



ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

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**EMERGING ISSUES AND DEVELOPMENTS AT THE REGIONAL LEVEL:
STATISTICS**

(Item 7 (e) of the provisional agenda)

**REPORT OF THE COMMITTEE ON STATISTICS ON ITS
TWELFTH SESSION**

SUMMARY

The Committee on Statistics held its twelfth session from 29 November to 1 December 2000. It was attended by representatives of 37 members and associate members and 19 United Nations bodies, specialized agencies and other intergovernmental organizations. It reached a number of major conclusions and decisions, which are enumerated in section I of the present report.

The Committee examined the reports of its Bureau, the Working Group of Statistical Experts, the secretariat and the Statistical Institute for Asia and the Pacific (SIAP) concerning statistical activities in the region. It expressed appreciation of the continuing close collaboration between ESCAP and the United Nations Population Fund, as well as the extrabudgetary support being provided by the Fund. It also expressed gratitude to the Government of Japan for its generous and continuing support to SIAP.

The Committee had extensive discussions on the important role of information technology and its impact on statistical work. It agreed that there was a need to develop a framework for better measuring developments in information technology, but considered that a range of indicators would be preferable, rather than a single composite index. The Committee recognized that statistical offices needed to be in a position to provide data at short notice, and at any time, on the stage of digitization in the country.

In discussing the demand by the international community for an extensive range of development indicators to measure social and economic progress, the Committee was concerned that the needs and resources of countries with less developed statistical systems, including those in the Pacific, should be taken fully into account. It also expressed the view that the range of indicators provided must take account of the needs of both national and international users. The Committee urged countries of the region to participate in the current ongoing review of international development indicators.

The Committee also examined a report on some of the criticisms that had been made of a recent *Human Development Report* produced by the United Nations Development Programme. It welcomed the recommendation that in future the comparison of living standards between countries should be made using purchasing power parity dollars rather than official exchange rates.

The Committee recognized the importance of the International Comparison Programme (ICP) in generating purchasing power parities for cross-country comparison of gross domestic product and other economic aggregates. It agreed on the establishment of a regional ICP coordinating body comprising countries and regional and international organizations, and requested the secretariat to prepare an action plan incorporating likely resource implications and a research agenda.

The Committee also discussed statistics on the informal sector and statistical classifications. In addition, it urged the secretariat and the Asian Development Bank to continue to work closely together in the field of poverty statistics.

With regard to the programme of work, the Committee considered that information and communication technology and the knowledge-based economy were of emerging importance for statistical work, and that those topics should be included both in the medium-term plan for the period 2002-2005 and as a priority item in the programme of work, 2002-2003. It reiterated its view that the thrust of the statistics programme lay in promoting statistical development in the region. It urged the secretariat to assist in the building of national statistical capability, and recognized that extrabudgetary resources were often necessary in that regard. It also urged the secretariat to develop projects for the benefit of countries in the following areas: information and communication technology, statistical classifications, the International Comparison Programme, and statistics on social issues.

Regarding the position of information technology within the programme and conference structures of the secretariat, the Committee recommended that public sector computerization should be retained within its terms of reference, but that information technology in the statistics subprogramme should be limited to activities that were directly relevant to the work of statistical offices.

The Committee also discussed its own functioning under Commission resolution 53/1. It recommended that there should be no change to its current three-day format, and that its sessions should continue to be held on a biennial basis. Given the high level of participation and representation from the capitals, the Committee felt that there was sound justification for its continued existence within the conference structure.

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**I. MATTERS CALLING FOR ACTION BY THE ECONOMIC AND
SOCIAL COMMISSION FOR ASIA AND THE PACIFIC OR
BROUGHT TO ITS ATTENTION**

Major conclusions and decisions of which the Commission should take note

1. The Committee agreed that steps should be undertaken towards better measurement in the field of information technology (IT) for development but expressed the concern that a single composite index alone could not serve that purpose; a set of indicators might well be preferable.
2. The Committee requested the secretariat to prepare a paper exploring alternatives for developing statistical frameworks for measuring the field of IT, taking into account plans of the United Nations Development Programme (UNDP) and other emerging approaches, for presentation to the Working Group of Statistical Experts at its next session.
3. The Committee urged the secretariat and the Asian Development Bank (ADB) to continue to work closely together in the field of poverty statistics.
4. The Committee was concerned that in developing indicators to measure social and economic progress, the needs and resources of countries with less developed statistical systems, including those in the Pacific, should be taken fully into account. The range of indicators provided must take account of the needs of both national and international users.
5. The Committee urged countries of the region to become as fully involved as possible in the mechanisms being developed for the process of reviewing development indicators, which aimed at producing a limited number of core indicators for validation by the United Nations Statistical Commission at its session in 2002.
6. The Committee welcomed the report and the recommendations of the Friends of the Chair of the Statistical Commission, in particular that purchasing power parity dollars (PPP\$) be used throughout the *Human Development Report* as the main form of comparison of living standards. However, it expressed the desire to see an improvement in the quality of PPP data in some regions. The Committee noted that sound PPP data were crucial for proper analysis, and was also concerned about how resources could be found to improve the situation.
7. The Committee shared the view of the representative of the Human Development Report Office that the Human Development Index (HDI), as a composite index, could only be a very crude summary indicator of human development. It needed to be supported by other sets of statistics in order to capture all dimensions of human development. The Committee agreed that the Office should convey the limitations of the HDI more clearly to the public, both in the way it presented its results in the *Human Development Report* and through its interaction with the media.

8. The Committee recommended that all statistical offices should keep in mind, and prepare for, the eventuality that policy makers and other influential data users could at any time request data on the stage of digitization in the country.

9. The Committee noted that the rapid evolution of IT emphasized the need to release related statistics very soon after the observed events had taken place. It noted that there was a high level of government, business and community interest in statistics on the information society, such as computer ownership or Internet use, and recommended that statistical offices should respond appropriately in meeting statistical needs in that area.

10. The Committee agreed that relatively accurate and timely measurement of the state and change of the information society was an important first step in bridging the digital divide. In view of the increasing importance of stepping up methodological work and increasing the exchange of related information, the Committee recommended that statistics on the information society should be included on the agenda of the next sessions of the Committee and its subsidiary bodies.

11. In considering the revision of the International Standard Industrial Classification of All Economic Activities (ISIC) under the auspices of the United Nations Statistical Commission, the Committee stressed the great importance of alternative schemes of industry aggregation, such as for the electronics, information, tourism and transportation industries, and of countries contributing to the review so that the classification reflected the needs of the region.

12. The Committee recognized the importance of the International Comparison Programme (ICP) in generating purchasing power parities for cross-country comparison of gross domestic product (GDP) and other economic aggregates.

13. The Committee agreed on the establishment of a regional ICP coordinating body comprising both countries and international and regional organizations. In that regard, the Committee requested the secretariat to prepare an action plan incorporating likely resource implications and a research agenda.

14. The Committee acknowledged the major contribution to extrabudgetary funding made by the United Nations Population Fund (UNFPA), and was pleased to learn that it was likely to increase its level of funding in the near future. The value of close collaboration between ESCAP and UNFPA could also be seen at the country level in the implementation of statistical projects in the area of population.

15. Despite the advances in Internet technology, the Committee recognized that there was still a need for paper-based output, especially for countries in which access to the Internet was difficult or expensive.

16. The Committee expressed gratitude to the Government of Japan for its generous and continuing contribution to the Statistical Institute for Asia and the Pacific (SIAP), both in cash and in kind, including the awarding of fellowships for training courses in Japan. It also thanked other countries and international organizations, especially UNDP, for their financial and other support to the Institute, and urged those countries to increase their contributions.

17. The Committee decided that information and communication technology (ICT) and the knowledge-based economy should feature in the medium-term plan and that an amendment should be made accordingly at the earliest opportunity.

18. The Committee noted that the priority areas of statistics that had been identified at its earlier session, namely the 1993 System of National Accounts (SNA), poverty statistics, gender statistics, statistics on the informal sector and environment statistics, were in consonance with the vision statement of the Executive Secretary. It considered that ICT and the knowledge-based economy were of emerging importance for statistical work, and decided that those topics should be included as an additional priority item in the programme of work, 2002-2003. The Committee reiterated that the thrust of the statistics programme lay in promoting statistical development in the region. It urged the secretariat to assist in the building of national statistical capabilities, and recognized that extrabudgetary resources were often necessary in that regard.

19. The Committee urged the secretariat to develop projects for the benefit of the countries in the following areas: ICT, statistical classifications, ICP, and statistics on social issues.

20. The Committee decided to retain public sector computerization in its terms of reference, but at the same time to limit the scope of the information technology activities of the statistics subprogramme so that they were directly relevant to the work of statistical offices.

21. In reviewing its functioning, the Committee agreed to make no change to the existing three-day format and to keep its sessions biennial. Since the United Nations Statistical Commission and the Governing Board of SIAP met annually, the Committee decided that the Working Group of Statistical Experts should be empowered to act on its behalf in relation to those bodies in years when the Committee did not meet.

22. Given its high levels of participation and representation from the capitals, the Committee felt that there was sound justification for its continued existence within the conference structure. The Committee decided to authorize its Bureau to monitor developments with regard to the conference structure.

II. PROCEEDINGS OF THE COMMITTEE

A. Overview of significant global and regional issues in official statistics

23. The Committee considered the item on the basis of document E/ESCAP/STAT.12/1, and commended the secretariat on the comprehensive review it had undertaken.

24. The Committee agreed that steps should be undertaken towards better measurement in the field of IT for development but expressed the concern that a single composite index alone could not serve that purpose, as experience with other composite indexes such as the Human Development Index showed. A set of indicators might well be preferable to a single composite index, and it was suggested that the secretariat might survey countries as to which areas and indicators should be covered for a comprehensive description of the phenomenon. It was noted that the Regional Round Table on Information Technology and Development, held in New Delhi in June 2000 in preparation for the summer session of the Economic and Social Council, had not set a time frame for developing the proposed index of readiness for the digital era, nor had it identified the indicators or discussed what weights should be assigned to the index subcomponents.

25. The Committee heard that UNDP would focus the next issue of its *Human Development Report* on the theme of information technology and biotechnology for human development, on which it would welcome methodological suggestions. There were plans for an informal workshop among some countries in the region to examine a framework for the measurement of the knowledge-based economy and e-commerce, drawing for instance on the invited papers provided by Australia and the Republic of Korea under agenda item 6. The Committee requested the secretariat to prepare a paper exploring alternatives for developing statistical frameworks to measure the field of information technology, taking into account UNDP plans and other emerging approaches, for presentation to the Working Group of Statistical Experts at its next session.

26. The Committee noted that the PARIS21 (Partnerships in Statistics for Development in the 21st Century) Consortium had so far held its meetings in Europe and North America, and latterly in Africa, where most of the initial target countries were located. The Committee saw considerable potential in the PARIS21 initiative and noted with interest that its secretariat would use the open forum session on 1 December 2000 to launch the initiative in the ESCAP region. A plan for developing the work of the Consortium was scheduled to be presented to the 2001 session of the United Nations Statistical Commission.

27. The Committee heard with interest of the progress made by countries on their poverty statistics programmes. The useful role played and work done by the Expert Group on Poverty Statistics (the Rio Group) was reaffirmed, but concern was voiced that countries of the region had difficulties in participating actively in its work. The need to convey better the methodology the Group had produced was considered important. The Committee noted the possibility that the secretariat might host the next meeting of the Rio Group, and was contemplating the organization of a high-level

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symposium on poverty measurement with the participation of policy makers. ADB informed the Committee of its plan to develop a poverty database and to produce poverty profiles for its member countries, as well as to convene an Asian Poverty Forum which would include a session on poverty measurement. The Committee urged the secretariat and ADB to continue to work closely together in the field of poverty statistics.

28. The Committee welcomed the creation of the Manila Network on Environmental Accounting and was informed about the modalities, which had been agreed on in principle, that would govern its operation. The next meeting of the Network was tentatively scheduled to be held in Indonesia in 2002.

29. The Committee discussed the issue of accessibility to the city groups.¹ The progress made through the experiences of the city groups and participation in their work was generally considered positive. However, although several of the groups were paying greater attention to issues affecting developing countries, and while their discussions and reports were being increasingly posted on their web sites, difficulties in participating in their work persisted in terms of travel costs and the requirement for substantive contributions. The Committee therefore encouraged countries to make full use of, and if possible contribute to, the methodological materials already available through inexpensive means such as the groups' web sites, and to take advantage of those meetings of city groups which were hosted by countries of the region.

30. The Committee was informed by the United Nations Statistics Division about a number of topics that would be discussed at the 2001 session of the United Nations Statistical Commission. It also noted planned activities by the Division, such as the launch of new web sites on statistical methodology and on good practices in the implementation of the Fundamental Principles of Official Statistics. The Committee welcomed the fact that the International Labour Organization was encouraging inputs from both developed and developing countries on the revision of its manual on the consumer price index, and noted that Singapore would be hosting a meeting on that topic in June 2001.

B. Appropriate use of indicators to measure social and economic progress

31. For the discussion of the item, the Committee had before it two documents: a note prepared by the secretariat on progress and plans in the field of development indicators (E/ESCAP/STAT.12/3), and a paper on the assessment of the statistical criticisms made of the *Human Development Report 1999*, prepared by "Friends of the Chair of the United Nations Statistical Commission" (ESCAP/STAT.12/INF.1). The Committee agreed to consider the two papers separately.

¹ Informal groups of experts primarily from national statistical agencies, set up under the auspices of the United Nations Statistical Commission to address selected problems in statistical methods.

32. In discussing the first paper, the Committee heard that the Working Group of Statistical Experts had had extensive discussions on the topic of development indicators at its eleventh session in 1999. That discussion had focused on the implications for national statistical agencies of the new data requirements arising from the major global conferences and summits organized by the United Nations during the 1990s. Concern had been expressed in particular about the proliferation of different indicator sets being developed by various agencies, the lack of robustness in some of those indicators, and the “indicator overload” for national statistical offices resulting from the decisions of those conferences and summits. Those concerns had been conveyed to the United Nations Statistical Commission at its thirty-first session held in February-March 2000, and the Statistical Commission in turn had reported to the July 2000 session of the Economic and Social Council.

33. The Committee noted that in a resolution² adopted by the Economic and Social Council, the Council had urged international and bilateral agencies to support national statistical capacity-building, and emphasized that the indicators used by the United Nations Secretariat should be developed with the full participation of all countries. The Council had further called upon United Nations agencies to avoid duplication in the range of indicators used in their reports and information networks, ensure transparency, consistency and reliability in the indicators used, and review the Common Country Assessment Indicators of the United Nations Development Assistance Framework (UNDAF-CCA). The Council had reiterated its invitation to the Statistical Commission to review the work undertaken in harmonizing and rationalizing basic indicators so as to identify a limited number of common indicators and thus lessen the data burden on countries.

34. The Committee welcomed those developments, and the opportunity they created for the United Nations Statistical Commission to play a more substantive role in improving long-term coordination between agencies. It expressed the wish to continue to have a timely influence on discussions at the global level, particularly at the Statistical Commission, but was concerned that the timing of the Committee and Working Group sessions might result in their being too late to have an immediate impact on the papers prepared for the Statistical Commission. The Committee was also concerned that the needs and resources of countries with less developed statistical systems, including those in the Pacific, should be taken fully into account. It also stressed that the range of indicators provided must take account of the needs of both national and international users.

35. While doubting whether the efforts made so far at the international level had yet resulted in any diminution of the burden being imposed on statistical offices, the Committee felt that those initiatives had helped to sensitize international organizations to the particular problems facing national statistical offices, thus helping at least to ensure that the data burden had not increased.

² Draft resolution E/2000/L.30, to be issued eventually with some minor editorial changes as resolution E/2000/7.

36. The Committee was informed that the United Nations Statistics Division would shortly be preparing a paper for the meeting of the Statistical Commission in March 2001, which would include a comprehensive list of all conference indicators used by international organizations, as well as the proposed criteria for the evaluation of the different indicators and procedural proposals. Those criteria would cover the technical validity, relevance and cost and effort required to produce each indicator. The Committee noted that the UNDAF-CCA framework had the broadest scope of all existing indicator sets, but that the Minimum National Social Data Set (MNSDS) list of indicators was the only one that had so far been officially accepted by the United Nations system. The Committee urged countries of the region to become as fully involved as possible in the mechanisms being developed for the indicator review process, which aimed at producing a limited number of core indicators for validation by the Statistical Commission at its session in 2002.

37. In considering document ESCAP/STAT.12/INF.1 from the “Friends of the Chair of the Statistical Commission”, the Committee acknowledged the influential role that the annual *Human Development Report* had played in raising public awareness of human development issues. Annex 1 to the document contained the original “Castles” report, which had been submitted as a room document to the session of the Statistical Commission held in 2000 and which included a number of criticisms of the statistical content of the *Human Development Report 1999*. The Committee was informed that the Statistical Commission had not actually discussed the “Castles” report at that session; instead, it had approved the formation of a small group to advise the Chair of the Commission on the issues raised in the report.

38. As a result of their assessment, which also involved an analysis of the detailed responses provided by the Human Development Report Office to the criticisms made in the “Castles” report (included as annex 2 to the report), the “Friends of the Chair” made nine recommendations. Some of those recommendations dealt with technical statistical issues, whilst others were more concerned with organizational and procedural issues involved in producing the *Human Development Report*. The Committee agreed with the broad thrust of the recommendations, including the recommendation that data source information should be provided for all statements in the *Report* based on statistical evidence, along with indications of data limitations where appropriate.

39. The Committee on Statistics particularly welcomed the first recommendation, which was that PPP\$ be used throughout the *Human Development Report* as the main form of comparison of living standards. However, it expressed the desire to see an improvement in the quality of PPP data in some regions. The Committee noted that sound PPP data were crucial for proper analysis, and was also concerned about how resources could be found to improve the situation. It noted that the subject was to be discussed in more detail under agenda item 8, when the Committee considered the International Comparison Programme.

40. The Committee was encouraged to learn that the Human Development Report Office had viewed the report of the “Friends of the Chair” in a positive and constructive light, and that several changes had already taken place as a result of the criticisms made. It welcomed the fact that the importance of the statistical function within the Office had been enhanced, with the title of the statistical adviser being changed to Chief of Statistics, and with the appointment of an external consultant as senior adviser on statistics, to advise on all aspects of statistics in the *Human Development Report*. It noted that a statistical advisory panel had been established, to meet twice a year at crucial stages in the work cycle of the Office, and that the Office planned to play a more active part in the debates among statisticians on issues related to the measurement of human development.

41. The Committee noted that the “Castles” report, while making a number of criticisms of the *Human Development Report*, had not addressed the key issue of how the HDI itself was constructed. The Committee shared the view of the representative of the Office that the HDI, as a composite index, could only be a very crude summary indicator of human development: it needed to be supported by other sets of statistics in order to capture all dimensions of human development. The Committee agreed that the Office should convey the limitations of the HDI to the public more clearly, both in the way it presented its results in the *Human Development Report* and through its interaction with the media.

C. Statistics on the informal sector

42. The Committee considered the item on the basis of document E/ESCAP/STAT.12/2, entitled “Informal sector statistics: a report of the work of the Delhi Group” prepared by the Central Statistical Organisation of the Ministry of Statistics and Programme Implementation, India, and secretariat document E/ESCAP/STAT.12/4, entitled “Some data collection issues”.

43. In considering the report provided by India, the Committee acknowledged the role played by the Central Statistical Organisation as the secretariat for the Expert Group on Informal Sector Statistics (the Delhi Group), and took note of the terms of reference and achievements of the Group. A series of meetings had been held, from which a number of recommendations had emerged. In line with the established procedure for all city groups, those recommendations would be submitted to the United Nations Statistical Commission for further action.

44. The Committee heard with interest that a handbook on the measurement of the “non-observed economy” was being produced by a group of international organizations and national statistical offices led by the Organisation for Economic Cooperation and Development (OECD). The broad aim was to improve the coverage of economic statistics. The “non-observed economy” covered underground or hidden activities, many of which were carried out in the informal sector. The handbook would contain a chapter on the informal sector, including a description of the statistics required to measure it. A final version of the handbook would be ready by mid-2001.

45. The Committee noted the recent recommendation of the Delhi Group on including “place of work” in questionnaires for labour force surveys, in order to obtain data for estimating employment in the informal sector. It also noted the basis of the suggestion on employment size cut-off for presenting internationally comparable statistics on the informal sector.

46. The Committee noted that many studies had been made on homeworkers in some countries in the region, but mostly on a micro basis. It was suggested that an appropriate methodology should be developed to allow national-level estimates to be produced. The Committee heard differing views regarding appropriate methods for classifying homeworkers within the informal sector, and noted that the suggestion to include “dependent homeworkers” at the first-digit level of the International Classification of Status in Employment might generate further discussions at the International Conference of Labour Statisticians. The Committee also noted that, by convention, the agricultural sector was treated as being outside the informal sector.

D. Statistics on the information society

47. The Committee discussed the topic on the basis of a presentation and two documents by Australia: E/ESCAP/STAT.12/5, “A strategy for information technology and telecommunications statistics at the Australian Bureau of Statistics”, and E/ESCAP/STAT.12/6, “Statistical electronic data reporting: the Australian Bureau of Statistics experience”; and a presentation and a document, E/ESCAP/STAT.12/7/Rev.1, entitled “The statistical approach to the digital economy”, by the Korea National Statistical Office.

48. The Committee appreciated the conceptual and methodological work that the two statistical offices had undertaken and shared their observation that a great deal of additional methodological work was required. It welcomed the information that the two countries, together with a small number of other national statistical offices in the region, were planning to organize an informal meeting to further the methodological work on statistics on the information society, and asked that the work be exposed to other countries when it was further advanced.

49. The Committee observed that e-commerce transactions still appeared to represent a marginal share of all transactions in both countries and that the take-off of e-commerce had been slower than had been anticipated a couple of years earlier. However, the volume of business-to-business transactions appeared to be growing and business-to-consumers e-commerce was increasing rapidly, although the latter continued to be restricted to selected goods, such as books, compact discs and IT ware.

50. With regard to cross-border transactions, the Committee observed that, while much of the physical flow of goods was recorded in customs statistics, it was difficult to distinguish which transactions fell under e-commerce. Another problem, on which there was no consensus, was whether conventional electronic data interchange should be treated as e-commerce.

51. The Committee noted that in most countries of the region, computer ownership and access to the Internet were not common, which explained the relatively low attention paid to IT indicators in general. It recommended, however, that all statistical offices should keep in mind, and prepare for, the eventuality that policy makers and other influential data users could at any time request data on the stage of digitization in the country.

52. The Committee took note of the work that OECD had done in the development of indicators for measuring the ICT sector and e-commerce and in addressing the economic policy concerns of its members. It expressed appreciation that many related reports had been published on the OECD web site.

53. The Committee recognized that the first data on the information society were naturally restricted to indicators that were easy to obtain, for instance by extraction from traditional data sources or by collection through regular household or business price surveys. Before moving to emerging industries and trying to capture conceptually difficult changes, IT use might be surveyed among established industries. The Committee agreed that the development of statistics on the information society was a gradual process and that the users of statistics ultimately wanted to learn what the impact of information technology was on the various aspects of the economy, such as total or labour productivity or economic growth, and social life and people's well-being. The Committee noted, however, that it was not possible to reach that stage without further research and "smarter" data collection methods.

54. The Committee agreed that the negative effects of the IT revolution, such as the adverse social and cultural impact, were of interest to many, and that statistical offices were likely to receive related data requests.

55. The Committee noted that the Australian public sector was ahead of the private sector in computer use and web site development. In that connection, the Committee was informed that the latest version of the sample survey of government use of IT was collecting information not only on computer use but also on electronic service provision by government organizations to clients. There was a need to understand the provision of government electronic and online services, which were becoming mandatory.

56. The Committee heard with interest that computer and Internet use were included in the questionnaire of the upcoming 2001 census and that such questions were also part of the regular agricultural survey in Australia. Among other uses, that information would assist understanding of whether access to IT was equitable by region and by social status.

57. The Committee noted that the rapid evolution of IT emphasized the need to release related statistics very soon after the observed events had taken place; otherwise the statistics could lose their relevance to policy-making. It also noted that there was a high level of government, business and community interest in statistics on the information society, such as computer ownership or Internet

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use, and recommended that statistical offices should respond appropriately in meeting statistical needs in that area.

58. The Committee noted that data collection strategies related to the information society were not much different from other statistics. They were guided by user needs, including policy relevance, statistical feasibility, available collection vehicles, respondent burden, and available skills and resources. It also noted that the survey data could potentially be used in conjunction with other unit record data, such as tax records or location-dependent variables, to obtain more detailed information about users of IT equipment or services.

59. The Committee noted that digitization of transaction records could in some cases be tapped as a data source. The Australian Bureau of Statistics, for instance, was purchasing detailed petrol price statistics from a private company whose data originated from credit card transactions.

60. The Committee agreed that relatively accurate and timely measurement of the state and change of the information society was an important first step in bridging the digital divide. The suggestion was made that the United Nations Statistics Division or ESCAP should prepare a manual on measuring IT-related activities. In view of the increasing importance of the topic and the need to step up methodological work and increase the exchange of information, the Committee recommended that statistics on the information society be included on the agenda of the next sessions of the Committee and its subsidiary bodies.

E. Statistical classifications: implementation status in the region

61. The Committee considered the topic on the basis of a note by the secretariat (E/ESCAP/STAT.12/8). The secretariat had conducted a survey of all countries and areas in the region, asking for information about three classifications: the International Standard Industrial Classification of All Economic Activities, Third Revision (ISIC, Rev. 3), the Harmonized Commodity Description and Coding System (HS) and the Central Product Classification (CPC). Responses had been received from a quarter of the countries, and had been supplemented by information gleaned from other sources.

62. ISIC, Rev. 3 had been implemented by most of the reporting countries, but the Committee expressed some concern at the apparent slow take-up of the classification worldwide. In that connection it also noted that the implementation of any revision of a statistical classification required a significant commitment from countries for linking and rebasing data series, with consequent implications in terms of time and financial resources.

63. The Committee concluded that no demand had emerged for an Asian variant of ISIC. The Pacific Community reported however that it had produced a draft elaboration of agriculture and fishing activities in ISIC, Rev. 3 for the Pacific subregion, for initial presentation to a meeting of the Food and Agriculture Organization of the United Nations in June 2001.

64. The Committee noted that most members and associate members were using HS. By contrast, very few had yet implemented CPC, primarily because of resource constraints.

65. The Committee took note of the long time frame required for the revision of a classification such as ISIC, of which Rev. 4 was not expected to be published until 2007. While that was cause for concern, it should afford countries of the region adequate opportunities to participate in the revision process; the secretariat was encouraged to play a coordinating role in that regard. The Committee stressed the great importance of alternative schemes of industry aggregation, such as for the electronics, information, tourism and transportation industries, and of countries contributing to the review of ISIC so that the classification reflected the needs of the region.

66. The Committee noted that it would be useful to ascertain in the future the implementation status in the region of other classifications, such as those of occupation and education, in close cooperation with their custodian agencies.

F. The International Comparison Programme: prospects for a regional comparison

67. The Committee considered the topic on the basis of a paper (E/ESCAP/STAT.12/9/Rev.1) entitled "Proposal for a regional comparison in Asia and the Pacific", prepared by the World Bank. The document was intended to initiate discussion with a view to planning and launching a revamped regional comparison.

68. The Committee recognized the importance of ICP in generating PPP for cross-country comparison of GDP and other economic aggregates. It also recognized the problems encountered in ensuring the sustained participation of countries and the timeliness of the results. The Committee noted the findings and recommendations of the two evaluations sponsored respectively by OECD, and jointly by the World Bank, the International Monetary Fund (IMF) and the United Nations Statistics Division, as bases for improving ICP. Contrary to one of the evaluation recommendations, it was suggested by the Committee that PPPs should not be confined to consumption expenditure.

69. The Committee noted that ICP would have greater support from countries if users became more aware of the policy applications of its data at the national level. It also felt that ICP would be highly successful if synergy between ICP and CPI work were established; countries could use ICP to improve their price indexes. In addition, countries could be shown how PPPs could be used as a tool for poverty analysis and to provide measures for subnational comparisons. The Committee noted the important potential of ICP for contributing to statistical capacity-building in a country, with improvements in the quality of both price and national accounts statistics.

70. The Committee recognized that the pressure to improve PPP data in the region could not wait for all the desirable methodological and financial elements to fall into place. It also recognized that improvement would be a gradual, long-term process. It was thought vital that such an initiative

should be designed, implemented and owned by stakeholders in the region. Such a programme could act as a flagship statistical capacity-building project in the region.

71. The Committee agreed on the establishment of a regional ICP coordinating body comprising both countries and international and regional organizations. In that regard, it requested the secretariat to prepare an action plan incorporating the likely resource implications and a research agenda.

72. The Committee was informed that OECD and the World Bank would jointly hold a seminar on purchasing power parity early in 2001, at which conceptual and practical issues would be addressed. It also acknowledged the offer of OECD to provide expertise for ICP in the region.

G. Reports for the attention of the Committee

1. Report of the Bureau, including implementation of the recommendations of the Committee at its tenth and eleventh sessions

73. The Committee had before it a report from its Bureau (E/ESCAP/STAT.12/11), which had held its sixth session in Bangkok on 28 November 2000. The Bureau had reviewed the status of implementation of 31 recommendations made by the Committee at its ninth, tenth and eleventh sessions, with a view to their revalidation, reformulation or suppression. In doing so, it had used the same system of categorization as in its previous sessions. The Bureau's report contained a detailed listing of the recommendations that had been retained. The Committee requested the secretariat to attach an annex to the document, for the information of the members of the Committee, giving a listing of the other recommendations that had not been retained, either because they had been implemented or because they had been overtaken by events.

2. Report of the Working Group of Statistical Experts

74. The Committee had before it the report on the eleventh session of the Working Group of Statistical Experts (E/ESCAP/STAT.12/10), and requested follow-up information on certain points. It was informed that the meeting of the UNFPA-funded working party on the application of new technology to population data had been postponed to March 2001 owing to human resources constraints in the secretariat. Concerning environment statistics, the first subregional training workshop had already been organized in May 2000; three others were scheduled for the first half of 2001, including one to be organized in collaboration with the Economic Cooperation Organization, which would provide Russian translation and interpretation facilities. With regard to SIAP training programmes concerning poverty statistics, the Committee heard that SIAP had organized a training course in poverty measurement in the Lao People's Democratic Republic and was planning a similar course in Myanmar.

3. Report on major statistical activities of regional and international institutions

75. The Committee had before it a note by the secretariat on its activities since the eleventh session (E/ESCAP/STAT.12/14), and also a document from the Secretariat of the Pacific Community (E/ESCAP/STAT.12/15) listing the recommendations made at its Twelfth Meeting of Heads of Statistical Offices.

76. The Committee welcomed the level of detail provided in the secretariat document, which contained information on its work in providing statistical information services and in promoting statistical development. It also contained information on the advisory missions and other technical consultations carried out by the secretariat, as well as a complete listing of the various technical meetings held over the two-year period. The document also contained tables on the resource situation, including information on staffing levels, details of the extrabudgetary funding allocations over a six-year period, and allocation of staff by work-months spent on different activities. The Committee noted the Bureau's observation that the balance of activities seemed reasonable, with the recent increase in work-months for database development reflecting the recruitment of the statistical database administrator for the ESCAP Statistical Information System.

77. In discussing the secretariat's activities, the Committee noted that, despite the steep decline in the level of extrabudgetary resources mobilized by the Statistics Division, the level of activity (at least in terms of the holding of technical meetings) was as high as previously. That had been achieved through increased collaboration between ESCAP and various organizations, with the costs for the meetings often being met by others. The Committee acknowledged the major contribution to extrabudgetary funding made by UNFPA, and was pleased to learn that the Fund was likely to increase its level of funding in the near future. The value of close collaboration between ESCAP and UNFPA could also be seen at the country level in the implementation of statistical projects in the area of population.

78. The Committee considered whether there was a need to adjust the balance between web-based and paper-based output of country data and newsletters. Despite the advances in Internet technology, the Committee recognized that there was still a need for paper-based output, especially for countries in which access to the Internet was difficult or expensive.

79. In terms of the work of the Pacific Community, the Committee's attention was drawn to the coordinating role that it played. International agencies were requested to inform the Community whenever they were planning to conduct any statistical activity in the Pacific.

4. Issues relating to the Statistical Institute for Asia and the Pacific, including the reports of the Governing Board

80. The Committee had before it documents E/ESCAP/STAT.12/12 and E/ESCAP/STAT.12/13, containing the reports of the Governing Board of SIAP on its fifth and sixth sessions, held in Tokyo from 6 to 8 October 1999 and on 29 and 30 August 2000 respectively.

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81. The Committee was informed about the move of SIAP to new premises, the election of members of its second Governing Board, and major developments in its training activities, including its Tokyo-based courses and outreach, research-based training, and distance learning programmes.

82. The Committee expressed gratitude to the Government of Japan for its generous and continuing contribution to SIAP, both in cash and in kind, including the awarding of fellowships for training courses in Japan. It also thanked international organizations, especially UNDP, for their financial support, and urged individual countries to increase their contributions. It also expressed appreciation to the United States Bureau of the Census, the Management and Coordination Agency of the Government of Japan and the Australian Bureau of Statistics, which had provided resource persons in specific subjects for SIAP training courses and workshops. It also acknowledged the contribution made by several countries in helping to organize regional, subregional and country courses.

H. Programme matters

1. Changes to the programme of work, 2000-2001; changes to the draft medium-term plan, 2002-2005; outline of the draft programme of work, 2002-2003

83. The Committee had before it a note by the secretariat (E/ESCAP/STAT.12/16), entitled "Programme matters: changes to the programme of work, 2000-2001; changes to the draft medium-term plan, 2002-2005; outline of the draft programme of work, 2002-2003". The Committee noted that the Bureau, at its meeting on 28 November, had conducted a comprehensive review of the document. It agreed with the Bureau's view that there was no need for any changes to the programme of work, 2000-2001, subject to discussions on the Committee's treatment of public sector computerization activities.

84. The Committee noted that the draft medium-term plan for the period 2002-2005 had been examined and amended by the Working Group of Statistical Experts in November 1999 and subsequently further amended at United Nations Headquarters, and that it would shortly be adopted by the General Assembly. It decided that ICT and the knowledge-based economy should feature in the medium-term plan and that an amendment should be made accordingly at the earliest opportunity.

85. The Committee noted that the priority areas of statistics that had been identified at its earlier session, namely, the 1993 SNA, poverty statistics, gender statistics, statistics on the informal sector and environment statistics, were in consonance with the vision statement of the Executive Secretary. It considered information and communication technologies and the knowledge-based economy to be of emerging importance for statistical work, and decided that those topics should be included as an additional priority item in the programme of work, 2002-2003. The Committee reiterated that the thrust of the statistics programme lay in promoting statistical development in the region. It urged the secretariat to assist in the building of national statistical capabilities, and recognized that extrabudgetary resources were often necessary in that regard.

86. The Committee expressed appreciation of the improvement in the timeliness and content of the *Statistical Newsletter*. It suggested that the secretariat should provide information on emerging issues and developments in statistics, in addition to providing details on web addresses. It suggested that the newsletter could be used as an important vehicle for transferring information on best practices on statistical matters.

87. The Committee recalled its earlier discussion, and urged the secretariat to develop projects for the benefit of the countries in the following areas: ICT, classifications, the International Comparison Programme, and statistics on social issues.

2. Consideration of alternative formats of the work programme

88. The Committee considered the item on the basis of the note by the secretariat in document E/ESCAP/STAT.12/17, prepared in response to the request of the Working Group of Statistical Experts at its eleventh session. The document attempted to present the relationship between the objectives and expected accomplishments and the subject-matter priorities identified by the Committee. It recognized that the format differed from those used for the preparation of the secretariat programme budget document. While annex III to the document offered a clearer understanding of the linkages, the Committee felt that a subject-matter-specific breakdown into subdivisions of outputs would help satisfy the Committee's requirements in that area.

3. Treatment of information technology in the programme and conference structures of the secretariat

89. The Committee had before it a note by the secretariat in document E/ESCAP/STAT.12/18, entitled "Public sector computerization and the Committee on Statistics", which had been prepared at the request of the Working Group of Statistical Experts at its eleventh session in November 1999. It noted that while that aspect of the Working Group's deliberations had been brought to the attention of the Commission at its fifty-sixth session, no advice had been forthcoming regarding the implications of recent IT developments for the secretariat-wide programme of work. The Committee also noted the impending review of the whole conference structure of the Commission.

90. The Committee supported the recommendation of the Bureau that public sector computerization should be retained in its terms of reference, but at the same time, that the scope of IT activities of the statistics subprogramme should be limited so that they were directly relevant to the work of statistical offices. The Committee felt that such an interpretation was fully consistent with the preambular phrase in its terms of reference, whereby the Committee acted as the focus of regional statistical development. The Committee thus decided to leave its terms of reference unchanged.

I. Review of the functioning of the Committee under Commission resolution 53/1 of 30 April 1997

91. The Committee considered the item on the basis of document E/ESCAP/STAT.12/19, which the secretariat had prepared at the request of the Committee at its eleventh session. The paper provided background information and presented some options on the duration of the Committee sessions.

92. The Committee agreed with the Bureau that the best course of action was to make no change to the existing three-day format and keep its sessions biennial. It noted that the meetings of the Working Group of Statistical Experts were complementary to its own work, and observed that the Working Group meetings had the advantage of flexibility in terms of duration, topicality of documentation, and light conference-servicing requirements. Since the United Nations Statistical Commission and the Governing Board of SIAP met annually, the Committee decided that the Working Group should be empowered to act on its behalf in relation to those bodies in years when the Committee did not meet.

93. The Committee noted that the Commission was scheduled to reconsider its conference structure not later than its 2002 session, and that preliminary discussions would take place in 2001. Given its high levels of participation and representation from the capitals, the Committee felt that there was sound justification for its continued existence within the conference structure. The Committee decided to authorize its Bureau to monitor developments with regard to the conference structure and to make any necessary representations on behalf of the Committee in connection with its terms of reference.

J. Other matters

94. The Committee decided that a session of the Working Group of Statistical Experts should be organized in 2001, and recalled that it would examine a secretariat paper exploring alternatives for developing statistical frameworks for measuring the field of IT. The Committee agreed that the Bureau should decide on other topics to be placed on the agenda of the Working Group. It was also recommended that, barring unforeseeable changes, the Working Group should meet in Bangkok from 27 to 30 November 2001.

K. Election of the Bureau

95. The Committee considered the item on the basis of a note by the secretariat in document E/ESCAP/STAT.12/20. It unanimously elected the following bureau:

Chairperson:	Tim Skinner (Australia) ³
Vice-Chairpersons:	Timoci Bainimarama (Fiji) ³
	Frederick W.H. Ho (Hong Kong, China) ³
	Suedarti Surbakti (Indonesia) ⁴

³ Term of office on the Bureau expiring in 2002.

Ch. Davaasuren (Mongolia)⁴

A.G.W. Nanayakkara (Sri Lanka)⁴

III. ORGANIZATION OF THE SESSION

A. Opening and duration of the session

96. The Committee on Statistics held its twelfth session in Bangkok from 29 November to 1 December 2000.

97. The session was opened by Mr Chirasakdi Poonpol, Deputy Permanent Secretary, Office of the Permanent Secretary, The Prime Minister's Office, Government of Thailand.

98. The Deputy Executive Secretary and Officer-in-Charge a.i. of the secretariat, and the Deputy Permanent Secretary, addressed the Committee.

99. On 1 December 2000, the Committee held an open forum on the PARIS21 initiative, covering questions and answers on PARIS21. The PARIS21 Consortium secretariat made a presentation at the open forum session.

100. At the closure of the session, the participants expressed gratitude to the Government of Thailand, especially the National Statistical Office, for the warm hospitality accorded to them.

B. Attendance

101. The session was attended by representatives of the following 37 members and associate members of ESCAP: Australia; Bangladesh; Bhutan; Brunei Darussalam; Cambodia; China; Democratic People's Republic of Korea; Fiji; France; India; Indonesia; Iran (Islamic Republic of); Japan; Kazakhstan; Kiribati; Lao People's Democratic Republic; Malaysia; Mongolia; Myanmar; Nepal; Netherlands; New Zealand; Pakistan; Philippines; Republic of Korea; Russian Federation; Singapore; Sri Lanka; Thailand; Turkey; United Kingdom of Great Britain and Northern Ireland; United States of America; Viet Nam; Hong Kong, China; Macao, China; New Caledonia; and Northern Mariana Islands.

102. The session was also attended by an official of the United Nations Secretariat, representing the United Nations Statistics Division of the Department of Economic and Social Affairs.

103. Representatives of the following United Nations bodies attended: United Nations Children's Fund, United Nations Development Programme, United Nations Development Fund for Women, and United Nations Population Fund.

104. Representatives of the following United Nations specialized agencies attended: International Labour Organization, Food and Agriculture Organization of the United Nations, United Nations

⁴ Term of office on the Bureau expiring in 2004.

Educational, Scientific and Cultural Organization, World Bank, International Telecommunication Union and United Nations Industrial Development Organization.

105. Representatives of the Asian Development Bank, Association of Southeast Asian Nations, Organisation for Economic Cooperation and Development and the Pacific Community also attended.

106. Representatives of the following non-governmental organizations attended: International Council on Social Welfare, World Confederation of Labour, and World Veterans Federation.

107. A representative of the Statistical Institute for Asia and the Pacific also attended.

108. Representatives of the PARIS21 secretariat participated in the open forum session.

C. Officers

109. The Committee was presided over by the following officers:

Chairperson:	Paul Cheung (Singapore)
Vice-Chairpersons:	Tim Skinner (Australia) Timoci Bainimarama (Fiji) Frederick W.H. Ho (Hong Kong, China)
Vice-Chairperson and Rapporteur:	Ch. Davaasuren (Mongolia)

110. At its meeting on 1 December 2000, the Committee elected by acclamation the following officers to serve as its incoming Bureau:

Chairperson:	Tim Skinner (Australia) ⁵
Vice-Chairpersons:	Timoci Bainimarama (Fiji) ⁵ Frederick W.H. Ho (Hong Kong, China) ⁵ Suedarti Surbakti (Indonesia) ⁶ Ch. Davaasuren (Mongolia) ⁶ A.G.W. Nanayakkara (Sri Lanka) ⁶

The Committee noted that the Bureau would elect one of its vice-chairpersons to act in addition as rapporteur.

D. Agenda and organization of work

111. The Committee adopted the following agenda:

1. Opening of the session.
2. Adoption of the agenda.

⁵ Term of office expiring in 2002.

3. Overview of significant global and regional issues in official statistics.
4. Appropriate use of indicators to measure social and economic progress.
5. Statistics on the informal sector.
6. Statistics on the information society.
7. Statistical classifications: implementation status in the region.
8. The International Comparison Programme: prospects for a regional comparison.
9. Reports for the attention of the Committee:
 - (a) Report of the Bureau, including implementation of the recommendations of the Committee at its tenth and eleventh sessions;
 - (b) Report of the Working Group of Statistical Experts;
 - (c) Report on major statistical activities of regional and international institutions;
 - (d) Reports concerning the Statistical Institute for Asia and the Pacific, including the reports of the Governing Board.
10. Programme matters:
 - (a) Changes to the programme of work, 2000-2001;
 - (b) Changes to the draft medium-term plan, 2002-2005;
 - (c) Outline of the draft programme of work, 2002-2003;
 - (d) Consideration of alternative formats of the work programme;
 - (e) Treatment of information technology in the programme and conference structures of the secretariat.
11. Review of the functioning of the Committee under Commission resolution 53/1 of 30 April 1997.
12. Other matters.
13. Election of the Bureau.
14. Adoption of the report.

E. Documentation

112. The documents that were before the Committee at its twelfth session are listed in the annex to the present report.

F. Adoption of the report

113. The Committee adopted the report on its twelfth session on 1 December 2000.

⁶ Term of office expiring in 2004.

Annex

LIST OF DOCUMENTS

Symbol	Title
E/ESCAP/STAT.12/L.1	Provisional agenda
E/ESCAP/STAT.12/L.2	Annotated provisional agenda
E/ESCAP/STAT.12/1	Overview of significant global and regional issues in official statistics
E/ESCAP/STAT.12/2	Informal sector statistics: a report of the work of the Delhi Group
E/ESCAP/STAT.12/3	Progress and plans in the field of development indicators
E/ESCAP/STAT.12/4	Some data collection issues
E/ESCAP/STAT.12/5	A strategy for information technology and telecommunications statistics at the Australian Bureau of Statistics
E/ESCAP/STAT.12/6	Statistical electronic data reporting: the Australian Bureau of Statistics experience
E/ESCAP/STAT.12/7/Rev.1	The statistical approach to the digital economy
E/ESCAP/STAT.12/8	Statistical classifications: implementation status in the region
E/ESCAP/STAT.12/9/Rev.1	Proposal for a regional comparison in Asia and the Pacific
E/ESCAP/STAT.12/10	Report of the Working Group of Statistical Experts
E/ESCAP/STAT.12/11	Report of the Bureau, including implementation of the recommendations of the Committee at its tenth and eleventh sessions
E/ESCAP/STAT.12/12	Report of the Governing Board of the Statistical Institute for Asia and the Pacific, fifth session
E/ESCAP/STAT.12/13	Report of the Governing Board of the Statistical Institute for Asia and the Pacific on its sixth session
E/ESCAP/STAT.12/14	Secretariat activities since the eleventh session of the Committee on Statistics
E/ESCAP/STAT.12/15	Recommendations of the Pacific Community's Twelfth Regional Conference of Statisticians

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E/ESCAP/STAT.12/16	Programme matters: changes to the programme of work, 2000-2001; changes to the draft medium-term plan, 2002-2005; outline of the draft programme of work, 2002-2003
E/ESCAP/STAT.12/17	Programme matters: consideration of alternative formats of the work programme
E/ESCAP/STAT.12/18	Public sector computerization and the Committee on Statistics
E/ESCAP/STAT.12/19	Review of the functioning of the Committee under Commission resolution 53/1 of 30 April 1997
E/ESCAP/STAT.12/20	Election of the Bureau
ESCAP/STAT.12/INF.1	An assessment of the statistical criticisms made of the <i>Human Development Report 1999</i>

Country/area papers

- | | |
|-------------------------------------|------------------------|
| 1. Australia | 10. Malaysia |
| 2. Bhutan | 11. Mongolia |
| 3. China | 12. New Zealand |
| 4. Fiji | 13. Pakistan |
| 5. Hong Kong, China | 14. Philippines |
| 6. Indonesia | 15. Republic of Korea |
| 7. Japan | 16. Russian Federation |
| 8. Lao People's Democratic Republic | 17. Sri Lanka |
| 9. Macao, China | 18. Thailand |

Organization papers

1. OECD technical cooperation in statistics in the ESCAP region
2. Review of ILO statistical activities in Asia/Pacific, 1999-2000
3. Establishment of the Intersecretariat Working Group on Price Statistics and the Revision of the ILO Manual on CPI