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Report of the Friends of the Chair group on economic statistics

Note by the Secretary-General

In accordance with Economic and Social Council decision 2020/211 and past practices, the Secretary-General has the honour to transmit the report of the Friends of the Chair group on economic statistics to the Statistical Commission for discussion. The report provides a description of the activities of the group relating to its global and regional meetings and other consultations. It contains the group's recommendations on better networking for a user-centred approach and partnership in creating global data assets; better challenging the system through use cases in co-production and co-investment; better enabling the system through improved working methods among statistical groups; and better documenting the international conceptual and practical guidance on methodological standards iteratively through regular experimentation and testing to meet rapidly evolving user demand. It contains recommendations for an agile and more responsive system of economic statistics based on four themes: (a) networking: collaboration and user consultation; (b) transforming and challenging the system: statistical infrastructure and operations, and data solutions; (c) enabling: institutional arrangements and governance; and (d) experimenting, integrating and documenting: statistical framework and methods. The Commission is invited to approve the recommendations in the report, including the establishment of a new network of economic statisticians and exploration of the need for and feasibility of a new committee of experts on population and well-being, and to dissolve the Friends of the Chair group on economic statistics.

* E/CN.3/2021/1.



Report of the Friends of the Chair group on economic statistics

I. Summary

1. At its fiftieth session, the Statistical Commission requested that a Friends of the Chair group be established for a period of not more than two years to undertake an assessment of the efficiency, effectiveness and responsiveness of the governance of the current system of economic statistics, without creating more bureaucracy or adding undue burden on national statistical offices and international organizations. The Commission also requested that the Friends of the Chair group take stock of existing initiatives and make recommendations for the update of the system of economic statistics through a broad user consultation. The Commission further requested the Friends of the Chair group to report back to the Commission at its fifty-first session with a clear plan on how to move forward and at its fifty-second session with a final report on a responsive, efficient and effective system of economic statistics.

II. Introduction

2. At its fifty-first session, held in New York from 3 to 6 March 2020, the Statistical Commission adopted decision 51/105 (see [E/2020/24](#), chap. I, sect. C), in which it:

(a) Welcomed the report of the Friends of the Chair group on economic statistics ([E/CN.3/2020/7](#)) and confirmed that the work of the group was already positively influencing the working methods and collaboration among existing groups for the update of the system of economic statistics in support of the monitoring of the 2030 Agenda for Sustainable Development (General Assembly resolution [70/1](#)), with links to the environment and well-being;

(b) Commended the group for its efforts to undertake extensive consultations with existing statistical groups and with countries through regional seminars on the future of economic statistics on user-identified priority areas of development, the existence of gaps in priority areas and the current governance and working methods of statistical groups;

(c) Requested the group to further consider the need for a responsive, comprehensive and harmonized system of economic statistics, encompassing macroeconomic accounts, statistical business registers, international classifications and granular data from household, business and trade statistics;

(d) Agreed that the proposed work programme of the group in its second and final year would cover four dimensions: documenting the operations of the current system of statistical groups and the proposed future state, improving connections between statistical groups by establishing networks, challenging statistical groups to operate in new ways, with a focus on experimentation and capacity-building, and increasing engagement with a broad range of users and other potential partners to determine global priorities for the updated system of economic statistics, such as those related to globalization, digitalization, well-being and sustainability, the informal economy and human capital;

(e) Supported the work of the group on the review of the working methods of the existing statistical groups based on common principles and requested the group to explore new working arrangements to improve the mechanisms of coordination and interactions between the statistical groups in sharing information, setting priorities and avoiding gaps;

(f) Requested existing statistical groups to collaborate with the group to undertake the review of the governance and working methods and trial new action-oriented networking methods to explore their benefits;

(g) Agreed to dissolve the statistical groups that were no longer active in the domain of economic statistics, as listed in paragraph 30 of the report of the Friends of the Chair group on economic statistics: the Inter-Agency Task Force on Finance Statistics, the Expert Group on International Trade and Economic Globalization Statistics, the Inter-Secretariat Working Group on International Trade and Economic Globalization Statistics, the Delhi Group on Informal Sector Statistics and the Inter-Agency Working Group on Debt Statistics;

(h) Requested the group to challenge the statistical groups with a limited number of short-term projects, building on the needs of developed and developing countries to trial new working methods and networking of statistical groups to support the update of the system of economic statistics;

(i) Encouraged the implementation of mature new conceptual issues in Member States based on detailed guidance notes and welcomed the interest of Member States to participate in the experimentation;

(j) Welcomed further initiatives on consultations, such as a United Nations global forum on economic statistics, to obtain user feedback on the update of the system of economic statistics and to discuss new working methods to make the system of economic statistics more agile and responsive;

(k) Requested a final report of the Friends of the Chair group on economic statistics to be submitted to the Commission at its fifty-second session in 2021.

3. The present report provides an overview of the activities of the group from the end of the fiftieth session of the Commission up to November 2020. The content is arranged as follows: section III contains a summary of the outcomes of the group meetings; section IV covers the framing of a responsive programme for the system of economic statistics; section V contains recommendations for the future of economic statistics; and section VI covers the action to be taken by the Commission.

III. Activities of the Friends of the Chair group on economic statistics

4. The Friends of the Chair group held five meetings between May 2019 and November 2020 to discuss its activities and the status of its work programme. The fourth and fifth meetings were held virtually owing to the coronavirus disease (COVID-19) pandemic.

A. Summary of the first meeting

5. At its first meeting, held from 28 to 30 May 2019, the group examined whether the current planned updates to the system of economic statistics addressed the current and future needs of users; whether the current infrastructure in place (such as statistical frameworks, methods, classification systems, source data, technology, policies and partnerships) was sufficient to address the needs of the future; and whether appropriate governance arrangements existed to ensure a responsive, efficient and effective system of economic statistics. The main conclusions are described below.

6. Most of the future information needs of key users from a macroeconomic and sectoral perspective were reflected in the list of current initiatives. However, a more clearly defined programme of work related to measuring the informal economy and

informality should be established. There was also a call to close the sizeable gap between the development of new collective methodologies and the data available at the country level. The often considerable delay between the commencement of work at the global level on new standards or statistical products and their implementation at the country level could be reduced by early experimentation and the release of experimental estimates. It was considered that the current infrastructure was not nimble and that recommendations should be developed with the goal of improving the overall agility of the framework, not only in the development of concepts and methods, but also in the ability of the framework to deliver data products in a more responsive manner. It might be helpful for the future governance structure to operate by a common set of principles to promote efficiency and effectiveness and to remove duplication. Globally inclusive consultations within the existing network of working groups, task forces and high-level committees were required before a set of recommendations could be presented to the Commission.

B. Summary of the second meeting

7. At its second meeting, held from 2 to 4 December 2019, the group evaluated the feedback received from the global user consultation and the survey of statistical groups and from regional consultations within the framework of high-level seminars on the future of economic statistics; further defined the system of economic statistics; articulated any changes needed to the governance arrangements, and the statistical operations and infrastructure of the system; agreed upon tasks and responsibilities for 2020; and agreed upon the content of the report to the Commission at its fifty-first session. The key observations are set out below.

8. The global user consultation and the survey of statistical groups indicated that the governance system was not seen to be broken, but that there was a need for improvement in terms of coordination, communication and responsiveness. The existing system was seen to be slow in adjusting to user demand, with a practical and more agile approach preferred. In a presentation, the Assistant Secretary-General for Economic Development and Chief Economist highlighted the need to maintain a user-centred focus. There was a broad consensus on the need to produce more granular and timely data and that that need should be supported across methods, tools and standards. Finally, there was a consensus that capacity-building and user support were vital to developing countries.

9. A mapping-out of the system from the perspective of national statistical offices highlighted a high degree of complexity. It was observed that subject matter “families” of committees worked best when there was a high degree of coordination and minimization of duplication between committees of experts, intersecretariat working groups, task forces and city groups.

10. That assessment led to a number of conclusions. The production of statistics should cater to both short-term and long-term policy needs. A wealth of information could be mined from the results of the regional consultations and the consultation of the network of statistical groups. There was a need to ensure that the system of economic statistics was receptive to change, and consideration should be given to the extent to which that could be achieved by transitioning national statistical offices from the role of data producers to that of data stewards. A new capacity-building approach to international statistical activities should be explored, promoting collaboration, innovation and experimentation while delivering a return on investment for countries’ involvement. While there was little appetite for major changes to the current governance arrangements, there was a need for more coordination, collaboration and communication. New arrangements to improve coordination, communication and collaborative responsiveness across the system of

economic statistics, on the basis of the principles of accountability, coordination and transparency, should be explored. Improvements to the system of economic statistics should focus on standard-setting, statistical infrastructure and statistical operations.

C. Summary of the third meeting

11. At its third meeting, held on 1 March 2020, the group discussed the preparation for the agenda item on the Friends of the Chair group at the fifty-first session of the Commission; reviewed the work programme of the group for 2020; and requested contributions from members for the actions and projects agreed upon for 2020. The main conclusions are set out below.

12. There was a need to continue to assess the mechanisms used to align the terminology and mandates of the statistical working groups, recognizing the roles of individual countries and agencies; and to address issues of duplication, networking, and working in an agile manner. There was a recognition that, while the current systems engaged early with developed countries, and increasingly with developing countries, there was a need to explore more inclusive mechanisms that could allow the views of all countries to be brought to the table much sooner. To that end, it was further proposed to explore the early engagement of developing countries in the update of manuals through experimentation with and testing of new methods and to strengthen horizontal coordination across the domains of economic statistics through the formation of a new inclusive mechanism that would meet the fast-evolving new demand for a multi-domain and multidimensional suite of socioeconomic and environmental statistics and indicators. The group further encouraged that a limited number of use cases be identified and implemented to showcase the improved responsiveness of the new working methods in resolving specific statistical issues.

D. Summary of the fourth meeting

13. At its fourth meeting, held on 29 and 30 June 2020, the group discussed how to ensure a user-centred focus for a response system of economic statistics; affirmed the group's objectives following the COVID-19 pandemic; and agreed on the workplan for the remainder of the second year. The main conclusions are set out below.

14. National statistical systems should ensure an integrated statistical and user-centred approach to tracking sustainable development in the light of the COVID-19 pandemic. Such an approach underlined the need for a broad statistical framework for the future system of macroeconomic and microeconomic statistics for evidence-based policy making. Such a broad statistical framework should be able to address the multidimensional and interrelated trends of globalization and supply chains of multinational enterprises, digitalization and technological innovation, urbanization, climate change, demographic shifts and inequality.

15. The statistical response to the COVID-19 pandemic could serve as a use case to challenge the system of economic statistics, centred on a whole-of-system approach ("networking the system") featuring broad consultations and assessment with users ("engaging the user"). With that approach, national statistical offices should adopt the role of data stewards, in addition to being data producers, and actively establish partnerships across the public and private sectors. Such networking partnerships could include exploring new and innovative data solutions in the use of alternative data sources or conducting more frequent surveys to produce granular indicators beyond the traditional economic, social, financial and environmental indicators for a rapid assessment of the impact of COVID-19. The whole-of-system approach might also lead to a better understanding of how newly emerging business models might warrant

co-investments in statistical infrastructure.¹ Furthermore, the whole-of-system approach aided in framing a more holistic and integrated measurement framework for evidence-based policy making by bringing together a coherent set of statistics, indicators and accounts from the various domains of economic statistics. It was recognized that good and sustained progress was being made in the statistical framing and measurement of the interrelationship between the economy and the environment (including natural capital). A similar statistical articulation and measurement was needed for the interrelationships between the economy and society (population and human capital).

16. The objectives of the group have become more relevant and critical against the backdrop of the COVID-19 pandemic. There was a convergence of views on an emerging new statistical business model comprising three interrelated and mutually reinforcing building blocks to ensure a consistent and comparable approach to tracking the multidimensional impact of the COVID-19 pandemic across countries.

17. The first building block is the set of new operational principles of the business model that national statistical offices have adopted in their COVID-19 response. Elements of that building block include the institutional and operational environment in which national statistical offices operate (for example, data stewardship and a user-centred approach); compiling iterative and experimental measures in a timely manner; balancing the various data quality aspects in statistical production processes (for example, timeliness, accuracy and granularity); and adopting and promoting a whole-of-system approach (for example, establishing increased collaboration within and between the national, regional and global levels, and developing multidimensional dashboards of socioeconomic and environmental indicators).

18. The second building block is the pivot to a new statistical infrastructure and the adoption of innovative data solutions. The new statistical infrastructure and data solutions extend to the application of new technologies for new data sources and new data collection methods, using alternative data sources. This requires the cultivation of enhanced networking relationships with data providers (both administrative and private data), the integration of high-frequency data and structural information, and the making of decisions on when to discontinue the collection and compilation of traditional time series.

19. The third building block is a decision on the appropriate statistical framework to be used to present statistical products in an integrated and coherent manner. The national statistical responses to COVID-19 merit a broad framework for the future of economic statistics that goes beyond measuring gross domestic product (GDP) to measuring social, environmental and well-being dimensions (for example, labour, education and health), at both the macro and the micro levels. The adoption of a broader measurement framework would necessitate collaboration with other partners to obtain timely access to microdata and statistical registers in order to produce the relevant granular indicators for a more holistic picture of sustainable development.

¹ Co-investment in shared infrastructure may include shared technology offered by global cloud-based platforms; a shared central global repository of big data under global agreements with private sector owners; shared libraries of methods and algorithms; and a global register of multinational enterprises to support the building of responsive and resilient national statistical systems.

20. A stocktaking survey² should be sent to national statistical offices to obtain an initial assessment of how their statistical systems are coping with the pandemic in cooperation with international organizations and regional commissions. Such an assessment could further contribute to the forthcoming recommendations of the group through the use of a high-frequency global survey instrument for consultations with national statistical offices.

E. Summary of the fifth meeting

21. At its fifth meeting, held virtually on 3 November 2020, the group discussed the draft framework and recommendations to achieve better outcomes for the system of economic statistics. The draft framework and recommendations had been developed by selected members of the group – Canada, Mexico, the United Kingdom of Great Britain and Northern Ireland, the United States of America, the International Monetary Fund, the Islamic Development Bank and the United Nations – at weekly meetings, using inputs from the previous meetings of the group and the results of the global consultation exercise. The draft framework and recommendations also incorporated comments provided by members during individual consultations organized prior to the meeting. The individual consultations reflected the open, transparent and inclusive nature of the drafting process. The draft framework and recommendations, which are elaborated upon in sections IV and V, can be summarized as set out below.

22. The framework is aimed at achieving the following four key outcomes:

- (a) Better cooperation and networking among national statistical offices in developed and developing countries;
- (b) Better national data solutions provided by better global statistical infrastructure and global data solutions;
- (c) Better working methods and aligned governance arrangements;
- (d) A better and more responsive system of economic statistics.

23. The recommendations are organized around four major themes:

- (a) Networking: collaboration and user consultation;
- (b) Transforming and challenging the system: statistical infrastructure and operations, and data solutions;
- (c) Enabling: institutional arrangements and governance;
- (d) Experimenting, integrating and documenting: statistical framework and methods.

24. While agreeing with the draft framework and the proposed recommendations, participants advised that the recommendations for global actions should adopt a problem-driven approach for the transformation and modernization of statistical systems. Furthermore, the implementation of the recommendations should be an inclusive process, conducted through extensive user dialogue and networking, and take into account the circumstances of all countries, especially developing countries, which typically have low statistical capacity, in order to leave no one behind. The

² The third round of the United Nations/World Bank global survey on monitoring the state of statistical operations under the COVID-19 pandemic in collaboration with the five United Nations regional commissions included questions from the Friends of the Chair group on public, private and international partnerships, access to and use of new data sources (new surveys, big data and administrative data), new methods and new technology. Questions on the challenges faced by national statistical offices were also included.

main conclusions of the meeting and subsequent individual consultations with the members of the group are presented in Section IV.

IV. Framing of a responsive programme for the system of economic statistics

25. A responsive programme for the system of economic statistics is aimed at achieving the four key outcomes described below to better integrate the statistical measurement of the economy, society and environment to inform the universal 2030 Agenda.

A. Better cooperation and networking among national statistical offices in developed and developing countries

26. Better cooperation and networking among national statistical offices in developed and developing countries, facilitated by international and regional organizations, will strengthen analytical and data management capabilities, enabled through the exchange and sharing of knowledge, governance, partnerships and technology.

27. Better cooperation and networking, as reinforced in the light of the COVID-19 pandemic, will enable national statistical offices to reimagine their business model, develop innovative strategies and adopt best practices in collaboration with other government agencies and the private sector, to produce trusted, timely and robust statistics catering to user demands.

B. Better national data solutions

28. Better national data solutions provided by the global statistical infrastructure will produce statistics that will help to complete the picture of the interrelationships between national economies and drive efficiencies and connectedness in the global data ecosystem through partnership with the public sector, academia, private data holders and technology companies.

29. Better national data solutions will also help to ensure access to timely granular data from multiple sources, including the public and private sectors, which will facilitate the production of socioeconomic and environmental indicators to better inform the policy agenda.

C. Better working methods and aligned governance arrangements

30. Better working methods and aligned governance arrangements will help the system of economic statistics to operate as a coherent, collaborative, accountable and integrated system that is inclusive of the different actors involved.

D. A better and more responsive system of economic statistics

31. A better and more responsive system of economic statistics will measure our fast-evolving economies and enable us to experiment with the integration of the rapidly changing information demands of policymakers. The system of economic statistics will be aimed at achieving improved granularity and timeliness, as well as

better integration of the measures of economy, society and the environment to inform the universal 2030 Agenda.

V. Recommendations for the future of economic statistics

32. The recommendations are aimed at transforming and modernizing national statistical systems using a problem-driven approach centred on the four themes set out below.

A. Networking: collaboration and user consultation

33. It is recommended that collaboration and user consultation should build on the traditional mechanisms of global and regional forums on economic statistics. Such forums have proven to be effective in identifying regional interests and priorities that recognize the diversity between the national systems of economic statistics in terms of both statistical capability and institutional arrangements for the production of economic statistics, such as the role of central banks in conjunction with national statistical offices. Such forums will not only foster better collaboration with the academic and policymaking community, but also identify a forward-looking agenda on emerging topics to make the system of economic statistics more responsive to new user demands.

34. In operationalizing this recommendation, consideration should be given to how forums can adequately channel the statistical demands coming from different groups of users more regularly. It is worth recalling, as an interesting example, the European Statistics Code of Practice, which includes the following principle: “Procedures are in place to consult users, to monitor the relevance and value of existing statistics in meeting their needs, and to consider and anticipate their emerging needs and priorities.”

35. Better regional and global coordination between countries and agencies would further increase the effectiveness of regional consultations in reducing redundancies and overlaps. Moreover, existing regional forums should also increasingly be organized jointly with global agencies to foster better coordination and ensure regional ownership by using existing regional platforms for dialogue. The outcomes of such regional forums will feed into the global forums (for instance, a United Nations global forum on economic statistics) that are expected to be co-organized by international and regional agencies to set the priorities of the global programme of work for the system of economic statistics. Such global and regional consultations should benefit from the good practices adopted by many national statistical offices and international organizations to maintain regular consultations with users in the public and private sectors, academia, the media and the non-governmental organization community.

36. In addition, it is recommended that direct communication channels and mechanisms, facilitated by international and regional organizations, be established between countries to jointly work on innovative global data solutions at scale. A network of data science centres in national statistical systems could be established for that purpose, building on the increasing number of data centres established by national statistical offices in both developed and developing countries. Such a network of data science centres should be supported by shared strategies to increase communication, collaboration and engagement efforts between the statistical community, academia, technology partners and private sector data owners, building on the emerging practices of countries. The network will support the alignment of priorities and the development of new methods and tools at the global, regional and national levels for the system of economic statistics. It could initially be formed by a

limited set of countries and organizations, or a “coalition of the willing”, that pilots the enabling and collaborative environment by setting practical and time-bound challenges for co-production and co-investment in global data solutions through partnership. Such global data solutions should be tested for universal applicability.

37. Such an innovative network could be instrumental in implementing use cases in accordance with the recommendation to adopt a whole-of-system approach for the system of economic statistics. With a whole-of-system approach, international organizations and national statistical offices may adopt a thematic approach rather than a domain-specific approach to address a policy issue. By way of example, a country that explores a transition to a low-carbon economy may seek support from national statistical offices to provide an integrated statistical view of the economic impact of the transition from the extraction and/or use of fossil fuels to the use of renewable energy resources, the social and geographical impact on employment and household income, as well as the environmental impact of lower emissions and waste. Such an integrated view makes it possible to establish a dashboard comprising a coherent set of statistics and indicators from the various domains of the system of economic statistics. The whole-of-system approach also warrants the development and use of new tools and techniques of microdata linkages using integrated statistical registers of businesses, persons, households and locations, as well as integrated data sets from surveys and administrative data, and increasingly from non-traditional data sources.

38. With the request from users to adopt a whole-of-system approach, national statistical offices are increasingly taking up the role of data stewards in addition to being data producers. Moreover, they actively establish partnerships with academia and data owners in the public and private sectors, ensuring that the work is aligned with public acceptability. International organizations are also progressively networking global partnerships to explore new data solutions that originate in the use of alternative data sources held by global data owners, offering targeted statistical services to the providers of data sets and co-administering global surveys to produce indicators for a rapid assessment of the impact of key and emerging socioeconomic and environmental issues.

39. Building on those emerging but still fragmented practices, the whole-of-system approach warrants closer collaboration between national, regional and international statistical agencies, whereby regional and global agencies support collaboration between national statistical partnerships to deliver globally and at scale. In building responsive and resilient national statistical systems, such collaboration should promote co-investments in statistical infrastructure through shared technology, cloud-based platforms, trusted data-sharing and exchange arrangements, a shared central global repository of big data under global agreements with private sector owners, shared libraries of methods and algorithms, and a global register of multinational enterprises.

40. In a whole-of-system approach, national statistical offices and international organizations recognize the value of global initiatives covering elements such as data acquisition, access and sharing, statistical methods for data innovation, collaboration on common information and communications technology infrastructure, effective governance of statistical operations, and assistance in the sharing and cross-fertilization of best practices and strategies.

41. The success of the whole-of-system approach will rely on the establishment of efficient mechanisms to facilitate networking among the different actors within the broad system of economic statistics. A new collective global strategy and phased actions should provide the global scale necessary to overcome the present legal and institutional impediments of national and regional approaches.

B. Transforming and challenging the system: statistical infrastructure and operations, and data solutions

42. New mechanisms are recommended that transform collaboration among national statistical offices and international organizations beyond the sharing of experiences and practices to co-investment and co-development of statistical infrastructure, operations and data solutions. This can be achieved through the sharing of knowledge and expertise, technology and partnerships, in addition to financial resources. Globally, it could lead to efficiencies by limiting duplication of effort.³

43. Such mechanisms should be formalized, piloted and implemented over time. A key overarching principle concerning co-investment should be “leave no one behind” and the adoption of pragmatic approaches in the development of global solutions. In the beginning, a few national statistical offices or international organizations could co-invest in the development of a given tool or solution, which will ultimately result in benefits for all through testing of the applicability of tools and data solutions in selected developing countries.

44. Furthermore, it is recommended that co-investment is prioritized in the areas described below.

Common data acquisition and access

45. Many national statistical offices are making individual requests to access and use data from multinational companies. The legal framework relating to statistical activities of individual countries generally prevents the sharing of information. One approach would be for a group of national statistical offices to collectively approach large multinational companies and agree on a joint approach to access and use these privately held data. For example, national statistical offices might collectively approach credit card companies or large telecommunication companies, which often operate globally. A collective of national statistical offices and international organizations might be able to offer more in return to those companies than an individual such office or organization could. Apart from collective action on access to global private data owners, global initiatives should be pursued for access to administrative data.

Data-sharing

46. While there is a good rationale for stronger data-sharing among national statistical offices, in particular the sharing of company data, there are considerable barriers and challenges. In most cases, national legislation prevents such data-sharing. Even if it were to occur, trust between national statistical offices and domestic firms could be undermined.

47. Making progress here is likely to be challenging, but it is worth trying. International organizations could play a key role both as hosts of shared data and by developing a management and governance framework for sharing data, including the use of methods and techniques for preserving privacy. Such arrangements should also be extended to the secure exchange of information on cross-border transactions and company structures of multinational enterprises for the consistent recording of information by countries on the role of multinational enterprises in national economies.

³ The Statistical Information System Collaboration Community and the High-level Group for the Modernization of Official Statistics are examples of mechanisms that are already in place and work well.

48. The development of new data-sharing arrangements will be challenging but could build on existing practices in the adoption of legislative arrangements at the national and regional levels. Similar legislative arrangements, including at the global level, could be explored for secure data-sharing with the private sector for statistical purposes.

Common data infrastructure and common resources

49. International organizations already perform a key role in supporting national statistical offices by hosting and analysing comparable economic data, but there is scope for further development in terms of better underpinning the global infrastructure. The work of Eurostat on the EuroGroups Register, of the Statistics Division of the Department of Economic and Social Affairs of the Secretariat on the global group register and of the Organization for Economic Cooperation and Development on the Analytical Database on Individual Multinationals and Affiliates are good examples of how to maintain regional and global databases of the largest multinational enterprises that could serve as stepping stones for more ambitious projects, extending perhaps to a complete register of multinational enterprises. Such work could contribute to delineating the role of multinational enterprises in global value chains and prove valuable in establishing statistics and indicators relating to multinational enterprises, including, but not limited to, trade in value added, fiscal optimization and modes of supply.

50. Again, in the development of such a global data infrastructure, the needs and capabilities of developed and developing countries should be recognized in the deployment of information in their statistical production. The development of the infrastructure should therefore be accompanied by methodological manuals and capacity-building initiatives.

Common technological solutions for the integration of geospatial data, the use of data science, the use of nowcasting techniques and the production of high-frequency statistics

51. The international statistical ecosystem will benefit from co-investment in the development of global technological solutions aimed at the integration of geospatial data, the production of high-frequency data in statistical programmes or the development of common repositories of web-scraping scripts, artificial intelligence tools or algorithms that directly query databases from data providers.

52. The production of data at a more disaggregated level is also a common and recurring demand across the complete spectrum of data users. Co-investment in the development of perturbation methods, small-area estimation, and the standardization of identifiers for data linkages could also efficiently address that requirement.

53. The proposed network of economic statisticians (see para. 67) will provide recommendations on promising areas for co-investment, consistent with the priorities identified by the stakeholders of the system.

54. The development of specific and targeted use cases to test further both the notion and the modus operandi of co-investment should be developed. An initial use case could include the use of big data and data science and engineering techniques for nowcasting to improve the timeliness of key economic indicators.

55. As an example, the use cases for nowcasting could be based on the combination of a specific data set – with big data features – with treatment techniques to extract the relevant signals from such data sets. Possible target variables of nowcasting experiments could be quarterly GDP, household consumption, short-term labour

market indicators (employment/unemployment), consumer prices, tourism flow indicators and international trade statistics.

56. The recent pandemic has created an immediate need for real-time information to quickly inform policy measures, tailored to fast-changing economic and social needs.

57. All statistical institutions are working on generating real-time information in some form. No single international organization is the “keeper” of that endeavour from a mandate perspective. The work could bring about broad consensus on appropriate responses, including shareable and adaptable approaches and techniques, among developed and developing economies.

58. Where possible, the use cases will make use of existing data and technology platforms and working arrangements, such as the United Nations Global Platform for official statistics operated under the Statistical Commission. The Platform already brings together a sizeable community of data scientists and data engineers for advancing innovative and cost-efficient data solutions for statistical production with the objective of minimizing the use of traditional sources such as surveys and censuses (for instance, for validation purposes only) and maximizing the use of non-traditional data sources such as big data and administrative data. Already, use cases are being explored in the area of statistics related to agricultural crop production, the consumer price index, transport, international trade and tourism, but the cases could be scaled to produce experimental estimates for a large number of developed and developing countries, and new use cases could be added through co-investment and co-production.

59. Particular attention should be given to data solutions that are affordable and are offered as services that require an attainable level of expertise and an acceptable level of operational expenses when used in statistical production. Moreover, innovative new financing arrangements should be explored, which should build on a blended approach using financial and in-kind resources provided by national statistical offices, international organizations and the private sector to progressively implement an agreed set of global data solutions.

60. Collaborative knowledge platforms for the system of economic statistics are another crucial mechanism to enable collaboration, sharing and access to international macroeconomic accounting manuals, classifications, guidance notes, tools and research initiatives. Common platforms will address the need to centralize and share knowledge and facilitate global collaboration between national statistical offices, international organizations and the various committees of experts, as well as serving as a tool to engage academics and other users.

61. The Intersecretariat Working Group on National Accounts and the Advisory Expert Group on National Accounts agreed to establish a joint sub-task team with representative national and international experts from other statistical committees to facilitate the development of collaborative compilers’ hubs for statistical standards and classifications.

62. The group supports the development of collaborative compilers’ hubs. Such hubs are seen as an enabling tool to support recommendations on co-development and co-investment and to support the principles of networking and the digitalization of the manuals on the system of economic statistics.

C. Enabling: institutional arrangements and governance

63. In the era of globalization of our societies, economies and natural environments, international organizations should facilitate the creation of an enabling environment for global partnerships in areas where an approach centred on national statistical

offices would be suboptimal. Examples include determining the role of multinational enterprises and international digital platforms; maintaining global business registers of enterprise groups; ensuring data access and realizing acquisition from and exchange with global private data owners; and mobilizing the international academic community. This is relevant in the context of internationalization, where it is increasingly difficult for any national statistical office to provide a full picture of interactions between societies, economies and natural environments.

64. The roles of international organizations and even national statistical offices are changing rapidly in the system of economic statistics. National statistical offices have a responsibility to provide comprehensive, relevant and quality information in response to ever-evolving user needs and in support of evidence-based policy. International organizations have their unique mandates, objectives and rationales in a system with a focus on the harmonization of statistical standards, methods and tools and on the sharing of global and national statistics and practices.

65. In the context of the exponential growth of globalization and the digital economy, it is increasingly difficult for any national statistical office to obtain a complete and real-time picture of interactions between the various economic agents within its borders, and even more so in the case of interactions at the international level.

66. In short, apart from the need to facilitate global partnerships in co-production and co-investment with regard to the development of cutting-edge techniques and methods for better national statistics, the need for better coordination of the system of economic statistics is becoming increasingly important across a wide range of statistical domains, given user demands for a broader, multidimensional measurement framework. There is scope to better coordinate the domains of classifications, business, trade, environment, social, demographic, price and other statistics. Therefore, it is recommended that the existing working methods of statistical groups related to the system of economic statistics be amended to accommodate the evolving need for coordination of co-investment between international organizations and national statistical offices and the recognition of shared responsibilities between international organizations and national statistical offices from both developed and developing countries in setting the priorities for updates of international manuals and global initiatives on data solutions. As a corollary, existing groups of statistical experts should review their mandate and governance structure, introduce networking and co-investment mechanisms and remove any hierarchical governance arrangements in their working methods.⁴ Moreover, to step up their efforts for co-investment, national statistical offices from developing countries will need to be better represented in global committees of experts.

67. It is further recommended that the Statistical Commission establish a network of economic statisticians to facilitate networking, coordination and communication between the different actors in the system of economic statistics and that it promote global partnerships with academia and the private sector for a responsive system of economic statistics that functions efficiently in response to changing user demands. The network should facilitate and lead the prioritization of global use cases through negotiated partnership arrangements.

68. The new network should provide a horizontal coordination function across the United Nations statistical groups making up the system of economic statistics. Thus, the network should not be construed as an additional hierarchical layer between existing groups and the Commission, but as a partnership or network of national statistical offices

⁴ The implementation of this recommendation should not impede work in progress, in particular ongoing revisions of manuals.

and international organizations willing to take forward the group's recommendations for actions. The network is to adopt an agile operational approach that accelerates innovation and change following agreed principles of networking, co-investment, governance and experimentation for the system of economic statistics. Meanwhile, the network will focus on horizontal domain issues in the system of economic statistics, thereby complementing existing and new groups in the system.

69. By applying a gentle yet influential hand in coordination, the network's main task should be to identify priorities and common thematic areas and use cases across the existing groups for experimentation based on problem statements. For instance, it should take the lead in developing the global approach to data acquisition and identify use cases in co-investment and co-production when generating high-frequency statistics using online global platforms on retail sales, tourism and accommodation, transport services, consumer and producer prices, international trade, employment statistics, and so forth. Such an approach can leverage the emerging network of national, regional and global centres (for example, the United Nations Global Platform) and scale up the good practices that have been established by countries and regional and international organizations. Furthermore, the network should consider building on the work of the United Nations Economists' Network, or other existing networks, in advancing thematic approaches for areas such as inequality, climate change and environmental degradation, sociodemographic change, frontier technologies, and urbanization.

70. Through the network, the global statistical system should preserve the dynamics of innovation by facilitating continuous sharing of national experiences, which is proving to be invaluable in the fast-evolving field of economic statistics, beyond the incidental release of updated methodological standards and related manuals.

71. The initial network membership of countries and agencies may be limited to a coalition of the willing that builds on the strength of diversity and seniority of representation and that is intended to demonstrate the operational power of a global response through co-investments by willing national statistical offices and regional and global agencies.

72. It is of paramount importance that the network fully recognize and respect the responsibilities, mandates and initiatives of international organizations and developed and developing countries. The building of trust through co-investment in joint use cases will serve as proof of the new working arrangements envisaged.

73. The proposed key activities and functions of the network are summarized under the following four main work streams:

(a) **Networking: collaboration and user consultation.** The network will undertake global and regional user consultations on emerging issues and priorities for the research agenda; network national statistical offices and strengthen analytical and data management capabilities in the system of economic statistics; and promote a whole-of-system approach and strong partnerships with academia and the private sector;

(b) **Transforming and challenging the system: statistical infrastructure and operations, and data solutions.** The network will promote collaborative actions on global co-investment and co-production for global statistical infrastructure, operations, and data solutions, as well as leverage efficiencies and limit duplication of effort through the prioritization of global use cases for co-investment and co-development;

(c) **Enabling: institutional arrangements and governance.** The network will promote better working methods and better coordination and collaboration

among groups so that the system of economic statistics is inclusive of the different actors involved, and foster the effective functioning of the system;

(d) **Experimenting, integrating and documenting: statistical framework and methods.** The network will promote working methods for the continuous and iterative update of global statistical standards through experimentation with and testing of methodological changes in countries, and pursue a broad integration framework with multidimensional, broader measures of progress for the system of economic statistics.

74. It is recommended that the working methods of the various groups operating within the scope of the system of economic statistics be reviewed to strengthen innovation and agility, as well as collaboration and coordination and the terminology used for the working methods. When the mandates are reviewed, the specificity of each domain should be taken into account. Discussions are under way on the new mandates in the area of agricultural and rural statistics with the Food and Agriculture Organization of the United Nations; in the area of price statistics with the Intersecretariat Working Group on Price Statistics, in collaboration with the Ottawa Group on Price Indices; in the area of energy balances and statistics with the Intersecretariat Working Group on Energy Statistics and the Oslo Group on Energy Statistics; in the area of international statistical classifications with the Expert Group on International Statistical Classifications; in the area of international trade statistics with the Inter-Agency Task Force on International Trade Statistics; and in the area of environment statistics with the Expert Group on Environment Statistics. In addition, the Global Working Group on Big Data for Official Statistics has adopted the proposed mandate and governance structure and has proposed changing its name to the Committee of Experts on Big Data and Data Science for Official Statistics.

75. The mandates of statistical groups in the system of economic statistics should be reviewed on a case-by-case basis, as appropriate. For instance, in specific domains, the general principles of co-investment and shared responsibility between agencies and countries in the proposed mandate and governance structure should be maintained but could be further detailed to ensure that equal visibility, roles and mandates of the national and international statistical agencies are respected in the new working methods. Moreover, any change to the new governance arrangements and working methods should be organic and minimize disruption of ongoing programmes of work on the update of international statistical standards. Given the existing state of play, the review of the draft mandate and governance structure could be concluded successfully in the near future, with updated terms of reference for some statistical groups submitted to the Statistical Commission as early as at its fifty-second session in March 2021.

76. It is further recommended that a broader framework for measuring the relationship between the economy and society, in addition to further advancing the implementation and update of the System of National Accounts (SNA) and the System of Environmental-Economic Accounting, should be developed. Such a broader framework would guide the measurement of the various dimensions not only of well-being but also of human capital, in addition to produced and natural capital, in support of the asset approach to sustainability. The initiative should further strive for consistency of concepts and data sources between the economy, society and the environment, which is vital for their coherent and robust measurement. Therefore, the need for and feasibility of a United Nations committee of experts on population and well-being to develop a consistent methodological framework that will enable the production of coherent and robust measures for the economy, society and the

environment, extended with well-being indicators, should be actively explored.⁵ If approved, the mandate for the new committee should include responsibility for improving the availability and quality of statistics related to the well-being of people and the sustainability of societal developments in a broader statistical framework. Again, the initiative will benefit from the statistical progress and practices accumulated during the past decade by countries and international organizations.

77. Governance and coordination mechanisms and a global technology platform to enable co-investment and co-development for global data acquisition and access; data-sharing; common data infrastructure and common resources; and common technological solutions should be scaled. A global approach to data acquisition will enhance the international comparability of the economic statistics that countries produce. In that regard, international organizations have a role to play in helping countries to gain access to data collected by the private sector. However, a pragmatic approach should be applied for global technological data solutions with practices in developing, accessing and using agreed-upon methods (i.e. library of validation and index algorithms for consumer price index calculation using scanner data). In contrast, the use of a common global technology platform for access to and use of data, methods and training will require a significant commitment in co-investment and co-production before it can become a reality. That notwithstanding, a systematic global approach for data acquisition, access and sharing using the United Nations Global Platform and the United Nations brand should be adopted to advance co-investment and co-production in partnerships with globally operating private sector data owners and internationally recognized academic networks.

D. Experimenting, integrating and documenting: statistical framework and methods

78. The group recognizes the need expressed by users to speed up the development and update of statistical standards and supports the publication of experimental guidance notes, even though some of the conceptual issues have not been addressed. Moreover, the group stresses that the guidance notes should provide not only guidance on the conceptual aspects of the update of statistical standards, but also practical guidance for experimentation with and testing of the proposed conceptual developments in both developed and developing countries. Pursuing experimentation and testing will contribute to informing standard-setters and other countries about the practical applicability of the update of statistical standards.

79. The global consultation organized by the group in 2019 led to a demand for a faster, more agile process for the update and revision of global statistical standards to react to public policies and keep pace with the fast-changing environment. The participants in the consultation also recognized the work of the United Nations Economists' Network led by the Assistant Secretary-General and Chief Economist in advancing thematic approaches for areas such as inequality, climate change and environmental degradation, sociodemographic change, frontier technologies, and urbanization.⁶ Not only does the development of such standards take a long time, but their adoption and implementation by statistics compilers is also slow and complex. Recent experience with the statistical response to the COVID-19 pandemic demonstrated the inflexion point towards rapid response mechanisms and related

⁵ The name of the new committee could be reconsidered when the scope of its work is clarified, to reflect the intention to produce broader statistical measures of well-being and sustainability in a system-of-systems approach.

⁶ See *Report of the UN Economist Network for the UN 75th Anniversary: Shaping the Trends of Our Time* (United Nations publication, 2020).

statistical methods, which were able to quickly and flexibly adapt to the measurement of new socioeconomic and environmental realities. Therefore, strategies should be adopted for the continuous and iterative update of global statistical standards and methods that will result in a shorter and more interactive revision cycle supported by a detailed capacity programme based on experimentation with and testing of the new conceptual developments in both developed and developing countries. A key element in such strategies, which advance both methodological development and national capacity for implementation, is experimentation with and testing of the methodological changes for adoption as soon as possible before they are reflected in the relevant statistical manuals. Testing and experimentation have become highly relevant in the context of the COVID-19 pandemic, beyond the methodological development of international standards. However, guidance on what should be tested is needed in order to minimize the cost of iterative updates. A prominent role for the regional commissions and regional agencies in experimentation with and testing of methodological changes in countries is foreseen in both the assessment and implementation phases, building on their regional series of COVID-related webinars on guidance for a wide range of official and experimental statistics.

80. At the fiftieth session of the Statistical Commission, various reports, including the report of the Friends of the Chair group on economic statistics and the report of the Intersecretariat Working Group on National Accounts, acknowledged the requirements of experimentation with and testing of the methodological changes and the adoption of a continuous research cycle. The first step involves an annual updating of the research agenda with emerging measurement and conceptual issues. Subsequently, task teams of experts from countries and international agencies will develop guidance notes on the key issues. As part of the consultation on the guidance notes, countries will be encouraged to develop experimental estimates and test the operational viability of implementing the changes. This will result in the practical implementation of guidance on key emerging conceptual issues in a way that makes statistics available to users more rapidly.

81. Once a significant amount of new guidance/recommendations has been developed, a formal update of the manual is envisaged. That approach strikes a good balance between ensuring that users are provided early on with experimental statistics and incorporating new conceptual developments into the manuals on the system of economic statistics.

82. A broader integration framework for the system of economic statistics is recommended and should be actively pursued for the updated system with the objective of arriving at an overarching framework, or “system of systems”. The overarching framework is characterized by the integration of statistics and classifications on economic, social and environmental issues in terms of monetary and physical measures and by the linking of micro- and macrodata in order to provide analysts and policymakers with a comprehensive and coherent granular and consolidated view of interrelated economic, social and environmental phenomena. It is reiterated that the proposed new committee of experts on population and well-being could play a coordinating role with regard to the articulation of the interrelationships between society, the economy and the environment by bringing together the various stakeholders in sociodemographic, economic and environmental statistics and academia. That conceptual work should build on and be aimed at advancing the SNA and System of Environmental-Economic Accounting framework in order to advance measures of well-being and sustainability.

VI. Action to be taken by the Statistical Commission

83. **The Commission is invited:**

(a) **To approve the recommendations in the present report, including the establishment of a new network of economic statisticians and exploration of the need for and feasibility of a committee of experts on population and well-being;**

(b) **To dissolve the Friends of the Chair group on economic statistics.**
