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STRENGTHENING INTERNATIONAL STATISTICAL COOPERATION:
WORK OF THE INTER-AGENCY TASK FORCES ESTABLISHED BY
THE WORKING GROUP

Note by the Secretary-General

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INTRODUCTION

1. The Statistical Commission, at its twenty-seventh session, strongly endorsed the establishment by the Working Group on International Statistical Programmes and Coordination of six task forces in the areas of national accounts, industrial and construction statistics, international trade statistics, finance statistics, price statistics including the International Comparison Programme and environment statistics. The Commission also endorsed the terms of reference of the task forces and the plan that they should report to the Working Group.

2. The Secretary-General has the honour to transmit herewith to the Working Group the progress reports of the task forces on industrial and construction statistics, international trade statistics, price statistics including the International Comparison Programme and environment statistics. The reports of the task forces on national accounts and on finance statistics will be issued as an addendum to this document.

3. Additional information will be provided orally at the time of the Working Group session.

I. REPORT OF THE TASK FORCE ON INDUSTRIAL AND CONSTRUCTION STATISTICS

Convenor: Organisation for Economic Cooperation and Development

1. The Organisation for Economic Cooperation and Development (OECD) convened the first meeting of the Task Force on Industrial and Construction Statistics on 10 May 1993 in Paris. Representatives of the Statistical Division of the United Nations Secretariat (UNSTAT), the United Nations Conference on Trade and Development (UNCTAD), the International Monetary Fund (IMF), the United Nations Industrial Development Organization (UNIDO), the Statistical Office of the European Communities (Eurostat), the Bureau of Economic Analysis (BEA) of the United States of America, the Istituto Nazionale di Statistica of Italy, and Statistics Canada were present; the World Bank was not represented but would participate in future activities; the Institut National de la Statistique et des Etudes Economiques (INSEE) of France was invited but was not represented.

2. The Task Force considered the scope of its mandate. It decided that, when dealing with issues of collection, the term "industry" was to be construed narrowly, that is, to mean mining, manufacturing and public utilities. However, when discussing implementation of the International Standard Industrial Classification of All Economic Activities (ISIC, Rev. 3), the term should be construed broadly. The Task Force would not address "construction" in the current phase of its work. The Working Group might reassign that responsibility or review the mandate of the Task Force.

3. The Task Force affirmed that its mandate was not to further revise ISIC but to implement ISIC, Rev. 3. It noted that the lack of conversion keys from ISIC, Rev. 2 to ISIC, Rev. 3 was a major impediment to that task. Inter-country

comparisons had become increasingly difficult and the widespread adoption of a truly international classification would be the most effective remedy.

4. The Task Force agreed that it was important to obtain reliable information from national agencies on the following questions:

- (a) Classification scheme in use;
- (b) Units of observation;
- (c) Rules of assignment of units to industries;
- (d) Rules of compilation;
- (e) Confidentiality and complementary suppression rules;
- (f) Collection and dissemination practices;
- (g) Statistical organization in charge of compiling industry statistics.

5. The very detailed United States of America-Canada-Eurostat comparison of three classification systems had shown the impact of differences in interpretation of classifications or the treatment of a large number of cases. The Task Force also noted that analytical classifications, such as Broad Economic Categories (BEC), should be linked to ISIC, Rev. 3.

6. A fact-finding survey of the status quo was necessary to permit the Task Force to conduct an analysis of the steps needed to improve comparability. The Task Force agreed that, in conducting a survey, it would be essential to pilot test questions and follow up on non-respondents.

7. The meeting in June of Working Party No. 9 on Industrial Statistics (WP-9) of OECD would provide an opportunity to request OECD member countries to review the fact-finding questionnaire. Meetings of the Eurostat industrial committee offered additional useful opportunities to do the same.

8. In principle, questions needed to be asked of only a sample of countries. But some questions could be best answered by a personal visit, probably in conjunction with other missions. Eurostat might have answers to a number of questions for countries of the European Economic Community and the European Free Trade Association. To that extent, queries need not be duplicated.

9. The Task Force agreed to the following work assignments:

(a) Draft a list of questions on country practices in the classification of industrial activity for statistical purposes (including the points contained in para. 4 above). These will be used for a questionnaire to be sent to a sample of countries (Canada with the United States of America);

(b) Draft a list of complementary topics for use in a personal interview (Canada with the United States of America);

(c) Draft a list of possible contacts (representative of all classes of countries), including:

- (i) Institutional structure in selected countries (i.e., which agencies are involved in compiling industrial statistics);
- (ii) Person and position to be contacted in relation to the assignments contained in subparagraphs 9 (a) and 9 (b) above (UNSTAT and UNIDO; OECD will supply a list of its industrial statistics contacts to UNSTAT);

(d) Provide a typology of uses of industrial statistics (Eurostat);

(e) Draft questions to be put to international organizations in order to identify:

- (i) Compilers of industrial statistics, sources and frequency of data collection and reasons for current detail;
- (ii) Users of industrial statistics and uses made or required of industrial statistics (OECD and UNIDO).

10. In order to keep the number of meetings to a minimum, drafts would be circulated by fax to Task Force participants, who were requested to comment quickly. For the assignments contained in subparagraphs 9 (a) and 9 (b) above, as many iterations as possible would be carried out before WP-9 met. The aim was for final drafts to be available by 30 June 1993.

11. The Task Force noted the need to allow time for translation into the languages of countries being queried. UNSTAT also agreed to begin a list of possible auxiliary material that might be needed to facilitate implementation of ISIC, Rev. 3.

12. UNSTAT announced that it would probably discontinue collecting general industrial statistics because of resource restrictions and expected reorganization of the United Nations. UNSTAT hoped that OECD might take over collection for its member countries and UNIDO for other countries. The Task Force agreed that that question required further consideration. It asked that UNSTAT keep the Task Force informed, beginning with an update at the next meeting.

13. The Task Force would meet again 22 and/or 23 July in Vienna, at the invitation of UNIDO. It would prepare a supplementary report for the Working Group following that meeting.

II. REPORT OF THE TASK FORCE ON INTERNATIONAL TRADE STATISTICS

Convenor: General Agreement on Tariffs and Trade

1. The second meeting of the Task Force on International Trade Statistics, under the title of the Inter-Organizational Workshop on Trade Data Estimates and Adjustments, took place from 1 to 5 June 1992 in Washington, D.C. Participants included UNSTAT, the Macroeconomic Analysis and Social Policy Division of the Department of Economic and Social Information and Policy Analysis, UNCTAD, the Economic Commission for Africa (ECA), the Economic Commission for Europe (ECE), the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic and Social Commission for Asia and the Pacific (ESCAP), the Food and Agriculture Organization of the United Nations (FAO), the World Bank, IMF, the General Agreement on Tariffs and Trade (GATT), the Inter-American Development Bank (IDB), the Customs Co-operation Council (CCC), OECD and Eurostat.

2. The workshop focused on three practical ways in which inter-organizational cooperation could improve the quality and availability of international trade, namely:

(a) Improving the flow of data from national authorities to the Commodity Trade Statistics Database (COMTRADE) at UNSTAT (termed "reported" data);

(b) Adjusting reported data which did not comply with international guidelines to assure intercountry comparability;

(c) Improving the estimation process used to create data files for those countries and periods in which no reported data were available.

3. In addition to the reported data received and maintained by UNSTAT in COMTRADE at the most detailed level, it was decided at that meeting to create and maintain two additional databases consisting of:

(a) Reported data with adjustments and estimates, disaggregated at least to the 3-digit level of the Standard International Trade Classification, Revision 2 (SITC, Revision 2) by partner, to be managed by UNSTAT and lodged at the New York Computing Service (NYCS) and at the International Computing Center (ICC) in Geneva;

(b) A unified database in which imports and exports are forced to match at the country level by commodity for negotiations purposes, to be managed by GATT and lodged at ICC.

4. On the question of adjustments, a first step was the development and mailing of a United Nations questionnaire on national practices in external trade. A technical report to be prepared by UNSTAT on replies received would be made available in 1993. A follow-up to the questionnaire was planned to explore countries' problems in conforming more closely to United Nations guidelines and where possible to obtain data to perform the necessary adjustments.

5. The priority areas in which adjustments were believed to be necessary (prior to the mailing of the United Nations questionnaire) were allocated among international organizations as follows:

- (a) Flags of convenience - UNCTAD;
- (b) Food aid and barter trade - FAO;
- (c) Military goods and special/general trade - GATT;
- (d) Monetary gold - IMF;
- (e) Bunkers and illegal trade - OECD;
- (f) C.i.f./f.o.b. - World Bank;
- (g) Electricity, gas and water - Eurostat.

6. Replies to the United Nations questionnaire received to date had confirmed those priority areas.

7. Each of the above-mentioned organizations had produced an initial document, some with preliminary figures for 1990, for their respective areas of responsibility. The nature of the documents varied according to the subject covered but generally dealt with coverage, sources of data and the rationale for making adjustments, as well as other matters.

8. On the question of the estimation process for non-reported data, two methods were proposed for testing. One was the estimation method currently used by UNSTAT and the other was a new approach to be developed by the World Bank. The World Bank method, which was based on solving a simultaneous equation system was expected to be available in June 1993. Preliminary findings from both methods would be based on a set of three countries/periods selected by UNSTAT with input material being produced by international organizations for specific commodity groups for comparison purposes.

9. A third meeting of the Task Force took place on 23 February 1993 in New York to assess progress to date; to review both INTRASTAT, the new collection system of intra-community trade statistics, and a proposal to the Statistical Commission for revising international trade statistics concepts and definitions; and to discuss the future work programme. It was recommended and unanimously agreed that the membership of the Task Force should be extended to include representatives from the five regional commissions and CCC.

10. GATT offered to prepare a paper for the next meeting that would address the issues covered in the terms of reference of the Task Force, as established by the Working Group on International Statistical Programmes and Coordination. It was agreed that the issues addressed would fall into three basic categories: data, limitations and outputs. The paper would include specific examples of existing divergences among international organizations for country groupings and commodity groups. The next meeting of the Task Force was scheduled for 8 to 10 June 1993 in Geneva.

11. The task force agreed on the following integrated work plan.

A. Short term, 1992/93

1. Organizations are to scan their libraries for old publications which include trade data not yet in COMTRADE and provide copies of them to UNSTAT.
2. All organizations should request personnel going on official missions to countries which have not supplied data for COMTRADE, as well as resident representatives in those countries, to solicit data submissions.
3. UNSTAT should develop and implement ways to improve the flow of COMTRADE data.
4. An ongoing exchange of tapes among international organizations (UNSTAT, UNCTAD, FAO, EUROSTAT, GATT, ECLAC etc.) should be promoted to minimize duplication and reduce response burden.
5. Workshops on improving the flow, timeliness and accuracy of national data submissions to COMTRADE should be funded through the United Nations Development Programme (UNDP).
6. The database should be developed to include reported data, adjustments to reported data and estimates.
7. UNSTAT should provide a technical report on replies to the United Nations questionnaire on national practices in external trade.
8. Replacement of UNSTAT data in the Monthly Bulletin of Statistics with IMF monthly data should be investigated.
9. Use of Eurostat data in COMTRADE instead of data received from individual Member States should be investigated.
10. Adjustments on flags of convenience, aid and barter trade should be introduced into the database.
11. The new estimation model of the World Bank should be developed.
12. A small working group, composed of ECE, UNCTAD and GATT, on the provision of estimates for countries which are part of the Commonwealth of Independent States and the Central European Countries should be established.
13. GATT should draft a note on existing divergences among international organizations on country groupings, and commodity groupings for discussion at the Task Force meeting to be held in June 1993.
14. Further research should be conducted into the scanning of publications.

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15. Follow-up should be initiated to the United Nations questionnaire on national practices in external trade. Individual international organizations should formulate their questions and forward them to UNSTAT for coordination and discussion at the June meeting.
16. UNSTAT and the World Bank should share software and analytical techniques for estimation models.
17. INTRASTAT should be reviewed.

B. Medium term, 1994

1. Adjustments already identified should be further refined.
2. Other adjustments, if necessary, should be developed.
3. UNSTAT should review international trade publications produced by international organizations to evaluate the extent of their duplication and timeliness.
4. Individual international organizations should identify specific data cells to be exchanged among themselves for incorporation into their respective publications.
5. UNCTAD should coordinate ongoing work on re-benchmarking of price and volume indices. At present, UNSTAT, the World Bank, IMF and the Macroeconomic Analysis and Social Policy Division of the United Nations are actively involved in this work.

C. Long term, 1997

1. Revised international merchandise trade concepts and definitions should be tabled.
2. A study should be undertaken on pricing practices for goods traded among affiliated companies.
3. An in-depth analysis should be provided of the concept of inter-affiliate trade that could become an integral part of the coverage of international trade statistics in future.

III. REPORT OF THE TASK FORCE ON PRICE STATISTICS, INCLUDING
THE INTERNATIONAL COMPARISON PROGRAMME

Convenor: Statistical Office of the European Communities

1. The Task Force on Price Statistics, including the International Comparison Programme, has to date completed an initial fact-finding stage, having issued a questionnaire to the agencies that are considered to be primarily involved in consumer price statistics, namely: UNSTAT, ECE, the International Labour Organisation (ILO), FAO, IMF, the World Bank, OECD, Eurostat and the International Statistical Institute (ISI). A questionnaire has also been received from ECA.
2. An analysis of the questionnaires has been completed and will be available to the Working Group as a background document.
3. The next step will be to follow up this preliminary analysis by sending a copy of the analysis to each agency requesting certain additional items of information. A meeting of the agencies should not be necessary but will be considered after the next step.

IV. REPORT OF THE TASK FORCE ON ENVIRONMENT STATISTICS

Convenor: Statistical Division of the United Nations Secretariat

1. As convenor of the Task Force on Environment Statistics, UNSTAT circulated a questionnaire to 33 organizations or bodies (see para. 7 below) in order to explore their actual and planned involvement in environmental statistics and accounting. The organizations or bodies with major involvement in environment statistics are UNSTAT, the United Nations Environment Programme (UNEP), ECE, ESCAP, the United Nations Centre for Human Settlements (Habitat), FAO, WHO, the World Bank, the World Meteorological Organization (WMO), the Statistical Committee of the Commonwealth of Independent States, OECD, Eurostat and the World Resources Institute (WRI).
2. The results of the survey will be available to the Working Group as a background document. Based on this survey and taking into account the recommendations of the first session of the Commission on Sustainable Development, which was held in New York from 14 to 25 June 1993, the following observations on coordination and cooperation in the area of environmental statistics, indicators and accounting were made by members of the Task Force.

A. Coordination

3. As part of its work on promoting the coordination of international statistics, UNSTAT has addressed the question of improved coordination through various existing mechanisms. The Intergovernmental Working Group on the Advancement of Environment Statistics, to which UNSTAT provides secretariat services, has held three meetings to date and has focused on methodological questions of environment statistics. More recently the Group has also become involved in questions concerning environmental indicators and indicators of sustainable development, as well as the relationships between environment statistics and integrated accounting. The Intersecretariat Working Group on Environmental Data has held two 1-day meetings focusing mainly on the coordination of lead databases. Other coordinating mechanisms include the Statistical Commission, the Subcommittee on Statistical Activities of the Administrative Committee on Coordination and the Commission on Sustainable Development. Improved coordination and cooperation is the aim of a memorandum of understanding currently being developed between UNEP and UNSTAT. Eurostat, ECE and CIS have also reported major involvement in the coordination of international activities in the field of environment statistics. Information exchange and transparency in work plans are considered a prerequisite for inter-agency cooperation. There is also a need for monitoring action at the national level in the different areas of environment statistics and accounting.

B. Core group on environmental indicators

4. Due to current resource and time constraints it was thought unnecessary to have a costly meeting at this stage in the process of establishing the Task Force. It is suggested that a core group of the Task Force be established to address the coordination of environmental indicators and indicators of sustainable development, as well as the development of a set or sets of indicators according to the requirements of (a) the main international users (Commission on Sustainable Development/Agenda 21, Department of Economic and Social Information and Policy Analysis/UNSTAT, UNEP, financial institutions and others); (b) regional-level users (regional commissions and other regional organizations); and (c) national users. The core group would include those agencies that are currently involved in this work, in particular UNSTAT, Habitat, UNEP, ECE, Eurostat, OECD, WHO, IMF, the World Bank and WRI. It is intended to hold a meeting of the core group towards the end of 1993.

C. Development Watch

5. The United Nations Conference on Environment and Development (UNCED), in Agenda 21, requested that activities related to development data undertaken by agencies and institutions of the United Nations system should be more effectively coordinated, possibly through a Development Watch, equivalent and complementary to the existing Earthwatch. The Inter-agency Committee on Sustainable Development (IACSD), at its first session, (New York, 23 to 25 March 1993), noted that some preliminary conceptual work would have to be carried out in view of the vast scope and complex nature of a possible Development Watch. At its first session, the Commission on Sustainable Development requested the Secretary-General, with the assistance of the

Administrative Committee on Coordination (ACC), to formulate proposals regarding Development Watch. The Task Force will explore the terms of reference/modalities of Development Watch and its linkage to Earthwatch and report the results of its deliberations to IACSD.

D. Other questions

6. To facilitate a more comprehensive response to the questions addressed to the Task Force by the Working Group, organizations were invited to provide comments and/or suggestions on issues that were not covered or only partially dealt with by the survey. The following issues were raised in response:

(a) Fostering collaboration with non-governmental organizations: it was suggested that they might serve on an advisory panel or participate directly in the Task Force;

(b) Working definitions of environment statistics and environmental accounting: UNSTAT was requested to provide definitions and standard terminologies;

(c) Use of geographical information systems (GIS): the use of GIS at the international level for providing an international spatial data infrastructure, facilitating data exchange, was proposed;

(d) Development of a priority programme: the setting of priorities for work at the international level was considered one of the topics to be addressed by the Task Force;

(e) Establishment of target audiences for different programmes of environmental statistics, indicators and accounting: this was proposed as a means of measuring the use and assessing the usefulness of the end products of those programmes.

E. List of organizations receiving the questionnaire

7. The questionnaire was sent to the following organizations or bodies:

United Nations Conference on Trade and Development
United Nations Development Programme
United Nations Environment Programme
United Nations Population Fund
Economic Commission for Africa
Economic Commission for Europe
Economic Commission for Latin America and the Caribbean
Economic and Social Commission for Asia and the Pacific
Economic and Social Commission for Western Asia
United Nations Centre for Human Settlements
United Nations Research Institute for Social Development
International Labour Organisation
Food and Agriculture Organization of the United Nations
United Nations Educational, Scientific and Cultural Organization

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International Civil Aviation Organization
World Health Organization
World Bank
International Monetary Fund
Universal Postal Union
International Telecommunication Union
World Meteorological Organization
World Intellectual Property Organization
United Nations Industrial Development Organization
International Atomic Energy Agency
General Agreement on Tariffs and Trade
World Tourism Organization
Advisory Committee for the Coordination of Information Systems
Customs Cooperation Council
Inter-American Statistical Institute
International Statistical Institute
Organisation for Economic Co-operation and Development
Statistical Committee of the Commonwealth of Independent States
Statistical Office of the European Communities

V. POINTS FOR DISCUSSION

The Working Group may wish to review the work of the task forces and provide additional direction as required.
