UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC STATISTICAL INSTITUTE FOR ASIA AND THE PACIFIC (SIAP)

Management Seminar of SIAP-The Future of Economic Statistics

11-12 December 2019, Chiba-Japan

CONCEPT NOTE

Collaborating agencies: United Nations Statistical Institute for Asia and the Pacific **(SIAP)**; Statistics Division, United Nations Economic and Social Commission for Asia and the Pacific **(SD ESCAP)**; United Nations Department of Economic and Social Affairs Statistics Division **(UNDESA SD)**; and Statistics Bureau of the Ministry of Internal Affairs and Communications of the Government of Japan **(MIC)**.

I. Introduction and Objectives

Improving sufficiency and responsiveness of economic statistics is very important in achieving policy objectives of 2030 Agenda for Sustainable Development. Policy objectives increasingly demand a better understanding of how economic activity relates to outcomes for people across material and non-material aspects of well-being as well as environmental sustainability. The quest for outcome measures requires the explicit connection with the quality of life of individuals and demographic groups (such as by age, gender, education, ethnicity, location) and the impact of economic activity on the environment. When we consider the broader methodological framework for the system of economic statistics in better measuring the links between economic activity and the outcome for the citizens, society and the environment, there is also a need to consider the capacity and capabilities of the national statistical agencies to transform their operations and their role in the national statistical system to meet the new requirements with the use of new data and technology.

The discussion on the future of economic statistics commenced with Friday Seminar on the Future of Economic Statistics held prior to 50th Session of the UN Statistical Commission. Thereafter, the following developments have taken place globally and in the region:

(i) The 50th Session of the United Nations Statistical Commission (March 2019) created the Friends of the Chair Group on Economic Statistics. The commission requested it to undertake an assessment on the efficiency, effectiveness and responsiveness of the governance of the current system of economic statistics; take stock of existing initiatives and make recommendations to take these forward in an update of the system of economic statistics through a broader consultation; take forward issues of the statistical update that have already reached a high level of maturity; and to report back to the Statistical Commission in 51st Session (2020) with a clear plan how to move forward.

- (ii) Friends of the Chair Group on Economic Statistics¹ conducted their first meeting in New York (28-30 May 2019) and discussed the future system of economic statistics, design of economic statistics within SDG and other results frameworks, future design of economic statistics from the perspective of international/regional agencies and NSOs; need for a responsive and relevant system of economic statistics and infrastructure required for such a system; need for institutional transformation of NSOs to new methods, appropriate governance structures to ensure a responsive and relevant system of economic statistics.
- (iii) A High-Level Seminar on the Future of Economic Statistics (3-5 June 2019) in Shanghai, China² with the participation of twelve countries (ten countries from the Asia- Pacific region) summarized priorities for the future as follows:
 - Need to move beyond contemporary economic statistics into new areas such as digital economy, sustainable tourism, and new economy. Also felt need for partnership with scientific community.
 - Need to move beyond macro-economic statistics to the areas of distributional national accounts, system of environmental-economic accounts with focus on both physical and monetary measurements and disaggregated and local level statistics.
 - Role redefinition of national statistical systems where the NSOs are being entrusted with new roles like authority for issue and maintenance of national identity whereas their conventional role of statistics generation is being taken by many agencies in the government or outside
 - Change in the role of NSOs from data collection agencies to users of data from various sources of big data including mobile data, geospatial data, and use of administrative data beyond taxation and customs data, such as data from credit rating agencies and health insurance.
 - Use of non-traditional data processing techniques including blending of data from traditional sources with non-traditional sources of data to improve accuracy and timeliness of standard economic statistics like national accounts statistics.
 - Moving beyond publications, there is a need for data visualization, storytelling sharing
 of data through social media. There is need for data for geographic regions smaller
 than nation-state and population groups other than the household sector.

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¹ <u>https://unstats.un.org/unsd/trade/events/2019/FOCG/FOCG_1st_meeting_summary_report_final.pdf</u>

https://unstats.un.org/unsd/trade/events/2019/Shanghai/UNSD_UNESCAP_Future_of_Economic_Statit sics_June_3-5_2019_Summary_Final.pdf

The high level seminar also recognized the important objective of "Leaving No One Behind" and specifically noted that priorities for generation of new forms of economic statistics are to be determined by the policy makers since the resources are always limited, existing capacities of the NSOs are stretched to the maximum and many countries are not in a position to generate even the basic, minimum economic statistics such as preparation and maintenance of business register, conduct labour force surveys and the production of national accounts using SNA 2008.

- (iv) A High-Level Panel discussion held on Monitoring Sustainable Development: The future of economic statistics in Asia and Pacific Economic Statistics Week (APES)³ in Bangkok, Thailand (17-19 June 2019). The panel discussed the use of economic statistics for monitoring the 2030 Agenda and highlighted the shortcomings of current measurements of economic activity across social and environmental aspects of wellbeing. The session pointed to ways and directions for transforming economic statistics to ensure its continued relevance. Key messages from the discussion were as follows:
 - GDP will continue to be an important economic statistic required by governments and institutions for understanding economic activity. Complementary measures are needed to capture well-being, inequality and sustainability.
 - The NSOs must continue "doing what they do best" or producing what and how they have been traditionally producing statistics while welcoming new approaches and new statistics.
 - Emerging technologies hold great potential to transform statistical business processes. Adaptation to such technologies requires development of additional skill sets that will enable and equip NSOs to better coordinate the activities within the national statistical system (NSS) in filling data gaps, and in updating and/or identifying appropriate statistical infrastructure to integrate new methods and new data sources with the traditional ones.
 - The UN must continue to lead initiatives, coordinate and support statistical activities across the world; establish guidelines and frameworks; and support and enable countries to enhance and develop the required skills necessary to face and adapt to the challenges in producing statistics in a dynamic data ecosystem.

Management Seminar of SIAP

The main objective of this seminar is to seek views of heads of NSOs in Asia and Pacific region about the current status of the economic statistics including data availability and what they perceive as future requirements of data, statistics and indicators relating to economic statistics keeping in view the policy objectives in their countries specially in the context of implementation of Agenda 2030 and how these can be met. The Seminar will brief the participants on the key outcomes of consultations on the "Future of economic statistics" so far and generate recommendations and other inputs from the Asia-Pacific region to the ongoing global Friends of the Chair initiative.

³ http://communities.unescap.org/system/files/apes2019-report-final-sept2019.pdf

II. Target Participants

The seminar is designed for Heads of NSOs in the Asia-Pacific region.

III. Seminar Programme

Details are presented below:

Session 1: Friends of the Chair Group (FOC Group) initiative on the Future of Economic Statistics; why are we here?

The session will start with an overview presentation on the Friends of Chair Initiative and continue with thematic presentations from the users of economic statistics perspective and from regional perspective on the following topics: (i) Globalization and Global Value Chains, (ii) Digitalization/Digital Economy, (iii) Inequality, (iv) Well-being/Beyond GDP (v) Sustainability/SDG Indicators.

Session 2: Demands for economic statistics and services

This session will outline the country needs and demands. The session will clarify the existing and new demands from policy makers/public for new statistics. Countries will focus on the following questions in their presentations during a panel discussion: (i) What kind of requests do NSOs receive from users of economic statistics and which requests are they able to respond to? (ii)What are the new policy requirements and the implications for new statistics and accounts, their compilation and dissemination and for the delivery of new type of services? (iii) Are there policy and user demands for integrated and broader measures of progress which are generally not classified as economic statistics?

Session 3: Break out session: What new priority statistics is needed for policy formulation? Group Discussion in five groups on the following topics: (i) Globalization and Global Value Chains, (ii) Digitalization/Digital Economy, (iii) Inequality, (iv) Well-being/Beyond GDP (v) Sustainability/SDG Indicators. This will be followed by a plenary discussion.

Session 4: Global, regional and national initiatives to meet the country needs/ demands

This session will explore how NSOs can be more responsive to the demand from policy makers/public for current or new accounts and statistics. Countries will focus on the following questions in their presentations during a panel discussion: (i) How can we be more responsive to demands from our users through changes in statistical operations and statistical infrastructure? (ii) How can we increase in-country and multi-country collaboration and increase concerted experimentation on agreed priorities? (iii) How can we improve the agility of our systems of economic statistics and contribute to the update of the system of economic statistics?

Session 5: Break-out session: How to generate what has been identified as priority economic statistics?

Group discussion: 5 groups will work in parallel to give recommendations on the following five topics: (i) Development and update of conceptual frameworks of economic statistics (for macroeconomic, business, trade and price statistics), (ii) Update of the statistical operations using administrative and big data, microdata linking, geo-coding, sharing and exchanging data,

etc. (iii) Update of the statistical infrastructure including capacity building, Update of the legal statistical framework (for use of big data, data sharing, preserving confidentiality), profiling MNEs for statistical registers, introduction of cloud-environment (iv) Development of partnerships for innovative data solutions and mutual country support (v) System of governance at the national, regional and global level for the system of economic statistics. This will be followed by a plenary discussion.

Conclusions/recommendations:

Two participants will discuss main issues raised and recommendations made in the seminar.

IV. Expected Output of the Seminar

The management seminar will be to:

- a) Identify new economic statistics and services demanded by policy makers and other users of economic statistics;
- b) Challenges faced in meeting these demands and changes required;
- c) Expectations from Global. Regional and National Organizations for production of relevant statistics;
- d) Regional response to the Friends of the Chair Group (FOCG) initiative on future of economic statistics.