database, in order to allow:
  - the dissemination of WTO's tourism statistics on the Internet
  - the development of electronic publishing
  - the dissemination of WTO tourism statistics on CD-ROM

♦ Ad Hoc statistics: Promote the development of additional statistical indicators related to the economic impact of tourism in general. This activity will be developed in countries that already have a TSA, have experience in the quantitative analysis of tourism economic impacts or whose level of statistical infrastructure is sufficient for this purpose.

These activities correspond to the current tasks of the Department and, consequently, can be associated to the traditional ongoing process as clearing house for the collection, processing and dissemination of tourism statistics

The only exception concerns point 3 "Guidelines for estimating tourism expenditure of non-residents". A first version of these Guidelines will be presented at the Third meeting of the Committee on Statistics and Macroeconomic Analysis of Tourism (4-5, February 2002) during its second day.

The dissemination of the final document on the "Guidelines" together with the work associated to last activity presented "Ad hoc statistics", will be carried out during 2002.

Economic measurement of tourism

♦ Conceptual framework of a tourism satellite account (TSA): Ongoing process of improving and expanding the methodological framework for the development of the Tourim Satellite Account

♦ Publications related to the TSA: Set of technical documents designed to be used for the preparation of TSAs in countries with differing levels of statistical infrastructure, as well as training materials and other instruments for the development of ad hoc initiatives with a view to furthering the WTO-TSA project.

♦ Follow-up on the results of the Enzo Paci Conference on the Measurement of the Economic Impact of Tourism: Promotion and coordination of a number of actions (general and specific) in support of the national System of Tourism Statistics and the development of the TSA, on TSA's exercises, as well as information on the methodologies applied in order to gauge the possible comparability of the results.

The "Economic measurement of tourism" concerns the new objective of the Department. All along 2001 a great effort has been done in order to identify specific initiatives allowing the development of these general activities.

Training and technical assistance

Ten initiatives have been identified that will be developed during the 2002-2003 biennium:

		Technical supports on training:
		1. Course on introduction to the TSA.
		2. Reading on TSA related analysis.
		3. Defining the methodological framework for the TSA: WTO's process.
		4. TSA basic concepts.
		5. General guidelines for the development of some issues that are specifically tourism oriented within the TSA.
		6. Documentation on the quality of the statistical data sent to WTO.
		Technical assistance and associated initiatives:
		7. Specialized seminars for consulting firms.
		8. Workshops on statistics for the preparation of a TSA.
		9. Missions to countries in order to reinforce their own System of Tourism Statistics (STS).
		10. Missions to countries that are at present preparing the TSA or that intend to start its implementation.
3.7	Activities of CIS-STAT	**Ongoing methodological work**:
		♦ CIS-STAT collects and publishes statistical data on Commonwealth countries' international tourism.
		♦ In 2003, in order to provide assistance, it is planned to hold a seminar on tourism statistics.

PE 3. 8

3.8	Title	**Other marketed services, and non-marketed services**
3.8	Goal	That there exist service sector statistics that are consistent with international standards and definitions.
3.8	Issues & problems	◆ Development of 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. ◆ To ensure that countries in transition have access to the methods and practices developed for the measurement of activity in the services industries. ◆ To keep pace with developments in business services and e-commerce. ◆ Supplementary detail in NACE/CPA needed in this area. ◆ International comparison of the public sector and its management. ◆ Measurement of public sector pay.
3.8	Strategic medium-term objectives	◆ 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 of price indices for services purchased by producers. ◆ The measurement of labour productivity in government to improve output measures in real terms. ◆ Apply existing concepts, definitions and data collection procedures relevant to international comparison of the public sector to all member states (OECD). ◆ The partial integration of the standard balance of payments items on transactions in services with measures of domestic production. ◆ Developing countries launch their own statistical compilation programmes on e-commerce and the use of ICT. ◆ Development of IT indicators database.
3.8	Expected outcomes in the next two years	◆ Best practice guidance on the compilation of e-commerce statistics (UNCTAD). ◆ Publication of OECD's *Measuring the Information Economy.* ◆ Publication of detailed statistics on enterprises by size class in 2003 (OECD). ◆ Updating of methodological manual for telecommunications statistics (EU). ◆ Production of a methodological manual for key variables in Information Society domain. ◆ Improvement of timeliness of short-term statistics and in the comparability between EU and non-EU statistics.
3.8	Attention of the Conference is drawn to the following	◆ <u>Future action in joint data collection (Information Society Statistics, see also PE 3.11 and PE 3.13):</u> 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.
3.8	Decisions recommended by the Bureau to the Conference	None
3.8	Rapporteur	Eurostat

3.8	Meetings	◆ EUROSTAT: Working Group: Audio-visual services, 23-24 September 2002 (+ once a year in September)
		◆ EUROSTAT: Working Group: Information Society, 7 October 2002 (+ 3 times a year in February, June and October)
		◆ Eurostat: Working Group: Communication, once a year in February
		◆ OECD: Regular annual meetings on SWIC (to be held from 9-11 December 2002 and Autumn 2003), FATS, FDI and ITS
		◆ OECD: CSTP Working Party of National Experts on Science and Technology Indicators (NESTI), 2002
		◆ OECD: Statistical Working Party of the Industry Committee (SWIC), 9-11 December 2002
		◆ ICCP Committee, Working Party on the Information Economy (WPIE), 5-6 December 2002 (+ once a year)
3.8	Activities of CES	None
3.8	Activities of OECD	Statistical work is designed to provide internationally comparable, disaggregated series of variables for indicators and analysis.

(Activities of OECD, continued)

The main **databases** are:

◆ The database on short-term industrial statistics (IIS) which has been extended to services and includes monthly and quarterly series at a detailed level of ISIC revision 3 (up to the 3rd digit level). Methodological information is collected as well. Statistics relating to turnover and employment have been introduced in the 'Indicators of Industry and Services' (IIS) publication in 2001as indices on base 1995=100. However, in order to present more statistical information relating to service activities, turnover and employment data will be converted and published on the base 2000=100 as producer prices indices which will be added in 2002. Contrary to the prevision, no business tendency survey results relating to service activities will be published in the IIS: their collection has been suspended as from 2002. Some of the results already collected will be published at the 1st digit level in the 'Main Economic Indicators' publication (MEI). (See also P.E. 3.11)

◆ The database on structural business statistics (SSIS), updated through a joint questionnaire with UNIDO, which has been extended to services and contains annual data on core economic variables, relating to both industry and services, at a very detailed level of ISIC revision 3 (up to the 4th digit level). Detailed ISIC revision 3 data are published annually in 'Structural Statistics for Industry and Services' (SSIS), previously called 'Industrial Structure Statistics' (ISS). As from 2002, an in-depth comparison of data collected and published by OECD and Eurostat will be carried out in order to harmonise the publication of structural data by different international organisations (as it is already the case between OECD and UNIDO) and to reduce the reporting burden on national statistical agencies. To help users when analysing structural data on industry and services, the OECD is collecting, updating and publishing methodological information on the sources, classifications, surveys, methods of sampling, definitions of variables, coverage, processing of data, treatment of confidentiality and dissemination. 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)

◆ The statistical database on enterprises by size class, previously called Small- and Medium-sized Enterprises Database (SME). It contains detailed statistical information on core economic variables on business activities disaggregated by enterprise size. In 2001, the collection of data by size class has been harmonised with the collection of data for the SSIS database [see above (ii)], in order to get more consistent structural statistics and in accordance with Eurostat SBS regulation. Methodological information is collected as well. Statistics on enterprises broken down by size class will be published in tables and graphs in the 2002 SME Outlook.

More detailed statistics will form the subject of a specific publication in 2003, depending on the quality and quantity of data provided by OECD Member countries (See also P.E. 3.11)

♦ The STAN (Structural Analysis) database, based on detailed national accounts by economic activity. This database is now based on ISIC Rev. 3 and has been expanded to include non-manufacturing activities (particularly services). It has effectively been merged with OECD's International Sectoral Database (ISDB), which will no longer be updated. Additional variables have been introduced to enhance productivity measurement. The database includes estimates compatible with national accounts for measures such as production, value added, gross fixed capital formation, employment, hours worked, labour compensation, exports, imports and capital stock. The new STAN tables have been distributed to test users and are now availble on OLISnet. Contact: colin.webb@oecd.org

♦ For 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. The publication "Services: Statistics on Value Added and Employment" will be subject to a review in 2002. The data also feed into the STAN database.

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. The mobile tariff basket is presently under review and new baskets should be implemented during 2002.

♦ Work on the database and compilation of indicators continued through 2001, including publishing the Telecommunications Database 2001 (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.

♦ The sixth biennial "Communications Outlook" will be published in 2003. It will present 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. (Cooperation with ITU, Eurostat).

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. 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.

♦ The April 2001 meeting of WPIIS adopted (a) a model survey in respect of the business enterprise sector; (b) a first proposal for a set of model questions to be used in surveys on the household use of ICTs.

♦ The April 2002 meeting will: (a) Discuss and possibly approve the model questionnaire on ICT usage in households/individuals; (b) Develop a module on e-

business processes and ICT impacts to be included in the model survey of ICT use in business; (c) Start developing a draft survey on ICT usage in government.

♦ Work is also underway to update and improve the quality of the database on ICT supply statistics and the collection will continue on a rolling-up basis. Efforts will be devoted to use those statistics and obtain estimates for the ICT sector that are compatible with the OECD STAN (Structural Analysis) Database and therefore with National Accounts. The database will also include core indicators of ICT use and electronic commerce in businesses and households, based on official statistics, as well as metadata information on methodologies and survey vehicles used by Member countries. A first collection was carried out in May 2001 with a group of pilot Member countries. The data have been used in the chapter "Measuring the Information Economy" of the STI Scoreboard 2001. Learning from that experience another collection is about to be launched to increase the coverage and quality of the indicators. A compilation of ICT supply and demand indicators available from official national sources will be published in 2002, under the title "Measuring the Information Economy". Beyond 2002 both methodological work and collection of ICT statistics will continue. 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. Contact person: Alessandra.Colecchia@oecd.org

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 April 2001 WPIIS developed guidelines for the interpretation of the two electronic commerce definitions.

♦ 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. A compilation of electronic commerce indicators available from official national sources will be published in the publication on Measuring the Information Economy. Moreover, 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). Contact person: Alessandra.Colecchia@oecd.org
		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 "Communication indicators" and "Development of Information and Communication Technology Indicators"). A database of indicators is being developed and updated, covering for example software, ICT skills and employment, and the digital divide and this will continue through 2002-4. The sixth biennial "Information Technology Outlook" will be published in 2002. It presents data and analysis on ICTs and their role in the economy, IT firms, globalisation of the ICT sector, the software sector, e-commerce "intensity", ICT skills and employment, ICT diffusion and the digital divide, technological trends, an overview of IT policies and a set of IT policy profiles for some 23 countries. (Cooperation with Eurostat, EITO, etc.).
		♦ 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.
		♦ 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.
		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 is developed, that yields more international comparability than is currently possible. By consulting all OECD Member countries, an analysis has been 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, has been 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, 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.
3.8	Activities of Eurostat	**NB**: Only the information under Eurostat *theme 49 – Communications* is described here. For Eurostat *theme 44 – Industry* the information is described under P.E. 3.11.
		Overall Goal:
		♦ The Council's decision on audio-visual statistics will continue to be implemented, Eurostat will thus continue to consolidating the work already undertaken since 1999 to establish a Community statistical information infrastructure relating to the industry and markets of the audio-visual and related sectors.
		♦ Additionally, a legal basis for telecommunications statistics will need to be developed.
		♦ A flexible and adaptable system for collecting information on information society

indicators will gradually be established on the basis of existing or new surveys according to the priorities set by the Council.

During the 5-year period 2003-2007 the Commission will strive to:

♦ Develop a stable and flexible set of indicators on information society, including audio-visual services.

Ongoing methodological work:

Information society

In conjunction with the strategic task force with Member States set up in 2001, priority will be given to the rapid development of Information Society statistics. The conceptual framework will continue to be defined in co-operation with OECD. The Information Society focal point group within Eurostat will co-ordinate the activities of the different units involved.

Data available and at hand will be collected by means of a questionnaire addressed to the National Statistical Authorities. This will include data on e-Commerce and IT readiness and usage. Data will also be collected from other sources where there are gaps. The results of the data collection will be placed in databases and publications produced, and will feed into the benchmarking process of the e-Europe Action Plan.

Communications

Data will be collected on the telecommunications and postal and courier sectors. Information will be collected on the use of 2.5 and 3rd generation mobile telephones. The methodological manual for telecommunications statistics will be updated.

Audiovisual

The five year programme in the 1999 Council Decision will continue to be implemented by means of an evolving data collection, methodological studies on specific domains, and the production of publications.

Other Activities of the European Commission:

Statistical data collection is done by DG INFSO to produce benchmarking indicators for the e-Europe Action Plan.

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

Information society

♦ The rapid growth of IT and the internet has led to requests from users for a revision of the NACE/CPA classification for the domain. Assistance will be given to the preparation of an interim proposal for supplementary breakdowns for the domain.

♦ A methodological manual defining the key variables of the domain will be produced.

♦ A feasibility study will be carried out on the development of the data series needed to carry out growth accounting analyses of the impact of the New Economy.

♦ Co-ordinated micro-data analyses will be carried out in some Member States to measure the impact of e-commerce and ICT usage on enterprises.

New activities to be undertaken in the next two years

Information society

DG ENTR supported a Community pilot survey on e-Commerce at the beginning of 2001. A follow up survey on ICT usage in enterprises will be carried out in 2002. More details on Business to Business e-Commerce will be collected.

A survey of IT usage in households will be carried out in 2002.

Telecommunications and Postal Services

With the support of DG MARKT, a pilot survey on courier and postal services will be carried out.

Audiovisual

With the support of DG EAC, pilot studies will be carried out to develop structural business data on the sector, improve the breakdown of statistics on international trade in audio-visual services, and develop statistics on new media.

3.8	Activities of UNCTAD	**Ongoing methodological work:** Update statistics for the preparation of E-commerce and development report; Chapter in E-commerce and Development Report 2001, which provides an analytical overview of measuring e-commerce in the context of developing countries. **Priority objective of the methodological work to be undertaken in the next two years:** Assist developing countries in launching their own statistical compilation programmes on E-commerce and the use of ICT. **New activities to be undertaken in the next two years:** Organize a meeting bringing together experts from developed and developing countries in charge of collecting statistics on E-commerce; provide guidance to developing countries' officials on best practice in statistical compilation programmes on E-commerce.
3.8	Activities of 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.
3.8	Activities of CIS-STAT	**Ongoing methodological work**: ♦ Monthly data collection on the supply of marketed services, including personal services rendered by private individuals, at current prices. ♦ Information on changes in the supply of marketed services at current and constant prices. ♦ Quarterly data collection on the supply of marketed services to the public by form of ownership and for small enterprises at current prices. ♦ Annual data collection on the structure of services in value terms at current prices and indices of the physical volume of sales. ♦ In 2003-2004, on the basis of the experience of Commonwealth countries' statistical services, it is intended: (i) to make recommendations on reporting of producer services (marketing, auditing, advertising, etc.) and (ii) to improve the methodological recommendations for statistical observation of marketed services to the public.

PE 3. 9

3.9	Title	**Price statistics, including purchasing power parities**
3.9	Goal	That there exist internationally comparable and reliable measures of price levels and trends and of purchasing power parities
3.9	Issues & problems	♦ 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. ♦ To calculate regional PPP's to be used, for example, in the allocation of structural funds. ♦ Timeliness of PPP statistics. ♦ Consistency over time between results based on national accounts and those based on PPP.
3.9	Strategic medium-term objectives	For Eurostat: ♦ Further work 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, co-ordinating the methodology used for ECP 2000, and ensuring linkage between the European and non-European countries participating in ECP 2000.
3.9	Expected outcomes in the next two years	♦ International manuals on CPI and PPI to be published in 2002. ♦ ECP 2000 to be published by ECE in the first half of 2003. ♦ The 17th International Conference of Labour Statisticians in 2003 is expected to update international guidelines in the areas of household income and expenditure and consumer price indices. ♦ Rebased and expanded range of commodity price indices to 2000=100 (UNCTAD) ♦ Pilot index for owner-occupied housing (EU). ♦ Database on quality adjustment methods will be developed (EU).
3.9	Attention of the Conference is drawn to the following	♦ Work on the preparation of new international manuals on price statistics is to be completed in 2002. ♦ Lending support to the proposal of the World Bank of injecting new resources into the International Comparison Programme (ICP). ♦ PPP work could benefit significantly from the participation of national accountants.
3.9	Decisions recommended by the Bureau to the Conference	♦ That the Conference approves the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.9	Rapporteur	Eurostat (Consumer prices), OECD (other prices)

3.9	Meetings	♦ ECE - Eurostat - OECD Joint consultation on the European Comparison Programme, autumn 2002 and autumn 2003 ♦ EUROSTAT: Working Group: Harmonisation of consumer prices indices (HICP), 8-10 July 2002 and 30 September to 1 October 2002 (+ 4 times a year, normally February, May (seminar outside Eurostat), July and October) ♦ EUROSTAT: Working Group: Article 64 of Staff Regulations: 25 October 2002 (thereafter normally 2 times a year, in February and June). ♦ EUROSTAT: Working Group: Purchasing Power Parities (PPP), 18-19 November 2002 (+ twice a year in June and November) ♦ OECD: Meetings of 'The Pacific Group' countries on PPPs: 2002 (Mexico) ♦ Ottawa Group on Consumer Price Indices: 7th meeting, Paris 2002 ♦ ILO: Seventeenth International Conference of Labour Statisticians, 29 September - 8 October 2003. ♦ ECE/ILO Meeting on Consumer Price Indices, 9-10 October 2003. Agenda includes: ▪ *Owner-occupied housing* ▪ *Families of indices for different purposes – core inflation/forecasting; definition of inflation index; regional indices* ▪ *Data quality (weights)* ▪ *Sampling and quality adjustment* ▪ *Seasonality and seasonal adjustment* ▪ *Financial services (including report from the November 2002 Ottawa Group Meeting)* ♦ EUROSTAT: Ad hoc Task Forces on aspects of HICPs and PPPs: dates to be fixed.
3.9	Activities of the Inter-secretariat Working Group on Price Statistics	**<u>Ongoing methodological work</u>** The task of the Inter-secretariat 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. **<u>Priority objective of the methodological work to be undertaken in the next two years</u>** To finalize and publish the manuals on CPI and PPI.

3.9	Activities of CES	**Ongoing methodological work**: ♦ European Comparison Programme: In cooperation with Eurostat, OECD and CIS STAT organize joint consultation of the 2000 round of ECP in the Autumn 2002. ♦ Consumer prices: ECE-ILO joint meeting on consumer price indices (9-10 October 2003) to consider: ▪ *Owner-occupied housing* ▪ *Families of indices for different purposes – core inflation/forecasting; definition of inflation index; regional indices* ▪ *Data quality (weights)* ▪ *Sampling and quality adjustment* ▪ *Seasonality and seasonal adjustment* ♦ *Financial services (including report from the November 2002 Ottawa Group Meeting* **Priority objective of the methodological work to be undertaken in the next two years** ♦ Consumer prices: Within the framework of the Intersecretariat Working Group on Price Statistics (IWG.PS) to prepare an updated international manual on CPI. ♦ Producer prices: Within the framework of the Intersecretariat Working Group on Price Statistics (IWG.PS) to prepare an international manual on PPI. ♦ ECP: ECP 2000 to be published in the first half of 2003 **Secretariat resources: Substantial**
3.9	Activities of OECD	♦ Finalising the 1999 round of the PPP Programme (December 2001) and publication of the detailed 1999 results (first quarter 2002). ♦ Organisation of the 2002 round, the data collection for which started in the first half of 2000. The 2002 round covers 43 countries as in 1999 (29 OECD countries and 14 non-Member countries). During the 2002 round the OECD is working closely with Eurostat to further harmonise the methodology employed. The OECD is also organising annual meetings with non-European OECD countries ('The Pacific Group') to have closer relationships with countries at all stages of the round. A meeting with the Pacific group was organised in Paris in 2001 to finalise the results prior to their publication. A meeting to look at the first results (at the survey level) of the 2002 round will take place in autumn of 2002 in Mexico. ♦ 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.
3.9	Activities of Eurostat	**Overall Goal:** The mission statement of the responsible Eurostat unit (B3) is: To produce ever-improving quality data in the fields of intertemporal and interspatial price comparisons, based on sound statistical methodology, developed as appropriate. To provide decision makers and the public at large with statistical information, analysis and interpretation in the field of international price levels and trends. **Ongoing methodological work**: (i) Consumer price indices: Methodological development of the HICPs will continue. Compliance with existing regulations by member states will continue, as well as the provision of technical assistance to Candidate countries, who have been producing HICPs since January 2001. (ii) Purchasing power parities: Work will continue on the PPP development plan, aimed at raising the general level of

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quality and reliability of the annual PPPs. This includes improvements in methods of data collection, processing and publication, as well as methodological developments.

(iii) EC <u>Staff remuneration</u>:

Efforts will continue to be made to improve the cost-effectiveness of the remuneration work. Support will continue to be given to the client directorates-general of the Commission (DG ADMIN and DG RELEX).

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

(i) <u>Consumer price indices</u>:

HICP work will be focussed on (a) development of improved standards concerning quality adjustment and sampling; (b) construction of a pilot index for owner-occupied housing.

In addition, the existing regulations will be reviewed with the aim of consolidation; this will be linked to the production of a detailed HICP Manual.

A database on quality adjustment methods and results is being developed.

(ii) <u>Purchasing power parities</u>:

A Regulation of the Council and Parliament is being drafted, with the aim of providing a clear legal basis for PPP work in Eurostat and the member states.

(iii) <u>EC staff remuneration</u>:

Work will be done in support of the Commission Reform of pay and pensions.

New activities to be undertaken in the next two years:

<u>Planned new legislation</u>:

♦ Regulation of the European Parliament and of the Council on purchasing power parities.
♦ Commission Regulation concerning minimum standards for sampling and quality adjustment.
♦ Commission Regulation concerning the treatment of seasonal items in the HICP.
♦ Commission Regulation concerning the treatment of newly significant products in the HICP.
♦ Commission Regulation on minimum standards for HICP sub-indices.
♦ Commission Regulation consolidating existing HICP regulations.

(i) <u>Consumer price indices</u>:

The main item of new methodological work will be the development of an index measuring the acquisition costs of owner-occupied housing.

In addition, a new activity will be the consolidation of regulations and the production of an accompanying HICP manual.

(ii) <u>Purchasing power parities</u>:

A second 3-year cycle of consumer price surveys will be undertaken in the context of a 31-country multilateral comparison.

Efforts will be made to improve the linkage, both in methodological and organisational terms, between PPP work and national accounts.

Efforts will be made to promote a wider acceptance of PPPs, both within and outside the EU institutions.

Work will begin on the development of an appropriate methodology for measuring regional PPPs.

(iii) <u>EC staff remuneration</u>:

Eurostat will be closely involved in the statistical developments required for the new method for pay and pensions to be introduced in 2003/04. This is likely to include new country-based correction coefficients to be applied to pensions, and the establishment of a methodology for a notional staff pension fund.

Plans will be made for the incorporation of new EU member states into the relevant statistical systems.

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3.9	Activities of UNCTAD	**Ongoing methodological work:** Update of the commodity prices database and calculation of price indices. **Priority objective of the methodological work to be undertaken in the next two years:** Rebase the calculation of commodity price indices on the 2000-year. **New activities to be undertaken in the next two years:** Review and expand the scope of commodities.
3.9	Activities of ILO	The ILO, as the focal point for consumer price indices within the UN system, will continue (i) to collect and publish data on consumer price indices and to update the methodological descriptions of national practices published in Sources and Methods; (ii) to collect and publish data on food prices through the ILO October Inquiry; and (iii) 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 Income and Expenditure Statistics was held in October 2001. The meeting discussed the statistical concepts, definitions, scope, coverage, classification, data collection methodology, data analysis and dissemination of household income and expenditures statistics and consumer price indices. Its conclusions will be used in the preparatory work for the Seventeenth International Conference of Labour Statisticians to be held in 2003, with a view to updating the existing international guidelines in these fields. The ILO databases on CPI has been checked for retrospective verification and will be added soon 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.
3.9	Activities of International Monetary Fund (IMF)	In consumer and producer price statistics, the IMF will continue to conduct regional courses, provide hands-on training, and develop software packages based on UN and ILO methodologies that can be used by member countries. The IMF serves as secretariat for the Technical Expert Group for Producer Price Indices (TEG-PPI) that is developing a revised manual on producer prices, maintains an Internet discussion group on this revision, and is an active participant in the IWGPS and the Technical Group for Consumer Price Indices (TEG-CPI). The new PPI Manual is expected to be published in 2002. In late February, a high-level seminar on the statistical implications of inflation targeting is to be held in Washington. The seminar proceedings will be published in 2002.

3.9	Activities of the World Bank	♦ The World Bank continues its collaboration with OECD, Interstate Statistical Committee of the Commonwealth of Independent States, and the Russian Goskomstat to compile regional ICP data for the ICP 2000 round. Work is also underway to launch ICP 2003 for the Commonwealth of Independent States (CIS) as part of a global 2003 round. ♦ Additional activities include: (i) conducting a pilot project to integrate ICP with CPI; (ii) developing a comprehensive ICP survey framework addressing both conceptual and practical issues, including goods, services, and capital goods; (iii) integrating the regional ICP benchmark results into a globally consistent framework; and (iv) maintaining a global database that incorporates detailed data at the basic heading level. The integration of ICP and CPI, and the development of a comprehensive and coherent survey framework have the potential to benefit both ICP and CPI 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 statistical capacity building. ♦ As part of the planning of the global ICP 2003 round, a number of research papers and pilot studies have been commissioned to conduct thorough and wide ranging reviews of key issues related to survey framework, compilation of expenditure breakdowns at the basic-heading level, and alternative regional linking procedures. An international conference is organized in Washington, 11-13 March 2002, to discuss and comment on the findings of the studies, with a view to establishing clarity and developing consensus on key issues. Representatives of Interstate Statistical Committee of the CIS and the Russian Goskomstat will present the findings of two pilot studies involving their region. ♦ In light of the proposed initiative to integrate ICP and national statistical programs, the final reports will provide steps to strengthen national capacity, specify what can be achieved in the short term, and describe what needs to be done concurrently to maximize the integration of the two programs in the long term. The reports will also serve as background materials for a comprehensive handbook and reference material that will provide a step-by-step price and expenditure compilation guidebook. ♦ The conference will be followed by an expert group meeting, 14-15, March 2002 to be attended by regional and international agencies, and representatives of interested NSOs. The purpose of the expert group meeting is to plan the implementation of the proposed ICP 2003 round, to discuss organizational issues, including the establishment of global and regional management structure, and coordination of regional and global work plans, timetable and allocation of resources. ♦ The World Bank is and will continue to support establishment of a consumer price collection systems and estimation of CPI in Croatia as part of a Technical Assistance loan.
3.9	Activities of FAO	**New activities to be undertaken in the next two years:** FAO will resume work on collection of data on prices paid by farmers for means of production and producer prices for crop and livestock products. The Organization also proposes to revise estimates of "International $" being used for compilation of Index Number of Agricultural Production. Methodological work will also be undertaken to introduce a (new) series on Index Number of Agricultural Producer Prices. Close co-ordination will be maintained with the ongoing work on the International Comparison Project/Purchasing Power Parity.
3.9	Activities of CIS-STAT	**Ongoing methodological work**: ♦ By a decision of the Council of Directors of Commonwealth Countries' Statistical Services, CIS-STAT and Goskomstat Russia are acting as coordinators for comparisons of the gross domestic product and purchasing power parities of currencies of the CIS countries and Mongolia based on data for 2000 as part of the European Comparison Programme (ECP) with financial support from OECD and the World Bank.

		♦ In the course of 2002 it is planned to finalize compilations of the results of comparisons for the CIS countries and Mongolia using data for 2000 and to prepare a draft report; the results of the comparisons are to be published by the end of 2002.
		New activities to be undertaken in the next two years:
		♦ It is planned to conduct the next round of international GDP comparisons for the CIS countries and Mongolia as part of the United Nations ECP, if financial support is available from the World Bank.

PE 3. 10

3.10	Title	**Agriculture, forestry and fishery statistics**
3.10	Goal	That there exists a set of internationally comparable and reliable statistics on agricultural, forestry and fishing activities that provides national and international policy makers with adequate information.
3.10	Issues & problems	♦ 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. ♦ To develop 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 co-operation 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. ♦ Income statistics, productivity, measuring and forecasting food supplies, GIS and administrative data.
3.10	Strategic medium-term objectives	♦ 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/2002/3/Add.5). ♦ An improved, more comprehensive set of forest sector statistics collected jointly by FAO, ECE, Eurostat and ITTO.

3.10	Expected outcomes in the next two years	Timber Section of ECE Trade Division and FAO:
		♦ 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.
		EU:
		♦ Rebasing agricultural prices to 2000=100.
		♦ <u>Fisheries statistics</u>. In collaboration with FAO particular attention will be given to updating and extending the content of the joint publication "Handbook of Fishery Statistics" and the production of a CD-ROM version of the publication.
		♦ <u>Land use and landscape:</u> possible repetition of the LUCAS project in 2003.
		FAO:
		♦ 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.
3.10	Attention of the Conference is drawn to the following	♦ <u>Future action in joint data collection (agriculture other than economic accounts for agriculture)</u>: Eurostat and FAO have agreed to co-operate in the area of agriculture price statistics. Other types of data sets are successively to be identified and included in framework of Common Data Consultation and Utilization.
		♦ <u>Future action in joint data collection (fishery statistics)</u>: 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.
		♦ <u>Future action in joint data collection (agro-environment indicators)</u>: See PE 5.1.
		♦ The central role of the Intersecretariat Working Group on Agriculture Statistics (IWG.AGRI) in coordinating the activities of its members and of the work in preparing the World Conferences on Agriculture Statistics.
		♦ Agriculture statistics is extending its scope to encompass environment and rural development.
3.10	Decisions recommended by the Bureau to the Conference	♦ That the Conference approves the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below), and to note and endorse the activities to be undertaken by other Divisions and PSB's in the ECE.
3.10	Rapporteur	Eurostat
3.10	Meetings	♦ Inter-secretariat Working Group on Agriculture Statistics (IWG.AGRI). Meetings twice a year
		♦ Inter-secretariat 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, spring 2003, Geneva

| | | Inter-secretariat Working Group on Forest Sector Statistics (twice a year) 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: Land use statistics, 11-12 September 2002 (+ twice a year in April and September) EUROSTAT: Working Group: Crop products statistics, 9-10 October 2002 (+ twice a year in March and October) EUROSTAT: Working Group: Crop products statistics - workshop with Candidate Countries, 11 October 2002 (+ once a year in October) EUROSTAT: Committee: Agricultural Statistical Committee (ASC), 14-15 October 2002 (+ twice a year in June and October) EUROSTAT: Seminar: Agricultural Seminar, 16-17 October 2002 (+ once a year in October) EUROSTAT: Working Group: Animal products statistics, 21-22 October 2002 (+ twice a year in March and October) EUROSTAT: Working Group: Agricultural price statistics, 28-29 October 2002 + workshop with Candidate Countries (+ twice a year in June and October) EUROSTAT: Working Group: Forestry Statistics, 5-6 November 2002 (+ once a year in November) EUROSTAT: Working Group: Agro-industry statistics, 14-15 November 2002 (+ twice a year in April and November) EUROSTAT: Working Group: Economic accounts for agriculture, 25-27 November 2002 + workshop with Candidate Countries (+ twice a year in July and November) EUROSTAT: Working Group: Milk statistics, 28-29 November 2002 (+ once a year in November) EUROSTAT: Working Group: Agricultural Structure Surveys + Typology of Agricultural Structures, Workshop with Candidate Countries 9-10 December 2002 (+twice a year in May and December) EUROSTAT: Committee: Fishery Statistics - SCAS (Standing Committee of Agricultural Statistics) Workshop with Candidate Countries, once a year in February EUROSTAT: Working Group: PHARE Multi-country Programme on Statistical Co-operation: Pilot Projects on Agriculture, Fisheries and Environmental Statistics, once a year in February ECE-Eurostat-FAO-OECD: 8th IWG.AGRI Seminar "PARIS" (Perspectives for Agricultural & Rural Indicators and Sustainability), Paris, 21-22 November 2002. Items on the agenda include: *Rural development* *Agri-environmental indicators* *Sustainable indicators for agriculture* *Labour input and productivity* *Indicators of changing agriculture* *Income and green accounting* ECE-Eurostat-FAO-OECD Meeting on Food and Agriculture Statistics, 2-4 July 2003. Items on the agenda include: *Stocktaking of recent developments and future needs in food and agricultural statistics (i) the future role of agricultural statistics and (ii) how to meet the needs for ad hoc statistics and flash statistics;* *The needs of agriculture statistics by international organisations (WTO, UNCTAD, Eurostat, IECD, FAO etc.) for policy making;* *Statistics related to multi-functionality, sustainability, rurality and environment, and their interaction with agriculture;* *Statistics and analysis of food supply, food quality, food safety) including* |

		traceability), consumer needs and analysis of trade flows; ▪ *Classification systems and their adaptation to new needs;* ▪ *Implications of new technologies on the production and dissemination of agriculture statistics;* ♦ OECD (together with IWG.AGRI): 3rd World Conference on Agricultural Statistics to be held in autumn 2004
3.10	Activities of Inter-secretariat 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 Inter-secretariat 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 CES"). 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**: ♦ Establish routines for common data consultation to an increasing number of data sets. ♦ Continue the series of focused seminars. ♦ Work on new indicators (agro-environmental issues, rural development, agro-tourism etc.). ♦ Initiate work on updated classifications.
3.10	Activities of Inter-secretariat Working Group on Forest Sector Statistics	**Ongoing methodological work** The working group, which consists of UNECE, 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. Main output in recent years has been design and implementation of the *Joint Forest Sector Questionnaire* and joint collection, validation and storage of resulting data.
3.10	Activities of the ECE	**Ongoing methodological work**: ♦ ECE-Eurostat-FAO-OECD Meeting on Food and Agricultural Statistics (2-4 July 2003), to consider: ▪ Stocktaking of recent developments and future needs in food and agricultural statistics (i) the future role of agricultural statistics and (ii) how to meet the needs for ad hoc statistics and flash statistics ▪ The needs of agriculture statistics by international organisations (WTO, UNCTAD, Eurostat, IECD, FAO etc.) for policy making ▪ Statistics related to multi-functionality, sustainability, rurality and environment, and their interaction with agriculture ▪ Statistics and analysis of food supply, food quality, food safety) including traceability), consumer needs and analysis of trade flows ▪ Classification systems and their adaptation to new needs ▪ Implications of new technologies on the production and dissemination of agriculture statistics ♦ ECE-Eurostat-FAO-OECD Seminar "PARIS" (Perspective for agricultural and rural indicators and sustainability) Paris, 21-22 November 2002. ♦ 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.**

3.10	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 2002, will continue the process of evaluating the Forest Resource Assessment 2000, 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. A global level meeting ("Kotka IV") will be held in 2002 to launch the next round of forest resource assessment. ◆ 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 now meets every year. **Priority objective of methodological work to be undertaken in the next two years** ◆ Validate database 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.
3.10	Activities of OECD	**Ongoing methodological work:** ◆ Maintains a database of producer subsidy equivalents/consumer subsidy equivalents. ◆ Maintains and further develops an Agri-Environmental Indicators (AEI) Database. ◆ 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 have been incorporated into the revised OECD questionnaire 2001 and will result in a revised publication in 2002. ◆ OECD has included smaller agricultural units in its questionnaire to take better into account the needs of some of its Member countries. ◆ As requested by countries, methodological advise and indicator development to OECD countries and transition economies on agricultural statistics will continue to be provided through the IWG.AGRI mechanism in place (see also "PARIS" Seminar at OECD in November 2002 and 3rd World Conference on Agricultural Statistics in 2004

3.10	Activities of Eurostat	**Overall Goal**

During the 2003-2007 period the Commission will strive to:

- Apply the TAPAS (Technical Action Plans for Agricultural Statistics) scheme for progressive improvements to the existing set of agricultural statistics, mainly as far as quality, comparability, efficiency savings, simplification and timeliness are concerned.
- Plan the development of agricultural statistics with the aim of meeting the future needs of the CAP (Common Agricultural Policy).
- Consolidate and improve the organisation and analysis of results coming from LUCAS project.
- Provide indicators for better integration of environmental considerations into the CAP and information on the consumer/welfare aspects of agriculture.
- Provide reliable statistics on food supply.
- Provide indicators on food safety and traceability in close co-operation with DG SANCO.
- Assist in the development of comparable data in candidate countries for accession to the EU.
- Consolidate, improve and extend (indicators) forestry statistics.
- Consolidate and improve the quality of fishery statistics.
- Definition and measurement of rural development.

Ongoing methodological work:

The principal ongoing areas of work relate to: 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 Decision on improving Community agricultural statistics (TAPAS).

Work to adapt the set of Community agriculture statistics to meet identified new or changing needs continues, although only very limited resources can be found for this work. This involves:

- the results of continuing wide-ranging reflection;
- regular monitoring of needs and of relevant ongoing and proposed activities;
- maximum integration with ongoing work on agricultural and non-agricultural statistics;
- continuing attention to efficiency aspects;
- an authoritative review of the present system in collaboration with users and national administrations.

Work on agri-environmental data continues and is being developed. Attention is being paid to agri-environmental "integration" indicators; in particular, a Communication to the Council and European Parliament (COM(2001) 144) adopted by the Commission on 15 March 2001 sets out the statistical requirements for these indicators.

Work with candidate countries involves:

- consolidating regular flows of data from official statistical services;
- planning and organising the execution of country statistical development programmes;
- building multi-country capacity in an integrated international framework;
- monitoring compliance with the *acquis communautaire* (including gentlemen's agreement statistics).

Co-ordinating the thematic component of EU Member States' and Community activities on the above in the framework of the Agricultural Statistics Committee.

Land use and Landscape

After the adoption of the EP/Council decision on the application of area frame surveys and remote sensing techniques to the agricultural statistics, the LUCAS project was implemented in 2001/2002 in the Member States. Methodological documentation on sample definition, harmonised nomenclature that classify land use and land cover, surveyors manual and estimation methods was prepared, and the two surveys in which the project is divided were carried out. The year 2002 will be devoted to the evaluation of the 2001 results, the improvement of the procedures and the development of a user-friendly database to manage all the data collected. On that base, decisions will be taken on the possible repetition of the survey in 2003.

In the context of the Phare multi-beneficiary programme, the same approach should be adopted in 2002 to implement the same survey in some of the candidate countries.

Agricultural structures

(i) Farm Structure and farm typology:

The work will continue to focus on the data from the latest 10-yearly census on the structure of agricultural holdings and on the preparation of the next 2/3 yearly sample survey (2003). The first results will be published and analysed, both with quality and political issues in mind. The work on the publication programme will be enlarged towards further analytical work and support to studies in the agricultural policies sectors. The Eurofarm database will be migrated to Unix.

Farm structure survey (FSS) results will be integrated with other sources of information, including the development of geographical reference to the database, and new electronic dissemination tools will be developed.

The work on statistical tools for monitoring "sustainable agriculture" will continue along the lines drawn up in the framework of developing a core set of agri-environmental indicators in co-operation with EEA, DG AGRI and DG ENV. Sound co-operation with regional policy statistics for the development of information systems including agriculture and regional policies will be constructed.

Methodological support will be given to the implementation of the FSS in candidate countries, with validation of data collected so far and direct support to development as the main tasks. A methodological publication on typology will be finalised.

(ii) Vineyard surveys and fruit tree surveys:

Strengthening and validation of the results of the 1999/2000 basic vineyard survey. Analysis of the results of the basic Community vineyard survey (1999/2000)**.**

Strengthening and validation of the results of the 2002 basic orchard survey. Analysis of the results of the basic Community orchard survey (2002). Consolidation of the orchard survey methodology taking into account the comments expressed by the European Parliament (nuts and fruit trees nurseries).

(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 (About €7 million annually).

Agricultural incomes and prices

There are two activities that will have an impact on most, possibly all of these modules; these are the implementation and analyses of the results of the new EAA/APS methodologies and the integration of the candidate countries into the Monetary Agricultural Statistics System. Work in both fields started in 1999 and will considerably influence the programme for at least the years 2001 and 2002. In 2002 special 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):

Implementation of new EAA/EAF methodology and analyses of first results: Data validation and publication. Study of practical questions arising from the implementation of the revised EAA/EAF. Considerations to extend the sequence of accounts to include certain items (flows) in the account "Other changes in assets" and the balance sheets.

Candidate countries: Integration of Eastern European countries in the EAA/EAF system of EU.

(ii) Income of the Agricultural Households Sector (IAHS) statistics:

Methodological issues: 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. 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. Integration of the candidate countries in the IAHS system of the EU.

(iii) Agricultural Price Statistics (APS):

Methodological points: implementation of the new handbook for Agricultural Price Statistics. Study of practical questions arising from rebasing of the EU agricultural price indices to 1995=100. Maintenance, updating and publication of a harmonised set of EU absolute agricultural price indices (output and input) and price indices. Integration of the candidate countries in the system of EU agricultural price statistics.

(iv) Agricultural Labour Input Statistics (ALI):

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

Database: Updating and maintaining of the new database (AgrIS); Regular revisions and updates 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. Special attention will be paid to improving the user-friendliness of the existing model. Development of tools to achieve closer cooperation with Member States in the use of AgrIS. Integration of the candidate countries into AgrIS.

Crop production

♦ The activities already under way or interrupted by a lack of resources will be continued in 2002: improving data collection and processing flows; improving delivery times by computerised reminders with human follow-up.

♦ Computer processing of quality checks for routine statistics and supply balances, all measures being applied to the Member States and the candidate countries by using the reference manuals and, where appropriate, TAPAS actions.

♦ Development of the model AGROMET for harvest forecasts by quality assessment, in relation with other models, and by increasing its period and the number of crops covered.

♦ Specific actions for the candidate countries will be developed: evaluation of the official methods in the countries close to accession in the *acquis communautaire* goal, and improvement of the methodologies by using external services in the others.

♦ An exhaustive publication of data is planned by issuing a CD-ROM, as well as ongoing publication of updated handbooks on EU methodologies.

♦ The animal feed balance sheet methodology is planned to be completed.

♦ Implementation of new legislation in the wine sector; improvement of dialogue with other sectors of agri-stats at the level of common definitions or data quality; tighten up links between our activities and JRC in Ispra on Agromet model and land use.

Animal production

♦ Improvement of the statistics of the sector, particularly on milk and dairy products.

♦ Extension of the poultry meat statistics.

| | | Adjusting the weighting coefficients for slaughtering. Statistics on the sector for the candidate countries need strong development and improvement. Supply balance sheets: continued examination of data quality, particularly external trade data, review of the methodology. Publications: intensification 'Statistics in focus'. Fodder balances: continued expansion in co-operation with the crops sector. Livestock, meat, milk, eggs: application of existing legislation and bilateral agreements. Guidance on the use of administrative data for statistical purposes. <u>Agro-industry statistics</u>
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). Participation in NACE revision process by coordinating the suggestions issued from DG SANCO, DG AGRI, DG ENTR and professional federations.
<u>Reforming agricultural statistics</u>
Implementation of the Council Decision on TAPAS (Technical Action Plans for Agricultural Statistics) which covers selected topics and serves as a tool for 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.
Implementing actions relating to the evolution of agricultural statistics in the light of current or expected developments.
Further developing statistics and indicators illuminating the agriculture-environment interaction and in particular the integration of environmental concerns in agricultural policy; publishing the results.
Supporting the improvement of agricultural statistics in candidate countries including analysis of the existing agricultural statistical systems and integrating regular data flows into the Eurostat structures dealing with EU data.
<u>Forestry statistics</u>
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 (with ECE, FAO, OECD, ITTO); preparation and realisation of publications on Forestry Statistics; co-ordination of forest-related projects with other DGs (Agriculture, Environment, …), international institutions and other units of Eurostat; improvement of the data base; improvement of Forestry Statistics Interest Group on CIRCA; indicators related to forestry.
Analysis of national forestry statistics with a view to improving of the quality of data; new indicators related to forestry; co-ordination work with other DGs for the new regulations on forestry.
<u>Fisheries statistics</u>
Ongoing work related to catch, landings and aquaculture production statistics will still be the major activity in fisheries statistics. Development of statistical work on employment in the fisheries sector, sustainability, environmental and socio-economic indicators and Mediterranean fisheries will continue.
Collaboration with other international agencies will be continued and intensified with the view to further rationalising and reducing the workload on national authorities.
Further developments in FAME and New Cronos databases are foreseen, in order to adapt and complete the work carried out in 2001: 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 with regard to the body of EU law. |

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 DG Agriculture.

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

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.

Agricultural structures

Planned new legislation in 2002:

♦ Directive of the European Parliament and of the Council concerning statistical surveys in order to determine the production potential of plantations of certain species of fruit trees;

♦ Commission Regulation on the definitions for the new characteristics introduced in the list of characteristics for the 2003 survey;

♦ Commission Regulation on the deadlines for sending in the results of the 2003 farm structure survey and the authorisation to use data from other sources;

♦ Commission Decision amending the Commission decision on typology in view of the changes implicated by the new characteristics introduced for the 2003 farm structure surveys.

Agricultural incomes and prices

♦ Envisage legislation (Regulation of the European Parliament and of the Council) concerning Agricultural Monetary Statistics;

♦ Revision/update of the EAA/EAF methodologies;

♦ Enlargement of the current used sequence of accounts for agriculture;

♦ Special attention will be drawn to the treatment of subsistence farming and large units for statistics on Income of the Agricultural Household Sector;

♦ Preparation of rebasement 2000 = 100 for Agricultural Prices;

♦ Creation of a database (AgrIS) needed for running of the new medium-term policy simulation system.

Animal production

♦ Evaluation of data management models

♦ Production of manuals and reference documentation

♦ Poultry statistics: link between eggs and poultry meat 'expectation'.

Planned new legislation in 2002:

♦ Commission Decision 97/80/EC of 18.12.1996 (implementing Council Decision 96/16/EC of 19.3.96 (on statistical surveys of milk and milk products) will probably require revision.

Reforming agricultural statistics

		♦ Install and start implementing procedures for monitoring and steering the gradual evolution of Community agricultural statistics. Planned new legislation during 2002: ♦ Proposals will be made for a European Parliament and Council Decision continuing the TAPAS programme for the period 2003-2007. Forestry statistics Planned new legislation during 2002/2004: ♦ According to Council Regulation (EEC) No 1615/89, the Commission is obliged to set up the European Forestry Information and Communication System (EFICS). The main responsibility is with the Agriculture DG but the forestry statistics collected by Eurostat are mentioned as an integral part of EFICS. This regulation will change in 2002 - 2004. Fisheries statistics Planned new legislation during 2002: ♦ Commission Regulation amending Council Regulation no. 3880/91 on the submission of nominal catch statistics by Member States fishing in the Northeast Atlantic (approved by the Standing Committee for Agricultural Statistics on 20/2/2001) ♦ Commission Regulation amending Council Regulation (EEC) no. 2018/93 on the submission of catch and activity statistics by Member States fishing in the Northwest Atlantic (approved by the Standing Committee for Agricultural Statistics on 20/2/2001) ♦ Commission Regulation amending Council Regulation (EC) no 2597/95 on the submission of nominal catch statistics by Member States fishing in certain areas other than those of the North Atlantic. (approved by the Standing Committee for Agricultural Statistics on 20/2/2001)
3.10	Activities of FAO	**Ongoing methodological work:** Fisheries statistics ♦ Publication of a methodological manual for sampling fishery surveys and data processing. ♦ Improved harmonization, data quality, and transparency in information dissemination through the implementation of the Internet -based FIGIS (Fisheries Global Information System). ♦ Drafting general guidelines for fishery statistical development emerging from the CWP. The Guidelines will be discussed and finalized at the CWP-20th Session in 2003. ♦ Agreed concepts and definitions for the separation of aquaculture from fisheries, following the sub-division of "Fishing " in ISIC as recommended in March 2001. ♦ Improved methodology for inland fisheries statistics, promoting methods of data collection based on sampling and/or estimation of productivity by water bodies. Agricultural statistics ♦ 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 Inter-secretariat 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. Organic Agriculture The rapidly growing market for organically produced food has captured the attention of FAO Member Nations. There is a need for reliable, accessible and quality information for informed decision-making in organic agriculture to adequately direct research, extension efforts and investments. Expected outputs for the 2002-2003 period in this field will include the three main areas:

		♦ Effective policy and technical decision-support tools for productive and efficient organic farming systems. ♦ Studies, technical assistance and policy advice relating to production and trade of certified organic agriculture products. ♦ Information dissemination systems and networking arrangements for production, conservation, processing, labelling and marketing of organic produce. Definition, Norms, Methodologies and Quality of Information Target accomplishments include: ♦ Updated procedures to document and ensure the quality and consistency of statistical data regarding agricultural production, trade, food balance sheets (FBS), inputs, forestry and fisheries products, farm data and land and water indicators; ♦ further standardisation of terms, definitions and categorization schemes regarding land use, plant production and protection, livestock, forestry and fisheries information as well as human nutrition aspects, establishing appropriate linkages among them; ♦ standards and norms regarding country-specific information to facilitate data dissemination and integration on a country basis; ♦ standard data models to describe information resources such as experts, institutions, species and maps to assist in data exchange within and outside the Organization. **Priority objective of the methodological work to be undertaken in the next two years:** Fishery statistics ♦ To produce the revised and updated edition of the *Handbook of Fishery Statistical Standards* and to disseminate it on Internet. ♦ A centrally developed and supported training programme for the processing of sample-based fishery surveys and generation of estimates Agricultural statistics ♦ 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 develop a methodology for integration of time-use surveys with the cost of production surveys for deriving gender disaggregated data relating to crop and animal husbandry activities.
3.10	Activities of PARIS21	The PARIS21 Agricultural and Rural Statistics Task Team was reformed during the October 2001 Consortium meeting to bring together FAO and World Bank work to seek to strengthen agricultural and rural statistics as a key tool of poverty reduction. It aims at producing material for the advocacy of more visibility of food, agricultural and rural statistics and the mobilisation of resources to support capacity building. It also provides a forum for an exchange of innovative ideas and assists in identifying areas for methodological research.
3.10	Activities of CIS-STAT	**Ongoing methodological 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.

PE 3. 11

3.11	Title	**Industrial statistics**
3.11	Goal	That there exist industry sector statistics that are consistent with international standards and definitions, and that policy-makers have adequate information in the areas of SME's, productivity, technology and employment at a disaggregated level.
3.11	Issues & problems	♦ 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. ♦ Changeover from ISIC (Rev.2) to ISIC (Rev.3).
3.11	Strategic medium-term objectives	♦ 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. ♦ Creation of Small and Medium Enterprise (SME) database (UNCTAD). ♦ Implementation of the new regulation on business structural statistics (Eurostat).
3.11	Expected outcomes in the next two years	♦ 2002 will be the final year for collecting steel statistics under the ECSC Treaty. As well as the regular publications on the steel industry, there will be a retrospective one showing the changes in the industry over 50 years (preparation of a very reduced set of steel statistics will continue for reference year 2003 onwards). ♦ Production of PRODCOM methodological manual (EU). ♦ Production of a Short Term Statistics methodological manual (EU). ♦ Production of a methodology of Business Demography (EU). ♦ Production of a methodology of Business Services (EU). ♦ Production of a methodology of Foreign Affiliates Trade Statistics (FATS) (EU). ♦ As from 2002, the OECD obtains data on structural business statistics from Eurostat and OECD member countries on a dual track basis. If it works out, data for EU countries will regularly be taken only from Eurostat as from 2003. ♦ UNIDO's *International Yearbook of Industrial Statistics* will be published in paper form in 2003 and 2004 and also on the Internet. ♦ UNIDO's INDSTAT database will cease at the 4-digit level of ISIC (Rev.2) but continue for 3-digit level by conversion from ISIC (Rev.3) data. ♦ UNIDO's Set of Industrial Development Indicators will be expanded both in terms of number of indicators and the number of countries covered.
3.11	Attention of the Conference is drawn to the following	♦ <u>Future action in joint data collection (structural business statistics)</u>: agreement on joint data collection has been reached between OECD and Eurostat, which is a major achievement. ♦ <u>Future action in data collection on SME statistics</u>: Data collection will continue to be carried out by OECD.

3.11	Decisions recommended by the Bureau to the Conference	♦ That the Conference approves the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.11	Rapporteur	OECD
3.11	Meetings	♦ EUROSTAT: Working Group: Insurance Services Statistics, 9-10 September 2002 (+ once a year in September) ♦ EUROSTAT: Working Group: Steel Statistics after 2002, 19 September 2002 (+ once a year in September) ♦ EUROSTAT: Working Group: SBS Regulation Implementation + SBS Quality, 26-27 September 2002 (+ once a year in September) ♦ EUROSTAT: Working Group: Implementation of the short term statistics regulation, 30 September 2002, (+ 4 times a year in February, June, September and December) ♦ EUROSTAT: Working Group: Enterprises Demography, 22-23 October 2002 (+ twice a year in April and October) ♦ EUROSTAT: Committee: Statistical Programme Preparatory Committee for European Statistical System Regulation PRODCOM, 11-12 November 2002 (+ twice a year in June and November) ♦ EUROSTAT: Working Group: Business Services Statistics, 21-22 November 2002 (+ twice a year in June and November) ♦ EUROSTAT: Working Group: Financial Services Statistics, 11-12 December 2002 (+ once a year in December) ♦ EUROSTAT: Working Group: Implementation of the short term statistics regulation, 16-17 December 2002 (+ 4 times a year in February, June, September and December) ♦ EUROSTAT: Working Group: Structural Business Statistics (SBS), once a year in February ♦ EUROSTAT: Working Group: Foreign Affiliates Trade Statistics (FATS), once a year in March ♦ EUROSTAT: Seminar: Short Term Statistics (STS) Seminar, once a year in March ♦ EUROSTAT: Working Group: Business Statistics Directors - PHARE, once a year in June ♦ EUROSTAT: Working Group: Business Statistics Directors, once a year in June ♦ ECE/FAO Joint Working Party on Forest Economics and Statistics, spring 2003, Geneva ♦ OECD: Statistical Working Party of the Industry Committee, 9-11 December 2002 and Autumn 2003 ♦ OECD: Short-term Economic Statistics Expert Group, once a year (two days). First meeting to be held during week commencing 24 June 2002. ♦ OECD: Ad hoc Group on Business Tendency Surveys and Consumer Surveys. Two day meeting to be held in second half of 2002.
3.11	Activities of the CES	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: ▪ 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), ▪ develop statistics which better capture production and supply of manufacturing systems, in contrast to stand-alone machining concepts,

		▪ suggest improvements in the classification systems; ▪ create short-term indicators; and ▪ establish networks of competence in this area. **Secretariat resources: minimal**
3.11	Activities of OECD	A number of OECD Working Parties regularly meet 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 Committees, in particular: ♦ the Statistical Working Party of the Industry Committee (SWIC), ♦ the Working Party on Small- and Medium-sized enterprises, ♦ the Steel Committee, ♦ the Council Working Party on Shipbuilding, ♦ the Committee for Information, Computer and Communication Policy. Work carried out by OECD on business statistics is designed to provide internationally comparable, disaggregated time-series for indicators and analysis, which are 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 databases in order to maximise their relevance for economic analysis and to identify and incorporate emerging areas. A dynamic review with regard to consolidation and harmonisation of collected variables is currently implemented with other international organisations (in particular Eurostat), however keeping in mind the OECD bridge function with non European countries to which a greater attention is to be given. The main databases relating to business statistics (see also P.E.3.8) are the following. Most countries have now implemented the ISIC revision 3 and produce several years of observations. However, the transition to ISIC Rev. 3 will continue to pose a significant problem for the availability of coherent time series of international industrial statistics. (a) 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, up to the 4^h digit level. Indices on base 1995=100 are published quarterly in the 'Indicators of Industry and Services' (IIS), previously called 'Indicators of Industrial Activity' (IIA). (See also P.E. 3.8) To help users when analysing short-term data on business activities, the OECD is collecting and updating detailed methodological information on the sources, classifications, surveys, concepts, coverage, processing of data, weighting system, various adjustments made and dissemination. The IIS database used to contain both quantitative data (production, turnover, new orders, producer prices, employment) and qualitative business tendency survey results (both balance and equals). As from 2002, the collection of detailed sectoral qualitative results will be stopped and the publication of such data will be suppressed from the IIS publication. The information will be presented at the 1-digit level of ISIC in the Main Economic Indicators instead [see below paragraph c)]. (b) 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 (up to the 4^h digit level) which are published annually in 'Structural Statistics for Industry and Services' (SSIS), previously called 'Industrial Structure Statistics' (ISS). As from 2002, an in-depth comparison of data collected and published by OECD and Eurostat will be carried out in order to harmonise the publication of structural data by different international organisations (as it is already the case between OECD and UNIDO) and to reduce the reporting burden on national statistical agencies. To help users when analysing structural data on business activities, the OECD is collecting, updating and publishing methodological information on the sources,

classifications, surveys, methods of sampling, definitions of variables, coverage, processing of data, treatment of confidentiality and dissemination.

This database is a key source for STAN, the OECD structural analysis industrial database. (See also P.E. 3.8)

(c) The statistical database on enterprises by size class, previously called Small- and Medium-sized Enterprises Database (SME), contains detailed statistical information on core economic variables on industry and service sectors disaggregated by enterprise size. In 2001, the collection of data by size class has been harmonised with the collection of data for the SSIS database [see above (ii)], in order to get more consistent structural statistics and in accordance with Eurostat SBS regulation. Methodological information is collected as well. Statistics on enterprises broken down by size class will be published in tables and graphs in the 2002 SME Outlook. More detailed statistics will form the subject of a specific publication in 2003, depending on the quality and quantity of data provided by OECD Member countries (See also P.E. 3.8).

(d) 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).

(e) 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).

(f) The trade in high-technology products database. This database includes information on 240 product groups identified in collaboration with Eurostat.

The OECD also manages a macro-economic database, the Main Economic Indicators (MEI) database which contains a wide variety of monthly and quarterly macro-economic short-term statistics for OECD Member countries and a number of non-member countries. The short-term indicators covered in MEI include: quarterly national accounts; industrial production; composite leading indicators; business and consumer opinions; prices (consumer and producer); labour; finance; international trade and balance of payments. Indicators are primarily published at total national level although some are disaggregated to the 1-digit level of ISIC Rev. 3. The indicators published in MEI are accompanied by summary sources and definitions methodological information (metadata) under five broad headings: definition; coverage; collection; calculation; and source. This metadata is updated on a continuous basis.

MEI short-term economic indicators are published in paper and electronic media for the 30 OECD Member countries and selected non-Member countries. The latter currently comprise: Brazil; Bulgaria; China; Estonia; Indonesia; Latvia; Lithuania; Romania; Russian Federation; Slovenia; Ukraine. Short-term indicators for India and South Africa will also be included in the near future.

Specific MEI activities to be conducted in the context of the OECD Statistics Strategy over the next year includes:

(a) Metadata: The last paper edition of Main Economic Indicators: Sources and Definitions was produced in June 2000 and the next release is scheduled for June 2002. In addition, a series of Main Economic Indicators: Comparative Methodological Analysis publications will be released during 2002. The first publication dealing with industry, retail and construction indicators was released on the internet in January 2002. Similar publications for 2002 will cover: employment/unemployment indicators; price indices (consumer, producer, construction); and earnings, labour cost and labour price indicators.

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 by those agencies (and by national agencies) in lieu of direct collection by the OECD from national sources.
		(b) Business tendency surveys: MEI work here entails co-operation with Member countries, international organisations such as Eurostat and selected non-member countries to develop qualitative measures of economic activities by promotion of such techniques in the areas of business tendency and consumer surveys. The MEI database will be enlarged to cover business tendency survey results in retail trade, construction and the services sector and consumer opinions for both Member and Non-Member countries.
		(c) Leading indicators: The OECD commenced publication of a press release for the Organisation's Composite Leading Indicators (CLIs), which are currently compiled for 22 Member countries. The CLI will be developed for additional Member countries and work will continue to improve the quality of the indicator. Quality improvement work entails investigating alternative compilation methodologies with other national and international agencies (including estimation of missing data) , reviewing and revising component series and improving the presentation and transparency of leading indicators to broaden the audience of users.
		(d) Short-term Economic Statistics Expert Group: The primary objective of the new OECD Group, which will meet in June 2002 for the first time, is to improve the quality (including comparability and timeliness) of short-term economic indicators in priority areas of OECD and Member country need. It will do this through the provision of a forum for exchanging information on current best practice and the preparation of recommendations to the OECD Secretariat and Member country statistical agencies for implementation. The work of the Expert Group will cover an appropriate balance between specific subject areas of short-term indicators (such as demand indicators, output indicators, prices, services, etc) and cross-cutting issues (such as comparability, seasonal adjustment, quality assessment, timeliness, etc).
		(e) MEI target indicators: The OECD has developed a list of "target" short-term indicators (with accompanying "target" definitions drawn from existing international statistical standards located in the OECD Glossary of Statistical Terms) 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. There is a process of on-going review of the content of MEI which requires the co-ordination of a number of activities with ECE, IMF, ILO, ECB and Eurostat. Over the next twelve months enhancements to the content of MEI will be made to: earnings, labour cost, labour price, additional tendency survey series (see (b) above), output indicators for services, construction.
		(f) Data capture: The OECD is 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 of such processes within the OECD. Another goal is to collect and load these indicators onto OECD databases the day they are released by the producer agency.
		(g) International statistical recommendations and guidelines: Activities here include working with other international organisations to develop standards 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 SDMX group) in the development of standards for the transmission of data and metadata.
3.11	Activities of Eurostat	**NB**: Programme Element 3.11 describes all of Eurostat's activities named in P.E. 3.5 and most of the activities named under 3.8 (which, for Eurostat, includes only information society, communications and audio-visual services – *Theme 49*)

Overall Goal

During the five year 2003-2007 programme period work will progress in the following areas:

♦ Improve the system for developing structural business statistics, based on political needs and with a capacity of quick reaction to changing factors such as environment, policies and users.

♦ Strive for maintaining the infrastructure needed such as Business Registers and Classifications.

♦ Focus on the quality assessment and improvement of the data produced.

Ongoing work:

Structural statistics (industry and services)

♦ Collection, validation, processing and publication of the data produced under the SBS (Structural Business Statistics) Regulation up to and including the reference year 2000.

♦ Preparation of estimates for recent years for the majority of countries with publication of the main EU 15 data at the end of the first quarter of 2002.

♦ Publication at the end of 2002 of all the results generated by the SBS Regulation up to the reference year 2000.

♦ Follow-up and report concerning improvement of the quality of SBS data.

♦ Adaptation of SBS Regulation.

♦ Initiation of the adoption of the new SBS Regulation on financial services (banks and pension funds) including implementing measures; collection, validation, processing and publication of data in this field.

♦ Development of SBS in the fields of:
  ♦ services to enterprises
  ♦ company demography
  ♦ FATS (Foreign Affiliates Trade Statistics)

♦ Detailed analyses (in conjunction with other Eurostat statistics).

♦ Collection, processing and distribution of structural statistics for enterprises in the Phare countries (partial outsourcing depending on in-house human resources).

♦ Co-ordination of EU "structural indicators".

♦ Publication of a "Statistical survey of European enterprises".

(ii) Steel statistics:

2002 will be the final year for collecting steel statistics under the ECSC Treaty. As well as the regular publications on the steel industry, there will be a retrospective one showing the changes in the industry over 50 years (preparation of a very reduced set of steel statistics will continue for reference year 2003 onwards).

(iii) PRODCOM (Product list, for statistical purposes, of the European Community industry production, according to Council Regulation (EEC) No 3924/91 of the 19 December 1991):

♦ Implementation of the Regulation (speed, coverage, methodology).

♦ Improving dissemination machinery.

♦ Improving statistics of first processing of iron and steel, non ferrous metals and other materials.

♦ Organisation of the integration of candidate countries.

(iv) Short term statistics:

♦ Improvement of data transmission (speed, monitoring and coverage).

♦ Daily updates of distribution databases (NewCronos and Euro Indicators).

♦ Continuing improvement of seasonal adjustment methods.

♦ Monitoring implementation of the ECOFIN action plan.

♦ Various data improvement and documentation activities.

♦ Active participation in Euro-Indicator projects.

♦ Publication of the monthly panorama, SIFS, News Releases and implementation of

		new publications.
		♦ Implementation of Council Regulation 1165/98
		♦ Improved data coverage of the Regulation according to High Level Group Recommendation.
		♦ Implementation of country stratified retail trade index.
		♦ Work to improve data transmission, monitoring, validation and deadlines.
		♦ Revision of the "STS Sources" base.
		♦ Methodological work in preparation for the base year change to 2000.
		♦ Management of contracts, invitations to tender and subsidies.
		♦ Organisation of the integration of candidate countries.
		Priority objective of the methodological work to be undertaken in the next two years
		♦ A PRODCOM methodological manual (guideline for harmonisation).
		♦ An STS methodological manual (guideline for harmonisation).
		♦ Methodology of Business Demography
		♦ Methodology of Business Services
		♦ Methodology of FATS
		New activities to be undertaken in the next two years
		Planned new legislation during 2002:
		♦ Regulation (EC, Euratom) of the European Parliament and of the Council amending Regulation (EC, Euratom) No 58/97 concerning structural business statistics.
		♦ Subject to the agreement of the SPC, changes to Short Term Statistics and Structural Business Statistics regulations to include Steel Statistics after the expiry of the ECSC Treaty.
		♦ Revision of Council Regulation No 1165/98.
		♦ Revision of Council Regulation No 3924/91.
		♦ Subject to the agreement of the SPC, a Council Decision on steel statistics after the expiry of the ECSC Treaty.
		Short-term statistics
		♦ Efforts to improve data transmission in conjunction with the Member States.
		♦ Initiation of the national pilot studies provided for by the Regulation.
		♦ New invitation to tender concerning the publication of short-term statistics.
		♦ Basic review of the IT machinery for the incorporation of Member State data.
		♦ Regular receipt of candidate-country data.
		♦ Revision of publications to cover candidate countries.
		♦ Introduction of data-flow procedures (replacement of Statpub and Ediflow).
		♦ Press Release on order books.
		PRODCOM statistics
		♦ Interpretation and amendment of the Regulation.
		♦ Development of proposals for the inclusion of services into PRODCOM.
		Steel statistics
		♦ Preparation of a very much reduced set of steel statistics to be collected from 2003.
3.11	Activities of UNCTAD	Create a statistical database on Small and Medium Enterprises by collecting existing statistics data and harmonizing it as far as possible.
3.11	Activities of UN Statistics Division	UNSD maintains responsibility for the compilation and dissemination of industrial commodity production statistics and index numbers of industrial production at the global level.
		Ongoing methodological work:
		♦ The survey on value added was completed for the new weight base of the index numbers of industrial production and index numbers are being published on the new, 1995, base.
		♦ Preparatory research is underway for the planned revision of the standard list of commodities that is currently used for collection and dissemination of statistics on

		industrial commodity production.
		♦ Investigation of possibilities of collaborative arrangements between UNSD, Eurostat and OECD to avoid duplications in data collection has been initiated in the areas of industrial index numbers and industrial commodity statistics.
		♦ UNSD's new industrial statistics website is under construction.
3.11	Activities of UNIDO	♦ UNIDO, in collaboration with OECD, will continue to assume the sole responsibility for compilation and dissemination of worldwide key industrial statistics at the 3- and 4-digit levels of ISIC(Revision 2 and 3): 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 databases.
		♦ With regard to UNIDO country questionnaire, it is expected that majority of the non-OECD countries would report their data electronically in, for instance, Excel format (Currently, half of regularly reporting non-OECD countries provide their data to UNIDO via electronic questionnaire). After screening, adjusting and supplementing with UNIDO estimates, the reported data will be stored, as before, in the three respective Industrial Statistics (INDSTAT) Databases in accordance with the individual reporting systems, Rev.2 and Rev.3 of ISIC. However, it is expected that nearly all regularly reporting countries, both OECD- and non-OECD countries, would have completed a switch-over in their data-reporting system from Rev.2 to Rev.3 of ISIC. This implies that annual update of the INDSTAT database at the 4-digit level of ISIC(Rev.2) be terminated while the INDSTAT Database at the 3-digit level of ISIC(Rev.2) would be maintained by incorporating the Rev.2-based data that would be converted from reported ISIC(Rev.3) data. UNIDO will maintain a newly developed ISIC(Rev.3) version of its Industrial Demand-Supply Balance (IDSB) Database while the ISIC(Rev.2) version of IDSB would fade away. The organization will continue to update its database on industrial statistics by size of establishment.
		♦ The annual time series that UNIDO compiles and disseminates refer to selected key statistics for employment, production and investment, all pertaining to manufacturing and are arranged in accordance with 3- and 4-digit levels of ISIC. The organization will continue to disseminate INDSTAT as well as IDSB databases on CD-ROM. At the same time, the 2003 and 2004 editions of the International Yearbook of Industrial Statistics will be published in hardcopy. However, Internet will be the main medium of data publication.
		♦ An analytical product, the Set of Industrial Development Indicators, which currently contains approximately thirty indicators, will be further expanded by increasing the number of indicators and by expanding their country coverage.
		♦ It is envisaged that the on-going project for migration of the overall statistical database system from the mainframe to the client/server platform would have been completed by the beginning of the reference period. Thus, the maintenance of the system as well as data manipulation and publication would be carried out in the new computer environment.
3.11	Activities of CIS-STAT	**Ongoing methodological 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	Title	**Energy statistics**
3.12	Goal	That there exist energy sector statistics that are consistent with international standards and definitions
3.12	Issues & problems	♦ The integrated compilation of statistics on energy. ♦ The use of internationally agreed and harmonised concepts and definitions. ♦ Proper linkages between energy statistics, other fields of economic statistics (e.g. conventional industrial statistics and transport statistics) and environmental statistics. ♦ Monitoring of greenhouse gas emissions (GHG) (EU). ♦ Development of methods for temperature correction of monthly statistics (EU).
3.12	Strategic medium-term objectives	♦ 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. ♦ Establishing a Renewables database (IEA/OECD). ♦ Improvement of the transparency of oil data (IEA/OECD). ♦ Development of statistics on useful energy (EU). ♦ Define list of indicators of effectiveness of competition in gas industry (EU).
3.12	Expected outcomes in the next two years	♦ A website on annual energy questionnaires (IEA/OECD). ♦ Production of a manual on energy questionnaires (IEA/OECD). ♦ Pocketbook *Sustainable development – Energy Indicators* (EU). ♦ Inventory of national methodologies (EU). ♦ Revised methodological manual (EU).
3.12	Attention of the Conference is drawn to the following	♦ Countries should be alerted to the consequences of reducing the resources allocated to energy statistics. For monitoring of international protocols and agreements, the quality, coverage, details and timelines of energy statistics have to be improved. Any further cuts in energy statistics resources will lead to grave consequences for monitoring the global economy (price volatility) and the quality of statistics on the reduction of GHG emissions.
3.12	Decisions recommended by the Bureau to the Conference	♦ That the Conference approves the activitie s to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.12	Rapporteur	OECD/IEA
3.12	Meetings	♦ EUROSTAT: Working Group: Energy Prices, 3 October 2002 (+ once a year in October) ♦ EUROSTAT: Working Group: Combined Heat and Power Statistics, 7 November 2002 (+ once a year in November) ♦ EUROSTAT: Working Group: Energy Statistics, once a year in July ♦ IEA/OECD: International meeting on Energy Statistics (2003)
3.12	Activities of CES	**Ongoing methodological work**: No ECE-OECD/IEA-Eurostat joint meeting is planned in the next biennium. The shared work on data collection will continue as before. **Secretariat resources: Minimal**

| 3.12 | Activities of OECD | **Ongoing Methodological Work:**
On 29-31 October 2001, the IEA/OECD and Eurostat conducted a 3 day workshop in order for National Administrations to improve their knowledge of the 5 joint annual OECD-Eurostat-UNECE questionnaires and for the Organisations to better understand the main difficulties encountered by administrations when filling up questionnaires. Participants in the workshop asked the IEA and Eurostat to 1) have a website where they could find practical information on the questionnaires and 2) prepare a manual better explaining the questionnaires and the methodology.
Priority Objective of the Methodological Work to be Taken in the Next Two Years:
Eurostat and the IEA are currently working on a website and have started to look at a manual as requested in the 29-31 October 2001 Workshop. Limitations in there own resources prevent them to go faster on these two objectives.
Establishing a database on renewables based on the new Renewables questionnaires as well as a country-provided information is also a priority for this year and the next years. Last but not least, the IEA and Eurostat, together with APEC, OLADE, OPEC and the UNSD will continue to move forwards with the oil data transparency initiative whose objective is to improve the timeliness, the coverage and the quality of oil statistics.
New Activities to be Undertaken in the Next Two Years:
♦   A webpage on annual questionnaires.
♦   A manual on annual questionnaires.
♦   A strengthening of the co-operation between international organisations in order to harmonise definitions and methodologies, reduce the burden passed to member countries and organisations, and improve quality. |
| 3.12 | Activities of Eurostat | **Overall Goal:**
Quality upgraded EU Energy Statistics, in also being able to respond to new and additional user demands on market structure, energy efficiency, sustainable development and emissions.

During the period 2003-2007, the work on energy statistics will consist in improving the quality of energy data and balances, especially in the area of the consumption, in order to respond better to requirements arising from the GHG emissions monitoring mechanism. Also user demands on sustainable development issues (energy efficiency, co-generation, renewables), and the effectiveness of competition in liberalised markets and its impact on consumers and the energy industry will have to be answered better.
Ongoing methodological work:
♦   Collect and publish annual energy statistics (EU).
♦   Collect and publish short term energy statistics (EU).
♦   Collect and publish gas/electricity prices according to the respective legal base.
♦   Collect and publish annual and short term energy statistics on accession countries.
♦   Collect and publish statistics on energy efficiency.
♦   Collect and publish statistics on effectiveness of competition in electricity markets.
Work dependent on financing from other Commission DGs:
♦   The continuation of the survey on Combined Heat and Power (year 2002) including accession countries (DG-TREN).
♦   Collect statistics on energy efficiency (DG-TREN).
♦   Energy I/O tables (DG-ENV).
♦   The development of statistics on useful energy .
Priority objective of the methodological work to be undertaken in the next two years
Based on the existing annual and short term energy statistics a revised methodological manual will be drawn up and released. In addition, the collection and publications of national methodologies will be emphasised.
Work dependent on financing from other Commission DGs:
♦   Prepare and publish a pocketbook on 'Sustainable development - Energy Indicators' (DG-TREN) |

		♦ The production of inventories on national methodologies ♦ Revised methodological manual **New activities to be undertaken in the next two years** ♦ Define a list of indicators for assessing effectiveness of competition in gas markets ♦ Development of methodology for the temperature correction of monthly statistics ♦ Review methodology and assess availability of statistics on energy I/O tables ♦ Review content/structure of paper publications and reference environment. ♦ Launch the development project on useful energy ♦ Extend the data collection fully to all accession countries ♦ Create and implement a tool on quality measurement ♦ Analyse internal production processes and amend them
3.12	Activities of UN Statistics Division	UNSD maintains responsibility for the production of global energy statistics. **Ongoing methodological work:** ♦ In collaboration with other international agencies active in this area (APERC, Eurostat, IAE/OECD, OLADE, OPEC) UNSD is working on improving transparency of oil statistics by investigating differences in methods, definitions, and preparing recommendations for their harmonization. ♦ Continuous development of the Energy Statistics Database. Initiating harmonization of definitions, conversions and methods in energy statistics used by different international agencies as well as by countries providing energy statistics. ♦ The energy statistics website is under construction. **Priority objective in the next two years:** ♦ To improve timeliness and coverage and quality of energy statistics.
3.12	Activities of CIS-STAT	**Ongoing methodological work:** Collection, processing and publication of data on the electric power balance of Selected Commonwealth countries.

PE 3. 13

3.13	Title	**Science and technology statistics**
3.13	Goal	That there exist science and technology sector statistics that are consistent with international standards and definitions, covering the conception, development, appropriation, diffusion and application of new technologies to the production of goods and services.
3.13	Issues & problems	♦ Describing statistically the role of science in the national innovation systems of member countries and the linkages between science and technology. ♦ Maintaining and improving 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. ♦ Creation of improved indicators for patents.
3.13	Strategic medium-term objectives	♦ The review of the Oslo Manual for innovation surveys will await the evaluation with Eurostat of the 3rd round of national innovation surveys. ♦ The revision of the _Canberra Manual_ will be discussed at the next June 2002 NESTI meeting following developments on statistics and indicators on HRST, notably on HRST mobility as a vector of flows of knowledge within and between economies. ♦ To continue analytical work on patents and the development of Patent families indicators and when necessary review the _Patent Manual._ ♦ Creation of database of indicators of technology improvement (UNCTAD). ♦ NABSA classification will be revised.
3.13	Expected outcomes in the next two years	♦ Development of a methodology for nowcasting R&D indicators. ♦ Publication of the revised Frascati Manual for R&D surveys. ♦ Revised version of the OECD R&D questionnaire. ♦ The patents database which is the first in this field will be expanded in OECD with the inclusion of new indicators along with improved methodological information.
3.13	Attention of the Conference is drawn to the following	♦ Finalise improvements of various aspects of the Frascati Manual for R&D surveys and put them into practice. ♦ Continue to develop and improve surveys of technological innovation and the associated indicators and, where necessary, improve the Oslo Manual. ♦ Update and expand existing methodologies and surveys in order to provide better indicators of the internationalization of science and technology and its application. ♦ Improve regional breakdowns within member countries. ♦ Improve the existing methodology in revising the Canberra Manual. ♦ Continue analytical and methodological work on patents and where necessary improve the Patent Manual.
3.13	Decisions recommended by the Bureau to the Conference	None
3.13	Rapporteur	OECD

3.13	Meetings	♦ EUROSTAT: Working Group: R&D Benchmarking and Innovation statistics, 19-20 September 2002 (+ twice a year in April and September) ♦ EUROSTAT: Working Group: S&T (Science and Technology) and Innovation statistics, 13-15 November (+ once a year in November). ♦ OECD in co-operation with Eurostat: Conference for the evaluation of improvements on various aspects of the *Canberra Manual*, 1st semester 2003. ♦ OECD: Conference on Patent indicators, early 2003. ♦ OECD: Working Party of National Experts on Science and Technology Indicators -- NESTI--, once a year in May or June.
3.13	Activities of CES	None
3.13	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:** ♦ 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, including corresponding revisions in the OECD international R&D survey. Diffusion of S&T statistics and corresponding metadata via "*Basic R&D Statistics*" and improved "*Main S&T Indicators*" OECD publications and the on-line OECD R&D Sources and Methods database. 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 is being expanded to include comparable S&T indicators and statistics for non-member economies such as China, Russia, Singapore, Taiwan Province of China and Latin American countries. ♦ Development of Patents statistics by Industry and Technology groups for the calculation of new indicators, notably on patent families and improving methodological interpretation of patents statistics via analytical and methodological studies. ♦ 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 evaluated again at next NESTI meeting. The OECD work on the development of composite innovation indicators will be pursued. ♦ Measurement of Human Resources devoted to Science and Technology is developing with work on international mobility launched at the 2000 NESTI meeting. A series of country reports was prepared and presented at an international workshop organised in June 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 will contribute to a review of the *Canberra Manual* on HRST. ♦ Following the 2000 ad hoc meeting accessing the feasibility of developing internationally comparable statistical indicators of biotechnology, an inventory of Biotechnology statistics was developed and a statistical compilation of existing (non-comparable) was completed. In November 2001, the Committee on Science and

		Technology Policy's Working Party on Biotechnology approved a statistical definition of biotechnology which is now being pilot tested by a few countries, the results of which will be evaluated in 2002. At the 3rd meeting of this ad hoc group scheduled for May 2002, two model surveys on the measurement of biotechnology will be discussed with the aim of adoption. Depending on the progress of this work, it is envisioned that a 4th meeting of this ad hoc group may occur in 2003.
3.13	Activities of Eurostat	**Overall Goal:** To collect statistics on S&T and Innovation, to develop methodology and indicators to monitor research and innovation policies in Europe, responding to statistical needs resulting from the Lisbon strategy. During the five years 2003-2007, main efforts will be undertaken to: ♦ improve the quality of existing indicators and continue the conceptual work leading to the production and further development of new indicators to benchmark national Research and Innovation policies, and in particular, to measure human resources and their mobility in research and development; ♦ develop further statistics on R&D and innovation in the context of the European Research Area, and in particular, to develop a theoretical framework for more frequent R&D and innovation statistics; ♦ develop a general framework for the measurement of the knowledge society; ♦ measure the technological trends with harmonised statistics on patents; ♦ associate the candidate countries in the overall framework of the development of harmonised and comparable RTD and innovation statistics. **Ongoing methodological work**: ♦ Data collection work and provision of harmonised and comparable information on R&D activities. ♦ Work on the development of new statistical indicators for the benchmarking exercise of Research and Innovation policies in Europe will continue. ♦ Further harmonisation of regionalisation methods aiming at regional R&D data that is more comparable between Member States ♦ Contribution to the on-going revision of the Frascati manual (introduction of the regional dimension, more accurate statistical procedures for R&D surveys, more information on human resources, clearer guidelines for the GBAORD data collection, etc.). ♦ Methodological work will be pursued for a better definition of high tech in the manufacturing sector and knowledge intensive activities in the service sector. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ Implement the new Council Decision on S&T and Innovation Statistics. ♦ Provide statistical and methodological support to the relevant Commission services for the benchmarking of Research and Innovation policies ♦ Development of a methodology for the nowcasting of the major R&D indicators. ♦ Improvement and development of new regional S&T indicators. ♦ Work will start on more frequent updates of the main indicators in the Innovation Scoreboard. **New activities to be undertaken in the next two years**: ♦ Eurostat will launch in close collaboration with the OECD the revision of the Canberra Manual. ♦ 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 recommendations and methods used for the third Community Innovation Survey. ♦ Development and maintenance of a statistical database of patents. Eurostat will co-ordinate the Commission Services' requests for patent statistics and participate in the newly created NESTI Task Force. A patents manual will be developed together with the OECD.

		♦ The NABS classification will be revised.
		♦ A conference on Knowledge Society Indicators will be organised in 2002.
		<u>Planned new legislation during the reference period</u>
		♦ Decision of the European Parliament and of the Council establishing a multiannual programme for the production and development of Community Statistics on science and technology (2003-2007) is expected to be approved in 2002.
		♦ A Commission Decision for implementation of the Decision will be prepared and presented to the SPC in 2002.
3.13	Activities of UNCTAD	Create a database on indicators of technology development.
3.13	Activities of CIS-STAT	**Ongoing methodological work**: ♦ CIS-STAT will continue its consultations in 2002-2004, with national statistical services on arrangements for statistical observation of science and technology activities on the basis of accepted international standards for science statistics. ♦ Preparation of an annual report on "Scientific research and scientists in Commonwealth countries".

PE 3. 14

3.14	Title	**Business registers and administrative records in support of economic statistics**
3.14	Goal	That there exist business registers of sufficiently good quality to support required statistical activity and that the best use is made of administrative records for statistical purposes.
3.14	Issues & problems	♦ Promoting the use of business registers and general purpose survey frames for business surveys. ♦ Dissemination of best practices used by countries in the construction and maintenance of business registers. ♦ Assisting 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. ♦ The harmonization of the coverage of business registers and the concepts used, and of the uses of business registers. ♦ 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.
3.14	Strategic medium-term objectives	♦ OECD manual of Globalisation Indicators. ♦ UN manual on globalisation indicators. ♦ Revision of the Eurostat Business Registers Manual of Recommendations. ♦ Occasional bulletins with details on standard frame contents (Eurostat); methods, costs, and pitfalls related to the construction of frames (Roundtable on Business Frames).
3.14	Expected outcomes in the next two years	♦ Recommendations for inclusion in the Manual on the harmonisation of the treatment of enterprise groups. ♦ Completion of the update of the Manual of Recommendations regarding registers.
3.14	Attention of the Conference is drawn to the following	♦ Many countries are still in the implementing phase of the harmonization and development of business registers as a survey frame and source of information. ♦ A global harmonization of the treatment of enterprise groups is necessary, as the information on enterprise groups is essential for improving statistics on globalisation; in this context, the development of the OECD Manual of Economic Globalisation Indicators is important and an agreement at the UN level should be achieved. ♦ The Eurostat methodological development is incorporated in the Business Register Manual of Recommendations, which is currently being revised due to recent development. The finalisation of the draft and planned chapters will be achieved by the end of 2002 and input for this work is welcomed from all countries and international organisations.
3.14	Decisions recommended by the Bureau to the Conference	♦ That the Conference approves the activities to be undertaken by the Conference in this programme element (see "Activities of CES" below).
3.14	Rapporteur	Eurostat

3.14	Meetings	♦ Joint ECE/EUROSTAT Seminar on Business Registers, 2003. Agenda items include: ▪ *Development and harmonisation of a common glossary for business registers and of the Eurostat manual;* ▪ *Quality issues and coverage of business registers;* ▪ *Implications of globalisation for statistical business registers;* ▪ *Links between administrative and statistical business registers;* ▪ *Collection of information and further development of identity cards on business registers within member countries* ▪ *Uses and dissemination of information from business registers within member countries* ♦ EUROSTAT: Working Group: FEBI – FEBS – UNICE – EUROSTAT - NSIs, 8 November 2002 (+ twice a year in November and May) ♦ EUROSTAT: Working Group: Statistical Units – Enterprise Group, once a year in March ♦ EUROSTAT: Working Group: Statistical Units, 3 times a year in April, May and June ♦ EUROSTAT: Working Group: Business Registers, once a year in June
3.14	Activities of CES	♦ Joint ECE/EUROSTAT Seminar on Business Registers, 2003, to consider: ▪ Development and harmonisation of a common glossary for business registers and of the Eurostat manual; ▪ Quality issues and coverage of business registers; ▪ Implications of globalisation for statistical business registers; ▪ Links between administrative and statistical business registers; ▪ Collection of information and further development of identity cards on business registers within member countries ▪ Uses and dissemination of information from business registers within member countries
3.14	Activities of Eurostat	**Overall Goal** During the five year 2003-2007 period work will progress in the following areas: ♦ Strive for maintaining the infrastructure needed such as Business Registers and Classifications. **Ongoing methodological work**: The focus of this theme during the last years has been in developing the methodology on the treatment of enterprise groups and in promoting their inclusion in the business registers in the National Statistical Institutes, as a basic tool for the statistics on globalisation. ♦ In 2001 a focal point on globalisation was established to co-ordinate the different Eurostat activities in this field and to present a joint plan. ♦ Work on enterprise groups will continue as well as the follow-up of Eurostat work on measuring the economic impact of globalisation. ♦ The work to measure the quality of registers, which was started in 2001, will be assessed and guidelines for the measurement developed. ♦ The implementation of the Council Regulation on business registers is almost fully completed in MS. ♦ The annual inquiry on business registers will be further developed taking into account the user needs, especially the increased use of business registers as data source. ♦ Co-operation with several Eurostat projects will continue. With business demography this ensures the use of common terms, definitions and methods. With trade registers this concerns strengthening the links between registers, with balance of payments possible new uses of business registers. ♦ Collaboration with city group 'Round table on business survey frames' on quality of registers and other topics related to business registers will continue.

		♦ Most of this work will be done in-house and in close collaboration with Member States. **Priority objective of the methodological work to be undertaken in the next two years:** ♦ To harmonise the treatment of enterprise groups, a new chapter will be prepared for the Manual of recommendations. This work is also connected to the improvement of the quality of business registers, the statistical units and their characteristics in the Member States. ♦ The register Manual of recommendations, updating of which started in 1999, will be completed in 2002. The revision concerns the updating of the first chapters, which are already out of date, as well as finalising the draft chapters, of which the most important is the treatment of large and complex enterprises. The Manual is available on a web site and the updated version will also be published on paper. **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 2002 and the focus of work with the candidate countries will shift into improving the quality of their registers.	
3.14	Activities of OECD	A final draft of the Manual on Globalisation Indicators, including a chapter on the globalisation of technology (previously discussed at the 1999 and 2001 meetings of NESTI), will be discussed in April 2002. 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.	

PE 3. 99

3.99	Title	**Other work in the field of economic statistics**
3.99	Goal	That there exist consistent and comprehensive statistics on the areas covered below that are consistent with international standards and definitions.
3.99	Issues & problems	♦ Enhancement of euro-zone statistics and indicators.
3.99	Strategic medium-term objectives	♦ To provide a set of high quality short-term indicators for the Euro-zone. ♦ Increase coverage of Eurostat's Concepts and Definitions Database (CODED) to over all Eurostat's work areas.
3.99	Expected outcomes in the next two years	♦ Improvements in the Euro Indicators web site.
3.99	Attention of the Conference is drawn to the following	♦ Short term statistics are ever more demanded for policy makers and analysts having to monitor the short-term economic situation. Therefore, the production of a high level quality service is regarded as a project of the utmost importance in the euro-zone as well as for the European Union as a whole. ♦ The European Statistical System High Level Group has been created to guarantee the improvement of key EU/EMU short-term economic indicators (define a draft list of Principal European Economic Indicators as well as a plan for improving in particular the timeliness of the indicators) and assure the follow-up of the EMU Action Plan and EU/USA Benchmarking. ♦ The increasing importance of international accounting rules (reference: Enron and similar cases) and the need to study their likely impact on statistics should urge statisticians to: integrate the existing discussion fora; to endorse standardisation of accounting and support reduction of reporting burden for enterprises; and try to have an influence in the use of accounting concepts to statistical purposes.
3.99	Decisions recommended by the Bureau to the Conference	None
3.99	Rapporteur	Eurostat
3.99	Meetings	♦ EUROSTAT: Working Group: Euro-Indicators, 16-17 December 2002 (+ 3 times a year in May, June and December)
3.99	Activities of CES	None
3.99	Activities of OECD	None
3.99	Activities of Eurostat	**Overall Goal** <u>Other economic statistics</u> Long term objectives With EMU now in full swing Eurostat has to render a high-quality service that is adequate for policy makers and analysts having to monitor the short-term economic situation in the euro-zone as well as in the European Union as a whole. For this Eurostat will: ♦ strengthen the co-operation of all bodies involved in short term statistics (from data collectors to indicator compilers and disseminators), thus maximising the value of their contributions; ♦ provide a set of high-quality short-term indicators (Euro-Indicators) thus becoming a prime source for euro-zone short term statistics; and ♦ enhance its capacity in the statistical analysis of the European business cycle.

Ongoing methodological work:

Statistical co-ordination

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

- ♦ CODED (Eurostat Concepts and Definitions Database) – The CODED database of concepts and definitions will be further expanded to cover all areas of statistics covered by Eurostat.
- ♦ 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.
- ♦ Accounting – Co-ordination of accounting work will be continued via the Accounting Focal Point (within Eurostat) and via the Accounting Task Force (with Member States). The precise work programme will depend upon decisions reached on introducing International Accounting Standards and revising the 4th and 7th Accounting Directives.
- ♦ FEBI (Federation of European Business Industries) – One main plenary FEBI meeting is envisaged for autumn 2002 to be held in Luxembourg. This will be supplemented by a limited number of smaller seminars on specific topics known to be of direct interest to particular FEBI organisations.
- ♦ Internal market – Continue liaison role to ensure Directorate D outputs meet DG MARKT needs.
- ♦ Publications – Ensure continuing co-ordination of dissemination work between all units concerned.

Other economic statistics

The **Euro-Indicator** site supplies the public with time series, available at a high level of frequency and giving an overall picture of the business cycle in Europe. The underlying database consists of about 350 indicators; most are fully harmonised, some others are national not fully harmonised or even country specific indicators. It covers areas of interest for short-term analysis, aims at consistency, contains long time series and comprehensive metadata.

Eurostat calculates euro-zone and EU15 series, retropolates time series (15 years and more where possible) with the help of its partners, drafts the meta-information for Euro-zone and EU15 figures as well as for Member States, verifies both content and timeliness and develops the database further through reviewing its content in close co-operation with Member States and its main users in the Commission and the ECB.

Euro-Trend contributes to a better monitoring of the short-term situation in the euro-zone. It contains a mix of highly aggregated sub-annual time series (not only observed, reconstructed, interpolated or otherwise estimated series, but also nowcasted, flash-estimated or otherwise extrapolated indicators). Euro-Trend is supposed to draw upon the experience of those already active in business cycle analysis. For this a user group is animated and other fora in statistics are equally being addressed.

Euro-Trend becomes fully operational in the course of 2001. Its results are submitted for analysis and comments to experts and privileged users (DG ECFIN, ECB). Thereafter they will be made accessible through a Euro-Trend site (within the Euro-Indicator site). This site will be in continuous evolution, because recently undertaken research and newly acquired expertise is likely to lead to changes in both content and methods.

There is a clear interaction between the main Euro-Indicators site and the Euro-Trend (sub-) site: The former is much more related to official statistics, but can profit from the methodological development made in the context of Euro-Trend (nowcasting, creation of proxies, etc …). The latter can incorporate all the improvements realised in Euro-Indicators in terms of reliability and quality of historical data (retrapolation and estimation procedures).

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

		<u>Other economic statistics</u> 2002 Priorities: ♦ The Euro Indicators web site giving access to a range of infra-annual economic statistics was opened to the public in summer 2001. After a couple of months of operational experience with the site, stock will have to be taken of still unsatisfied user needs. This will lead to improvements in 2002: e.g. additional templates, additional indicators, etc. Moreover the site has to be supplemented by statistical publications (e.g. SiF). Finally the content of the underlying database will have to be improved as well. ♦ With first results of Euro-Trend obtained only in autumn 2001 these results have to be assimilated by the compilers of short term indicators. This is supposed to enhance the quality of the database behind the Euro-Indicator site: length of series, coherence, rapidity, etc.
3.99	Activities of 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/).
3.99	Activities of the World Bank	<u>Atlas GNI per Capita</u> ♦ 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.