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Items for information

**Documents for the information of the Committee on
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Part I

Implementation of the International Comparison Program in the Asian and Pacific region¹

Asian Development Bank

I. Introduction

1. This paper provides information on the status of implementation of the 2011 International Comparison Program (ICP) for Asia and the Pacific, including governance meetings, collection of price data and validation, and national accounts.

2. The global ICP is organized on a regional basis with the regional programs being managed by Regional Coordinating Agencies. There are seven regions — Africa, Asia and the Pacific, the Commonwealth of Independent States, Latin America and the Caribbean, Western Asia, and the Pacific Islands group. The remaining region is covered by the OECD-Eurostat PPP Program. The Global Office (GO) at the World Bank manages the global program. The 2011 ICP for Asia and the Pacific is coordinated by the Asian Development Bank (ADB). Twenty three economies are participating in the Asia and Pacific region, namely: Bangladesh; Bhutan; Brunei Darussalam; Cambodia; People's Republic of China; Fiji; Hong Kong, China; India; Indonesia; Lao People's Democratic Republic; Macao, China; Malaysia; Maldives; Mongolia; Myanmar; Nepal; Pakistan; the Philippines; Singapore; Sri Lanka; Taipei, China; Thailand; and, Viet Nam. The ICP in the Pacific Islands group is coordinated by the Australian Bureau of Statistics (ABS). The paper, hence, has two main sections: status of implementation in the Asia and Pacific region and, status of implementation in the Pacific Islands.

II. Status of implementation in the Asian and Pacific region

A. Governance meetings

3. The ADB as the regional coordinator for the Asia and Pacific region participates in the Regional Coordinators meetings and attends the Technical Advisory Group (TAG) meetings organized by the GO. The ADB also attends the Executive Board meeting as a member. In addition to these bodies, the GO has also set up a Computation Task Force and a Validation Expert Group. The former supports the GO in ensuring that the 2011 ICP results at the regional and global levels comply with Board-approved methodology and processes and; that the computation of global results is documented for future reference. The latter assists the GO in reviewing the prices and Purchasing Power Parities (PPPs) underlying the global computations to ensure consistency between the global and regional comparisons.

(a) The **Regional Coordinators** meet twice a year. Among the topics discussed in these meetings are: (i) status of implementation of regional programs; (ii) issues related to data collection, survey instruments, data submission, and data validation; and, (iii) methodological and classification issues. The 7th meeting was held on 10-21 October 2012 at the World Bank, Washington, DC.

¹ Authored by Chellam Palanyandy. The present document has been reproduced without formal editing. The views expressed are those of the author and do not necessarily reflect the views of the United Nations.

(b) The **TAG** advises the GO and Regional Coordinators on methodological issues relating to the estimation of regional PPPs, the approach of linking the regional PPPs to obtain global PPPs, validation of prices, measurement challenges of comparison-resistant sectors (health, education, and construction), productivity adjustments, and reference PPPs. The 7th TAG meeting was held on 17-18 October 2012 at the World Bank, Washington, DC.

(c) The **Executive Board** meets once or twice a year as required and rules on matters where there is no consensus regarding methods and standards. It draws on the advice from the TAG. In its 6th meeting on 27 February 2012, in New York, the Board deliberated on the linking methodology and the 2011 ICP data access policy. The next Executive Board meeting is scheduled for 13 November 2012 at the World Bank.

B. Price collection and validation

1. Household price surveys

4. **Collection of price data:** Household price surveys cover household consumption products and services, including health and education. Prices are collected nationwide covering urban and rural areas and from all types of market outlets, including shops, departments stores, mini-markets, discount shops, specialized shops, street outlets, traditional and wet markets. Price collection activities included formulation of a survey framework, product mapping, outlet selection, price collection and data inputting. The ADB developed a Price Collection Tool (PCT) to facilitate these activities. The PCT also caters for price validation and review at the national level (spatial and temporal) prior to submission to the ADB.

5. All 23 participating economies have completed the household price collection activities. Prices of most products were collected on a quarterly frequency, while some, such as perishable goods were collected on weekly or monthly basis. Products for which prices are regulated by government such as water and electricity rates were collected only once a year. Total number of products for price collection is 968 (see table below), comprising of *regional products* and *global products*. Regional products are region-specific products identified by the region for price collection, while the global products are products determined by the GO, with regional inputs, for worldwide price collection.

6. **Data submission:** Twenty two of the twenty three participating economies commenced price collection in the first quarter of 2011 while Bangladesh started price collection in the second quarter. All economies have submitted quarterly price data to the ADB.

Number of Household Items in the 2011 ICP for Asia and the Pacific

Category	Description	No. of Items
1101	Food and Non-alcoholic Beverages	315
1102	Alcoholic Beverages, Tobacco and Narcotics	25
1103	Clothing and Footwear	99
1104	Housing, Water, Electricity, Gas & Other Fuels	16
1105	Furnishings, Household Equipment & Routine Maintenance of the House	122

Category	Description	No. of Items
1106	Health	89
1107	Transport	84
1108	Communication	19
1109	Recreation and Culture	103
1110	Education	8
1111	Restaurants and Hotels	29
1112	Miscellaneous Goods and Services	59
	Total	968

7. **Data validation:** Six data validation workshops have been conducted to date, covering intra-and inter-country validations (spatial) and between quarter validations (temporal). Preliminary national annual average prices have been reviewed, together with preliminary unweighted PPPs at the basic heading level. While much progress has been made, much more needs to be done, particularly in addressing high price variations and price movements vis a vis the consumer price index; issues related to comparison-resistant products and services such as in pharmaceuticals products, health, education, and water services. Validation of the importance criterion posed special challenges due to the “non-scientific” way of identifying a product as important or less important.

2. Non-household price surveys

8. Non-household price surveys cover construction, machinery and equipment, housing, and compensation of government employees. A one-time price collection was required for these surveys, preferably in July 2011, except for compensation of government employees for which data is to be obtained from government records. The product list for all these services is a global list whereby all regions collect prices for the same list.

9. Construction survey requires data collection for residential construction, non-residential construction, and civil engineering. A total of 38 construction materials and products, 5 construction-equipment hire rates, and 7 types of labor rates are to be collected. Additional information on project prices for each construction type together with the mix of construction resources (materials, equipment and labor), contractor’s mark-up, and professional fees are also required.

10. Machinery and equipment surveys include metal products and equipment, and transport equipment. A total of 177 items were identified for price collection.

11. Housing covers housing rental surveys and dwelling services (quantity data). Housing rental covered 64 dwelling types with rental information being required for two reference points (mid-year and year end). Quantity data covered number of dwelling units; number of rooms; usable floor space; number of dwellings with electricity, inside water, private toilet, air conditioning, and number of units rented and owner-occupied.

12. Compensation of government employees is required for 44 typical government occupations covering individual services (health and education) and collective services (parliament, ministries of finance, economic planning, statistical offices, and foreign affairs).

13. The ADB prepared survey specific PCTs for each of the non-household price surveys which allows for price data input, editing, validation, and data transfer to the ADB. While all non-household surveys were launched in 2011, survey completion, data submission, and data validation are at various stages of completion for each of the surveys.

C. National accounts

14. The 2011 ICP round uses the 1993 SNA as the national accounting framework. Participating countries are required to provide a detailed breakdown for 155 basic headings of the final expenditure categories of gross domestic product (GDP) to be used as weights in calculating the PPPs at more aggregated levels up to the GDP level itself. These values are also converted into real expenditures at the basic heading level.

15. The ADB prepared a PCT to report GDP values by the required 155 basic headings. The module provides for data entry and verification of aggregations and calculates the weights (shares). Additional checks include ensuring that basic headings with products priced must have basic heading values and vice versa; and highlights significant changes in the structure of expenditures between 2005 and 2011.

16. Countries are also required to provide metadata for the estimated values for each basic heading, including methods and indicators used in splitting the major aggregates into the required details. The GDP data at the 155 basic heading level is required for 2011 and another recent year. While almost all countries have provided an earlier year estimate of the GDP with the required breakdown, data for 2011 is pending with most economies.

17. A national accounts quality assurance survey was also conducted in March 2012 to assess SNA 93 compliance. Results of the survey are presented in Appendix I.

D. Upcoming meetings

18. The 7th ICP Asia for Asia and the Pacific regional workshop is scheduled for 23-30 October 2012 in Bangkok, Thailand. The indicative agenda for the meeting includes a review and conduct of inter-country validation of GDP expenditure values at the 155 basic headings and by major aggregates; structural analysis of GDP values in 2005 and 2011; a trend analysis of GDP values in nominal and real terms between 2005 and 2011.

19. The 7th EB meeting will be held on 13 November 2012 at the World Bank. The draft agenda includes: (i) technical review of methodology and assessment of preliminary results; (ii) review of 2011 ICP Data Access Policy; and, (iii) communication strategy for PPP results.

E. Overall workplan

20. The overall workplan for the Asia Pacific region remains effectively on schedule and the regional results are expected to be released in the third quarter of 2013. The global results are expected to be released in December 2013.

III. Status of implementation in the Pacific Islands Group²

A. Background

21. The ABS is serving as Regional Coordinator for the Pacific ICP, and provides technical and financial support through the Pacific Statistical Program funded by AusAID.

22. Twenty three countries/territories from the Pacific Islands are participating in the 2011 ICP round, albeit in a limited way. These are the: American Samoa, Australia; Commonwealth of the Northern Mariana Islands, Cook Islands, Fiji, French Polynesia, Federated States of Micronesia, Guam, Kiribati, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, Vanuatu, and, Wallis and Futuna.

23. The Pacific Island region will participate on a simplified basis (as follows) and this simplified involvement is viewed as a first step towards fuller involvement in later rounds of the ICP.

(a) the Pacific countries will only collect prices for a limited number of household consumption items, and there will be no expenditure data collected;

(b) the larger more sophisticated economies will collect prices for around 100 household consumption items, while the smaller less sophisticated economies will collect prices for around 10-15 household consumption items;

(c) data collection will take place in calendar year 2012; and

(d) it is envisaged that Fiji, which also participates in the ICP Asia-Pacific region, will serve as a link between the Pacific region and the Asia-Pacific region, and beyond.

B. Data collection

24. All countries apart from New Caledonia have collected data for the March and June 2012 quarters. Most have priced all available items from the Pacific Product List of 123 items. However, some countries have not provided full outlet coverage and this will be a focus for collection in the remaining quarters.

C. Data submissions

25. All countries except New Caledonia have submitted data to the Regional Coordinator for the March and June 2012 quarters. However, countries vary significantly in the extent to which they have been able to enter data into the HHC Data Entry module (developed by the GO) and properly complete their within country data validation. Where countries have not completed these tasks, the data entry has been completed by the Regional Coordinator and within country data validation is proceeding in the same manner as for across country data validation i.e., iteratively and slowly. There does seem to be a continuing perception on the part of some countries that they are doing the ICP "for the ABS". They are happy to collect data and send it to the Regional Coordinator, but are not necessarily inclined to take responsibility for its quality/accuracy.

² This section is based on the regional status reports of the ICP for the Pacific Islands submitted for the Regional Coordinators' Meetings, with permission from the Regional Coordinator.

Encouraging countries to take responsibility for their own data is part of the challenge of the Pacific ICP and part of how the region seeks to meet the broader capacity building objective of the current round.

D. Importance indicators

26. Importance indicators have not yet received much attention in the Pacific ICP and it is not clear how important they will be given the limited size of the Pacific Product List. However, they will be an agenda item at the upcoming regional workshop in November, and a natural topic within the broader context of across country data validation.

E. Status of data validation

27. A data validation workshop was held in March 2012 to discuss validation of March quarter ICP data. The iterative process of across country data validation was explained and countries were encouraged to turn around any queries from the Regional Coordinator as quickly as possible. It was explained that without quick turnaround, the iterative process of across country data validation would be a very slow process indeed.

28. It is probably important to recognize the slow response to queries is a fact of life in many Pacific countries/territories at the best of times, but particularly so in the very first quarters of their very first involvement in the global ICP. Overall, however, the Regional Coordinator is confident that countries will deliver good data, and the experience is that Pacific countries/territories do deliver, but usually at the last moment. Addressing this is, again, one of the broader capacity building objectives for the current round of the Pacific ICP.

F. Status of calculation of national average prices

29. The calculation of national average prices has not yet received much attention in the Pacific ICP, pending the completion of data collection. However, there is a handful of countries with a relatively widely dispersed population and where the CPI coverage is clearly not adequate for ICP purposes. The outstanding example is the Solomon Islands. A one-off exercise will be undertaken to collect prices in the two main regional centers outside of Honiara with a view to estimating the price difference between Honiara and the rest of the country. The proposed methodology will be circulated for comment by TAG.

G. Upcoming regional activities

30. A second data validation workshop to discuss the first three quarters of data is scheduled for November 2012. Among the objectives of the workshop are to finalize data for the March and June quarters and to ensure that the validation for subsequent quarters proceeds smoothly and to an acceptable timetable.

H. Timetable for remaining activities

31. Final March and June quarter data is hoped to be submitted to the GO following the upcoming November workshop. A final workshop is planned for March 2013 to finalize data for the Pacific ICP shortly thereafter. An important element of the data analysis will be the linking methodology, which will be different for the Pacific (relying on overlapping countries rather than overlapping products). TAG guidance will be sought on the development of a robust methodology.

I. Overall risk assessment

32. The main risk is not so much on the delivery of ICP data per se, but on the underlying quality of the data. Pacific countries are prepared to collect data, and even to collect data for more products than was originally envisaged. However, they do not all show the same commitment to ensuring that the data is of the best possible quality (a quantity versus quality issue perhaps). Ensuring that countries understand the importance of good data validation practice is a key remaining challenge. A small number of countries are also finding it difficult to maintain their commitment to the ICP in the face of ongoing resource constraints and staff turnover. These countries are likely to require extra support from the Regional Coordinator to help them stay the course.

Appendix 1

2011 ICP for Asia and the Pacific – Summary of Responses to the Quality Assessment in Implementing SNA 93

No.	2011 ICP Revised Quality Assurance Framework: National Accounts	Summary	
		Yes	No
1	Do you treat expenditure on software by producers as capital formation?	19	2
2	Do you treat mineral exploration as capital formation?	17	1
3	Do you treat government expenditure on military durable goods other than weapons as capital formation?	17	4
4	Do you assign consumption of FISIM* to households as well as to producers?	14	7
5	Do you estimate net acquisitions of valuables?	7	14
6	Do you impute rents to owner-occupiers?	21	0
	If yes:		
7	Do you use actual rents for similar dwellings?	14	5
8	Do you use rents estimated by owner-occupiers?	11	6
9	Do you apply the "user cost method"?	7	8
10	Other method explain (under "Explanatory Notes".)	1	5
11	Do you show NPISH** separately in your national accounts?	9	13
12	Do you include consumption of fixed capital in final consumption expenditure of government?	17	5
13	Do you include consumption of fixed capital in final consumption expenditure of NPISH?	11	10
14	Do you include estimates for own-construction of dwellings?	16	3
15	Do you include estimates for own-construction of other buildings?	15	3
	If you answered "Yes" to 14 or 15: do you value such construction at basic prices?	9	4
16	Is gross fixed capital formation (except for own-construction) valued at purchasers' prices?	22	0
17	Do you classify Government, NPISH, and Households in line with the 1993 SNA?	19	3
18	Do you include goods produced for own consumption?	17	2
19	If yes: do you value goods produced for own consumption at basic prices?	11	5
20	Is income in kind valued at purchasers' prices if the employer has purchased the goods or services and at producers' prices if the goods or services have been produced by the enterprise itself?	20	2
21	Are the purchases of goods and services by government which are passed on to households without any further processing by government valued at purchasers' prices?	21	0
22	Is change in inventories valued as the change in the physical quantities at the beginning and end of the year?	11	8
	If yes: do you value the physical change using:	0	0
23	average prices of the year?	9	3
24	prices prevailing in the middle of the year?	1	4
25	Do you maintain and disseminate methodological notes about your national accounts compilation process?	19	2
	If Yes:	0	0
26	Published (Yes/No)?	15	1
27	Write the name of the publication under "Explanatory Notes"	2	0
28	Specify language/s used for publication (if published) or documentation (if unpublished) under "Explanatory Notes"	3	0
29	Published (Yes/No)?	13	1
	Write an Internet address of the Publication/methodological notes under "Explanatory notes"	4	2
30	Has your country compiled SUTs?	17	5
31	If yes,		
	What is the reference year of the latest one?		
32	How many products (rows) are shown in the SUT?		
33	What is the reference year of your most recent household expenditure/budget survey?		

* Financial Intermediation Services Indirectly Measured.

** Non-profit Institutions Serving Households.

Part II

Report of the work of the secretariat on informal sector and informal employment statistics

Note by the secretariat of ESCAP

Summary

This note provides information on the key results of the secretariat's work on the improvement of informal sector and informal employment statistics and the related work of some other agencies. The note also provides an overview of planned and potential regional and interregional work to build on the results and lessons learned from the previous and on-going work and to address continuing challenges in improving informal sector and informal employment statistics.

I. Background and key results of the secretariat's work

1. The informal sector and informal employment form a significant part of many developing countries and economies in transition. Developing a comprehensive system of statistics on employment in the informal sector and informal employment, which includes quantitative information on the size and contribution of the informal sector and informal employment still remain a challenge for many countries. Such statistics are key for macroeconomic analysis, planning, policy formulation and evaluation, as well as for the overall integration of the informal sector into the development process. Continued efforts are therefore, required to support countries in the development and testing of related measurement standards, instruments and methodologies.

2. As previously reported by the secretariat in document E/ESCAP/CST(2)/INF/6, through the 5th tranche United Nations Development Account (UNDA) project "Interregional Cooperation on the Measurement of Informal Sector and Informal Employment" (2006-2009), efforts were made to contribute to the global work on developing international standards in the measurement of the informal sector and informal employment, as well as to make such data collection part of regularly compiled economic and social statistics. The project was implemented by the Economic and Social Commission for Asia and the Pacific (ESCAP) as lead agency, in collaboration with the Economic and Social Commission for Western Asia (ESCWA) and the Economic Commission for Latin America and the Caribbean (ECLAC), in Mongolia, Philippines, Saint Lucia, Sri Lanka, West Bank and Gaza Strip.

3. The "1-2" survey approach was piloted through the project to measure the informal sector and informal employment. Household Unincorporated Enterprises with at least some market production (HUEMs), of which the informal sector is a component, were used as a starting point for data collection in this survey methodology, which led to further refinement of related concepts and definitions.

4. The project supported statistical capacity building in the participating countries as well as wider advocacy and awareness raising in the three regions on the importance of collecting and disseminating data on the subject among government agencies and national stakeholders. Technical support was provided through a series national, regional and interregional workshops, and advisory missions. The development of knowledge resources including survey

instruments and working papers contributed to creating spillover and multiple effects.

5. By anchoring data collection for Phase 1 on an existing survey tool, the labour force survey, the “1-2” survey methodology proved to be a more cost-effective data collection strategy that could be implemented on a more sustainable basis by national statistical systems of developing countries.

6. At the same time, the project established that interregional processes, results and experiences are important in influencing and shaping the development and improvement of international statistical standards, through not only simultaneous testing of the methodology in countries across different world regions, but also through cross-fertilization of expertise, skills, and project implementing experience among national stakeholders of the implementing regions. Besides partnerships played a strategic role in providing a direct link between the global and regional work on the subject and to establish a resource pool.

II. Related initiatives of other agencies

7. The Asian Development Bank (ADB) implemented a technical assistance project on measuring the informal sector in 2008-2010. Support was provided to three pilot countries – Armenia, Bangladesh and Indonesia in measuring and analyzing informal employment and the informal sector. The pilot countries adopted the mixed survey (or double-phase survey) data collection method, similar to the one employed by the secretariat’s UNDA project described in section I above.

8. Armenia and Indonesia have since institutionalized this method in compiling informal employment and informal sector statistics, while Bangladesh has plans in adopting the method when they conduct the next labor force survey in 2015.

9. Three country reports and a handbook¹ on the use of the mixed survey method for measuring informal employment and the informal sector were published through the ADB technical assistance project. The project outputs were also presented in a regional conference in which representatives of countries that conduct regular labor force surveys attended.

10. As a follow-up to the Resolution concerning statistics of employment in the informal sector adopted by the Fifteenth International Conference of Labour Statisticians (15th ICLS of January 1993) as well as the Guidelines on Informal Employment adopted by the 17th ICLS on the statistical definition of informal employment (in 2003), the International Labor Organization (ILO) worked with national and international partners, including ESCAP and the Delhi Group on Informal Sector Statistics to finalise the draft manual ‘Measuring Informality: a Statistical Manual on the Informal Sector and Informal Employment. The Manual is now available on the ILO² and the Ministry of Statistics and Programme Implementation, Government of India³ web sites, as a pre-edited version for further consultations with partners before its final publication, expected in the coming months.

¹ <http://www.adb.org/publications/handbook-using-mixed-survey-measuring-informal-employment-and-informal-sector>.

² http://www.ilo.org/stat/Publications/WCMS_182300/lang--en/index.htm.

³ http://mospi.nic.in/Mospi_New/upload/Manual-Informal-sector-ILO_r.pdf.

11. The ILO is also publishing a Statistical Update on Employment in the Informal Economy⁴, with available data. The last publication covered 47 countries worldwide.

III. Planned and potential future work

12. Subsequent to the successful implementation of the above mentioned project, the secretariat is engaging, on a small scale, in another interregional UNDA project under the 7th tranche. The project is led by the Economic Commission for Africa (ECA), with ESCAP, ECLAC and ESCWA as implementing partners. The secretariat has submitted an implementation plan for the Asia-Pacific component of this project. Project implementation will be rolled out once the project document is approved and funds are obtained.

13. Within the scope of this new project, the secretariat sees an excellent opportunity to build on the results of the previous project and to strengthen the sustainability of informal sector and informal employment measurement at the national level. In close collaboration with the previous project participating countries in the Asia-Pacific region, the project will facilitate best use of existing datasets and build on existing capacity, results, and lessons learned. Countries will be supported through advisory services and national and interregional workshops. Project resources and knowledge materials will contribute to the spill-over and multiple effects in the region.

14. In addition to further strengthening technical capacity of national statistical systems to collect and process, on a regular basis, data on informal sector and informal employment, the project will have a strong focus on enhancing capacity to produce regular and exhaustive GDP estimates in line with the 2008 System of National Accounts. In the Asia-Pacific region, the secretariat will provide technical support in reviewing and evaluating the effectiveness of any continued implementation of Phase 1 of the survey in partner countries after the last project, to adequately derive estimates of informal sector value-added and to conduct extrapolation for value-added estimates using “1-2” Survey data in years in which Phase 2 of the survey is not conducted.

15. ADB plans to process another technical assistance project in 2013 that will assist two other interested countries in adopting the mixed survey approach and will maintain an interactive website that can provide on-line technical support for countries that are in the process of institutionalizing this method.

16. The lack of harmonized definitions on the informal sector and informal employment among countries continues to be a key challenge in this area of work. ILO will work closely with other partners to encourage countries to have operational statistical definitions at national levels that not only cover the national context but are also in line with the recommendations of the recent Delhi Group manual, as well as comparable at the international level.

17. Various UN and partner agencies have been encouraging member States to include the measurement of informal employment into their regular labour force surveys, at least on annual basis. Efforts to facilitate the development of national definitions as well as to advocate for the regular measurement of informal employment and the informal sector and its contribution to GDP at national levels will be supported and complemented

⁴ http://laborsta.ilo.org/applv8/data/INFORMAL_ECONOMY/2012-06-Statistical%20update%20-%20v2.pdf.

through increased dissemination and use of the Delhi Group manual. Related international trainings, national seminars and workshops will be organized by the ILO and partner agencies in the coming years.

IV. Summary and conclusions

18. The secretariat's work so far has contributed to on-going global work on the development of international statistical standards on informal sector and informal employment measurement for evidence-based policy formulation. International statistical development partners have a critical role to play in further refining global standards and methodologies in this complex area of work to ensure greater reliability and international comparability of informal sector data. Further advocacy and south-south cooperation in this area need to be encouraged.

19. The Committee may wish to comment on the technical cooperation activities and strategies adopted by the secretariat in improving informal sector and informal employment statistics, and provide guidance and advice for future work and potential collaboration with partners.

Part III

Report on the work of the secretariat on gender statistics

Note by the secretariat of ESCAP

Summary

The present note provides information on various initiatives being undertaken to improve the capacity of national institutions to produce, disseminate, use and analyse gender statistics at the global and regional levels. It also describes region-wide consultations and surveys being undertaken by the secretariat to identify regional priorities and needs in capacity-building for gender statistics, as well as the secretariat's ongoing efforts towards the development and implementation of a dedicated Regional Programme on Gender Statistics. Though the current programme of work of the secretariat mainstreams gender in all statistical activities, guidance is sought from the Committee on the development of the dedicated Regional Programme on Gender Statistics, aimed at improving the capacity of countries in the region to produce and use gender statistics; monitoring, measuring and analyzing progress in achieving gender equality and women's empowerment; as well as improving overall availability of gender statistics for national policy development and progress assessment towards international goals and commitments.

I. Background

A. Gender statistics: what and why?

1. Gender statistics inform policy and programme decisions, and are critical for effective monitoring and analyses of gender gains and gaps. However, the importance of gender statistics is yet to be fully appreciated and the need and demand for gender statistics remain unmet in many areas even eighteen years after the Beijing Declaration and Platform for Action (BPFA)¹ clearly laid out twelve priority areas that highlighted the importance of making data on women and men available.

2. A large part of producing gender statistics entails disaggregating individual data by sex in order to reflect differences and/or inequalities in the situation of men and women in society. However, gender statistics are more than data disaggregated by sex. Compilation of gender statistics also involve collecting data on specific issues that affect one sex more than the other or relate to gender relations between women and men. Gender statistics therefore, need to reflect gender issues; capture all aspects of the lives of women and men; and take into account factors that may induce gender biases.

3. Better data collection and harmonization to diagnose existing gender gaps and identify relevant constraints are critical for designing effective policy responses, which can translate evidence into action at the country level and which can accelerate progress on gender equality and empowerment of women. At the same time, achievement of internationally agreed development goals requires accelerated progress on gender equality and women's empowerment. A number of studies have shown the link between empowering women and reducing gender gaps in education, health, labor markets, and other areas,

¹ Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995 (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annex II.

which is associated with higher economic growth, greater agricultural productivity, lower poverty, better nutrition and education of children, and a variety of other outcomes.

4. Gender statistics relates to all the Millennium Development Goals (MDGs), and in particular, to goal 3 on promoting gender equality and empowerment of women and goal 5 on improving maternal health. Goal 3 is in fact central to the attainment of all other MDGs, and contributes to key issues such as combating poverty and hunger, universalizing schooling, ensuring better child and maternal health, combating HIV/AIDS, improving access to safe water and improved sanitation and other related core development objectives. Meaningful progress on these issues cannot be achieved unless the different vulnerabilities of women and men, and their socio-cultural and other conditions are taken into account. In effect, equal access to opportunities and resources, regardless of gender, is key to the attainment of the MDGs and other related internationally agreed development goals.

5. Document E/ESCAP/CST(2)/INF/8 discusses in more detail the definition, components and trends related to gender statistics, as well as the global and regional reviews of the Beijing Platform for Action, which stressed the importance of timely, reliable and disaggregated data by sex, the development of gender-sensitive indicators and strengthening statistical capacity-building efforts on the generation of gender statistics.

II. Some recent gender statistics development initiatives at the global and regional levels

A. Recent global initiatives

6. To guide the work on gender statistics, a 2011 programme review of gender statistics, conducted by the Ghana Statistical Service, was considered by the 42nd session of the Statistical Commission (UNSC)². This review identified four main challenges for improving gender statistics: availability of quality data and capacity of producers to generate gender statistics; availability of users to maximize the use of available information; the level of cooperation among stakeholders; and resource constraints.

7. Several initiatives to improve availability of gender statistics are currently being undertaken at the global and regional levels by development agencies and the United Nations regional commissions.

1. Inter-agency and Expert group on Gender Statistics

8. At its 42nd session, the Statistical Commission “acknowledged the strategic role of the Inter-agency and Expert Group on Gender Statistics (IAEG-GS) and requested the expansion of its scope of work”³ to include a review of gender statistics with the aim of establishing a minimum set of gender indicators”; guiding the development of manuals and methodological guidelines for the production and use of gender statistics; and serving as the coordination mechanism for the global programme on gender statistics.

9. The IAEG-GS was established in 2006 and meets every year to discuss its work and work modalities. The IAEG-GS functions through three advisory

² E/CN.3/2011/3. *Report of the Ghana Statistical Service on Gender Statistics*.

³ E/2011/24-E/CN.3/2011/37 - decision 2, point (f-i).

groups on gender statistics training activities and curricula; emerging issues; and global gender statistics and indicators databases.

2. Global minimum set of gender indicators⁴

10. Following the recommendations by the Statistical Commission, the IAEG-GS tasked its Advisory Group on Global Gender Statistics and Indicators Database with identifying indicators to be included in the minimum set of gender indicators. The minimum set of gender indicators provides a basis to promote the production and compilation of gender statistics at the national level and serves as a basis for international data compilation.

11. The list includes indicators addressing key issues in gender equality and women's empowerment that are common across countries and regions in five domains: economic structures, participation in productive activities and access to resources; education; health and related services; public life and decision-making; and human rights of women and the girl child. There are also a set of gender indicators related to national norms for some of the domains.

12. In addition to taking into account existing lists of indicators agreed at the international level, the choice of indicators for the minimum set was guided by three criteria, including that an indicator should:

(a) Address relevant issues related to gender equality and/or women's empowerment;

(b) Be conceptually clear, easy to interpret and have an agreed international definition;

(c) Have been regularly produced by countries, with sufficient coverage to allow regional or national comparisons and tracking of progress over time.

13. Based on the three criteria, the proposed indicators were categorized into three tiers as follows:

- Tier 1, including indicators that meet all three criteria
- Tier 2, including indicators that meet criteria (a) and (b), above
- Tier 3, includes indicators that meet criterion (a)

14. Indicators specific to regional and national contexts will be added by regional and national entities. Data production, compilation, methodological work on the indicators will be facilitated by international agencies and the United Nations regional commissions.

3. Global review of gender statistics

15. Also, as part of the follow-up actions to decisions made by the 42nd Session of the Statistical Commission, a Global Review of Gender Statistics was coordinated by the United Nations Statistics Division in collaboration with the United Nations regional commissions during the first half of 2012, through a questionnaire developed by the IAEG-GS. The objectives of the survey were to review gender statistics in national statistical systems; obtain information on how gender perspectives are mainstreamed into national statistical systems;

⁴ <http://unstats.un.org/unsd/statcom/doc12/2012-19-GenderStats-E.pdf>.

and to gather information to help identify good practices and challenges to integrate gender into the production and use of statistics.

16. The overall results of the Global Review showed that while wide variations existed among countries in each of the regions, implying different levels of progress in gender statistics, there were some commonalities across the regions. Though the overall importance of gender statistics was recognized by most countries that responded to the survey, challenges existed across the regions on issues such as institutional structures and national coordination mechanisms for gender statistics.

17. The results of the Global Review will be submitted to the 2013 session of the Statistical Commission and will also be used by the United Nations regional commissions in the development of their respective regional programmes on gender statistics and related capacity building initiatives.

4. Resources and training material

18. The availability of training materials, manuals and handbooks for use by national statisticians has been a key concern in developing and improving gender statistics. The United Nations Statistics Division, in consultation with the IAEG-GS, is in the process of developing a Gender Statistics Manual with the primary objective of encouraging gender mainstreaming in the production of official statistics. The manual will help statisticians to identify gaps in gender statistics and develop a comprehensive plan for the production of gender statistics; ensure that survey instruments and censuses take into account gender issues and avoid gender-biases in measurement; and improve data analysis and presentation so as to disseminate gender statistics in a format that is easy to use by policymakers and planners.

19. Also, a set of Guidelines for Producing Statistics on Violence against Women (VAW) are being developed by the United Nations Statistics Division, which will provide detailed methodological advice on special features of VAW surveys, what and how to measure, and other relevant issues that national statistical offices and other relevant stakeholders should take into consideration in designing and conducting statistical surveys on VAW.

20. An e-learning course on “measurement of violence against women through statistical surveys” was produced and implemented, under the leadership of the Division for Gender Affairs and the Latin American and Caribbean Institute for Economic and Social Planning (ILPES) of the Economic Commission for Latin America and the Caribbean. This course was developed as part of the activities under the framework of an interregional Development Account project “Enhancing capacities to eradicate violence against women through networking of local knowledge communities” with a view to monitor and evaluate the effect of policies, legislations, plans and programmes to eradicate violence against women.

21. The course was designed to develop sustainable technical capacities at the country level to measure violence against women, in line with the indicators recommended by the Statistical Commission. The course targets national statisticians as well as stakeholders working on programmes for women. Participants from over thirty-five countries enrolled for the first course in 2011.

5. Evidence and Data for Gender Equality (EDGE) Initiative and the Busan Joint Action Plan for Gender Equality and Development

22. The Evidence and Data for Gender Equality (EDGE) Initiative is a new partnership that seeks to build-on existing efforts to put in place comparable gender indicators on health, education, employment, entrepreneurship, assets and family-friendly policies. This initiative was launched by the United States at the Organization for Economic Cooperation and Development (OECD) Ministerial Session on Gender and Development in 2011 and builds on the work of the IAEG-GS.

23. This initiative will initially cover three years from March 2012 to February 2015. Activities over the three years will include the development of a database for international data and metadata compilation covering basic education and employment indicators; the development of standards and guidelines for entrepreneurship and assets indicators; and piloting data collection in several countries.

24. In order to integrate the activities into existing data production programmes, EDGE will, to the extent possible, prioritize data collection that builds on exiting survey mechanisms. A larger workshop that includes all stakeholders will be organized towards the end of 2015 to discuss the results and next steps and to make recommendations for policy makers and the larger statistical community.

25. Working in close cooperation with the World Bank and OECD, other organizations, and government statistical agencies, the United Nations Statistics Division and UN Women will lead and manage the Initiative. Currently discussions are being undertaken with the United Nations regional commissions and regional development banks to reflect EDGE activities in their workplans.

26. The Busan Joint Action Plan for Gender Equality and Development⁵ captures commitments to gender equality and women's empowerment made at the Fourth High Level Forum on Aid Effectiveness (HLF-4) in Busan, Republic of Korea, in 2011 and encompasses EDGE, gender commitments in work streams launched at Busan, and the Busan Outcome Document. The Joint Action Plan highlights the importance of and guides data collection and use to improve gender equality.

6. Fourth Global Forum on Gender Statistics and sixth meeting of the Interagency and Expert Group on Gender Statistics, 25-29 March 2012, Dead Sea, Jordan

27. The United Nations Statistics Division and the Department of Statistics of Jordan, in collaboration with the Economic and Social Commission for Western Asia, the United Nations Population Fund, UN-Women, and the World Bank, organized a three-day Global Forum on Gender Statistics in March 2012. The sixth meeting of the Interagency and Expert Group on Gender Statistics (IAEG-GS) was also held at the same location, in conjunction with the Global Forum.

28. The Global Forum was organized as part of the Global Gender Statistics Programme promoted by the IAEG-GS with the purpose of enhancing the capacity of countries to collect, disseminate and use quality gender statistics

⁵ <http://www.oecd.org/social/genderequalityanddevelopment/49503142.pdf>.

and provided an important opportunity to review and discuss new initiatives and data collection tools for the improvement of gender statistics.

29. The Global Forum this year focused on issues pertaining to women's empowerment, including: economic empowerment, autonomy (political participation), physical empowerment (health, gender-based violence) and knowledge and information (education, access to media/info) empowerment.

30. The Global Forum provided the secretariat the opportunity to learn more about and take stock of national experiences, challenges and best practices on collection of gender empowerment statistics and their uses in policy making and also initiatives by international agencies to assist countries in the production and analysis of related statistics.

31. The sixth meeting of the IAEG-GS discussed the on-going work of its three advisory groups as well as activities in the area of gender statistics being undertaken by regional and international entities.

32. At the meeting the members of IAEG-GS reviewed the minimum set of gender indicators and identified the tier level for each indicator. The group also identified the lead agency for each indicator. It was agreed that for:

- Tier 1 indicators, a mechanism should be established for international agencies to regularly provide data and metadata to the United Nations Statistics Division;
- Tier 2 indicators, efforts will be made to promote capacity-building activities to expand data coverage; and
- Tier 3 indicators, small groups should be established to undertake methodological work on the indicators and on emerging issues (including through the EDGE Initiative).

33. The IAEG-GS also reviewed and provided comments on the preliminary findings of the Global Review of Gender Statistics made available by the Economic Commission for Africa, the Economic Commission for Europe, the Economic and Social Commission for Asia and the Pacific and the Economic and Social Commission for Western Asia. It was agreed that the United Nations Statistics Division would prepare a preliminary global report by November 2012 and a more extensive report for the 2013 session of the Statistical Commission.

34. Members of the IAEG-GS also agreed that the United Nations Statistics Division would finalize the draft Gender Statistics Manual by the second quarter of 2012. The United Nations Statistics Division and the World Bank will use the Manual to develop training modules, and will organize a workshop to field test the Manual during the second half of 2012 in specific regions. Emerging issues and other topics not currently covered in the Manual would be covered in the web-based application version. Similarly, the Guidelines for Producing Violence against Women would be finalized by the United Nations Statistics Division in 2012 and presented to the 2013 session of the Statistical Commission. The IAEG-GS will integrate the guidelines into its future training activities.

B. Recent regional initiatives

1. Working Group on Gender Statistics as part of the Regional Coordination Mechanism Thematic Working Group on Gender Equality and Empowerment of Women

35. At the regional level, a Working Group on Gender Statistics was established in 2011 as part of the Thematic Working Group on Gender Equality and Empowerment of Women (TWG-GEEW) and is being co-chaired by the ESCAP Statistics Division and UN Women.

36. The TWG-GEEW was established as part of the Asia-Pacific United Nations Regional Coordination Mechanism (UNRCM) on 19 February 2008. The work of the TWG-GEEW complements that of the other five Thematic Working Groups established in 2005 as part of a reformed regional TWG structure, which focuses respectively on issues of Poverty and Hunger, International Migration and Human Trafficking, Environment and Disaster Management, Health and Education. The goal of the TWG-GEEW is to ensure a coordinated UN system approach to promoting gender equality and women's empowerment in the Asia-Pacific Region.

37. The Working Group on Gender Statistics serves as a forum to facilitate information sharing on gender statistics; to provide support and advice to the TWG-GEEW on strategic and technical issues and concerns related to advocacy for utilization and improvement of gender statistics in the region; and to further strengthen related inter-agency cooperation and collaboration.

38. As one of its initial activities, the Working Group on Gender Statistics conducted a mapping exercise, based on a common template, among members agencies of the TWG-GEEW with the objectives of collating information on existing gender statistics related initiatives among member entities; identifying the strategies being employed and available resources on a range of thematic issues; taking stock of what is available and what the gaps are; and identifying potential areas of collaboration and formulating the workplan. The Working Group on Gender Statistics will also initiate consultation and discussion among members of the TWG-GEEW on the development of a regional core set of gender indicators.

III. Developing a gender statistics programme for the Asia-Pacific region

A. Consultations with ESCAP members

39. During 2011-12, the secretariat continued consultations involving national statistical systems, national mechanisms for the advancement of women and national development planning institutions to review the status of gender statistics and to identify strategic priorities and needs for capacity-building in order to improve the availability of gender statistics in support of national policy development and progress monitoring.

1. In-country needs assessments

40. As part of these efforts, detailed in-country needs assessments were conducted in 2011 in two countries in the region, Indonesia and Bhutan. These in-country needs assessments were designed to better understand statistical processes within the national statistical system in the collection, processing, compilation, analysis and dissemination of gender statistics; to assess statistical infrastructure including legislation, standards, frameworks, etc. in the context

of gender statistics; as well as to facilitate dialogue between national producers and users of gender statistics in Indonesia.

41. In Indonesia, the needs assessment was designed with three in-country components: needs assessment interviews with various directorates/sections within BPS-Statistics Indonesia and with the Ministry of Women's Empowerment and Child Protection (MoWECP); meeting with the United Nations inter-agency Gender Thematic Working Group; and a National Consultative Forum on the Status of Gender Statistics in Indonesia with over 50 participants from various ministries, civil society partners and UN agencies.

42. In Bhutan, needs assessment interviews were conducted with various stakeholders: the Bhutan National Statistics Bureau (NSB); and the Bhutan National Commission for Women and Children (NCWC) and its gender focal points; two non-governmental organizations: RENEW (Respect, Educate, Nurture and Empower Women) and Tarayana Foundation; and the National Women's Association of Bhutan. A meeting with the United Nations Country Team was also conducted.

43. The scope of both needs assessments was limited by the fact that provincial/district-level offices could not be involved in the process.

44. Both countries showed some positive developments in the area of gender statistics such as the signing of bilateral memorandums of understanding between some producers and users of gender statistics in Indonesia for technical support and data sharing; the existence of a National Action Plan for Gender in Bhutan; and sex-disaggregation of data where possible and as required through major existing surveys.

45. However, a number of challenges emerged for both countries. The lack of adequate awareness of gender issues and conceptual understanding of what comprises gender statistics beyond sex-disaggregated data emerged as key challenge and the interviews with various stakeholders brought to light the weak understanding on the relevance and use of gender statistics in policy formulation, programme planning and monitoring.

46. Besides, the lack of national statistical laws/frameworks which mandate the production and dissemination of gender statistics as well as limited or no allocation of national budgets for gender statistics perpetuated issues related to lack of awareness and gender sensitivity.

47. What became apparent from both in-country assessments was that integrated and improved coordination between national producers and users of gender statistics could contribute to making best use of available resources and data. It could also encourage the systematic identification of priority gender issues and indicators for the countries and the development of new and improved data collection/compilation methodologies to meet persisting data gaps in areas such as trafficking, migration, violence against women, women in informal sector enterprises, and contribution of women to the economy: unpaid work, women in decision making etc.

48. The systematic review conducted through the in-country assessments and the findings not only provided the two national statistical systems with guidance and inputs for the planning the development of their national strategies to improve gender statistics but also significantly contributed to better understanding some of the challenges that a regional programme on gender statistics would need to address in the Asia-Pacific region, covering diverse statistical systems such as - larger statistical systems like Indonesia

with a more complex administrative structure, as well as smaller decentralized statistical systems like in Bhutan.

2. **Global Review of Gender Statistics: preliminary results for the Asia-Pacific region**

49. In the Asia-Pacific region, the secretariat conducted the Global Review of Gender Statistics, discussed in section II above, during the first two quarters of 2012. Twenty-five⁶ countries in the region responded to the survey. The overall results indicated diverse levels of country development in the area of gender statistics.

50. While there existed familiarity with the concept of gender mainstreaming and gender statistics entities existed in national statistical offices in most countries that responded, this did not seem to be fully integrated into the wider statistical system as a whole, with not much evidence of gender statistics entities existing in other government ministries or agencies.

51. While most countries reported that laws and regulations governing the production and/or dissemination of gender statistics existed, the effectiveness of the law and the kind of tasks covered by existing gender statistics entities did not emerge clearly. Most countries reported on only routine tasks such as data compilation, dissemination, production of publications and addressing user requests. Training and methodological work was usually not covered. Most countries reported that they operate only on the basis of adhoc budgets for gender statistics.

52. In most countries that responded the institutions or organizations usually involved in the coordination of gender statistics were the national statistical office, the national coordinating body for statistics or the national mechanism for advancement of women. They usually supported compilation of inputs from other agencies or the organization of consultations among producers or with users. However, the institutionalization of training was evidently weak with training/guidance not being high on the list of functions covered by the coordinating institution. Also, the collaboration of the national statistical office with ministries was usually in traditional areas of gender statistics such as health, education and labour with not much evidence of extending collaboration in other aspects of the economy.

53. Data production gaps were apparent in large number of areas such as child marriage, agriculture, violence against women, disability, unpaid work, informal employment, and emerging issues such as media, satellite accounts, entrepreneurship, power and decision-making, and information and communication technology. In most cases conventional data sources were being used such as population census, demographic and health surveys, labour force surveys, health administrative records, education administrative records, with shift towards special data collection on gender issues still lacking such as on violence against women or time-use.

54. User-producer collaboration efforts were evident in a number of countries but limited to areas such as choice of topics related to gender statistics or dissemination of statistical outputs. Collaboration and dialogue on methodological work as well as development of data collection programmes

⁶ Armenia, Azerbaijan, Bangladesh, Bhutan, Cambodia, China, French Polynesia, Hong Kong, Iran, Japan, Kazakhstan, Kyrgyzstan, Macau, Malaysia, Mongolia, New Caledonia, New Zealand, Niue, Philippines, Russia, Singapore, Tajikistan, Thailand, Timor-Leste, Viet Nam.

were still lacking, thereby, impeding the progress or improvement of gender statistics at the national level.

55. Almost half the number of countries reported on national priorities related to gender statistics that had been identified including the need to raise awareness on gender equality; develop national plans/goals for gender statistics; conduct gender-focused surveys; develop gender databases; and conduct gender-related data dissemination. Some priority thematic areas for the future which were emphasized included time-use surveys; women in decision making; women in entrepreneurship; gender-based violence and early marriage.

3. Consultation with Asia-Pacific countries on the margin of the 2012 Global Forum on Gender Statistics

56. The secretariat organized an informal consultation meeting with country representatives (national statistical offices and national mechanisms for the advancement of women) from eight⁷ countries in the Asia-Pacific that attended the Global Forum on Gender Statistics, Jordan, 2012.

57. The secretariat briefed representatives of the participating Asia-Pacific countries on the on-going gender statistics related initiatives being undertaken by the secretariat and progress made towards development of the Regional Programme on Gender Statistics, and consulted them on drawing linkages between the global and regional level work.

58. Countries expressed that while most indicators in the global minimum set may be relevant for and could fit into a regional core set of indicators, data on many of these indicators was not readily available in countries and further data collection and/or compilation might be required. They further expressed that competing priorities in countries and the lack of allocated budget for gender statistics will impede the compilation of data on a number of indicators in the minimum set, in addition to issues related to lack of capacity and standards.

59. Countries mentioned that some priority areas for consideration in the regional core set of indicators include time-use/unpaid work, violence against women, disability and poverty. Country representatives stressed that though sex-disaggregated data was usually available, analysis is often not prioritized. Besides, analysis would require further capacity development.

60. The need for regional adaptations of already available training materials, manuals and guidelines on gender statistics to cover issues relevant to less developed statistical systems more extensively was emphasized by countries. They mentioned that the training materials should not only target statisticians and producers, but should cater to users as well, and should cover issues related to gender sensitization as well as analysis and not just data collection.

61. Opportunity for sharing of best practices, facilitation of south-south exchange and continuous dialogue with the secretariat were suggested as key elements in the design and implementation of a capacity development programme on gender statistics in the Asia-Pacific region.

⁷ Bangladesh, Cambodia, China, India, Japan, Kyrgyzstan, Philippines, Republic of Korea.

B. Next steps for the Regional Programme on Gender Statistics and linking with global initiatives

62. As a first step to mobilize funds for the Regional Programme on Gender Statistics, the secretariat has submitted a proposal under the eighth tranche of the United Nations Development Account in the first quarter of 2012. A three-year project entitled “Interregional Cooperation to Strengthen National Capacities to Measure Progress in Achieving Gender Equality and Women’s Empowerment” has been proposed which aims to improve the capacity of relevant national institutions, focusing on national statistical offices and entities responsible for mainstreaming gender in development policies and programmes, to address current gaps and weaknesses in data systems and to utilize, disseminate and communicate existing data and statistics to monitor, measure and analyze progress in achieving gender equality and women’s empowerment.

63. If the submitted proposal is approved for funds under the Development Account, the project is expected to be implemented from 2012-14, with the Economic and Social Commission for Asia and the Pacific as the lead agency, and the Economic Commission for Europe and the Economic and Social Commission for Western Asia as main implementing partners. The project is designed to build on the ongoing capacity building initiatives of the main implementing partners.

64. The multi-pronged strategy of the project will involve advocacy, technical capacity building through ‘doing’ and ‘training’, and knowledge management. Within a coherent framework of core gender statistics and indicators. A key approach being considered under the Regional Programme on Gender Statistics is to design and focus capacity building on a regional core set of gender statistics and indicators that countries will aspire to produce on a sustained basis by a target year, say 2020.

65. The regional core set of gender statistics and indicators will be developed and validated through a consultative process at the inter-regional, regional and national levels involving all relevant stakeholders and by using, adapting and/or expanding the Global Minimum Set of Indicators developed by IAEG-GS. The project will facilitate this process by providing support to expert meetings, regional workshops and national stakeholder consultations. This core set of gender statistics and indicators will also serve as a tool in arriving at a consensus for a national action plan in participating countries and securing national ownership and commitment through the process.

66. Existing knowledge, particularly best practices, will be brought together to ensure that these are utilised in the selection and design of new instruments for data collection and estimation to fill existing prioritized gaps. The results of this exercise combined with pulling together existing data sources that have been underutilized would intend to produce substantial useable data for generating monitoring indicators and analytical reports.

67. The project will also aim to strengthen knowledge on new methods and approaches through standardized training. This will also involve working with the United Nations Statistics Division and other partners to consider the possibility of developing regional adaptations of the Gender Statistics Manual and the Guidelines for Producing Statistics on Violence against Women, so as make these materials more relevant to the needs of countries in the Asia-Pacific region.

68. In addition to building technical capacity of individual staff of institutions, institutional-level mechanisms for effective knowledge sharing, delivery of training and improved coordination will be guided and established. Institutional strengthening would provide a means to sustained capacity building in countries.

69. The results of the Global Review of Gender Statistics also provide key information on institutional arrangements, data production, user needs and legal frameworks on gender statistics in countries and the mainstreaming of gender in the national statistical systems, all of which would provide key inputs in designing capacity development initiatives under the Regional Programme on Gender Statistics.

70. The secretariat will also work in consultation with the United Nations Statistics Division and UN-Women to find synergies between the Regional Programme on Gender Statistics and the EDGE Initiative, so as to identify how EDGE-related activities could be integrated in the planned activities at the regional level, in order for the two initiatives to complement each other through a coordinated and integrated approach.

C. Mainstreaming gender in other regional programmes and areas of work

71. The secretariat's current programme of work aims to mainstream gender aspects in all its statistical activities, including in on-going and planned regional programmes, regional actions plans and/or core sets of indicators in the areas of economic statistics, agricultural and rural statistics; social statistics; and civil registration and vital statistics. The discussions and capacity building on the core sets of indicators, especially under economic and social statistics, will to the extent possible, cover the gender-related indicators.

72. In the development of the regional core set of gender indicators it would be important to find synergies with the core sets of indicators in other areas of work being pursued by the secretariat, for a coordinated capacity development approach to be put in place.

73. The secretariat also emphasizes the importance of including the gender perspective in developing international/regional goals, instruments and in using and analyzing data in other areas such as informal sector and informal employment statistics and disability statistics.

IV. Summary and conclusion

74. There are a number of on-going initiatives at the global level to improve the capacity of member States and to improve availability and quality of gender statistics. The Regional Programme on Gender Statistics is being designed to address gender statistics capacity and data gaps and priorities specific to the Asia-Pacific region. The secretariat has a critical role to play in providing a platform to link national and regional capacity development with on-going and future global initiatives in order to facilitate capacity development in line with international standards and methodologies.

Part IV

Disability statistics in Asia and the Pacific

Note by the secretariat of ESCAP

High-level Intergovernmental Meeting on the Final Review of the Implementation of the Asian and Pacific Decade of Disabled Persons, 2003-2012, 29 October-2 November 2012, Incheon, Republic of Korea

1. The High-level Intergovernmental Meeting on the Final Review of the Implementation of the Asian and Pacific Decade of Disabled Persons, 2003-2012, was convened by ESCAP and hosted by the Government of the Republic of Korea in Incheon from 29 October to 2 November 2012. The Meeting, held every ten years, marked the conclusion of the second Asian and Pacific Decade of Disabled Persons, 2003-2012 and launched the new Decade proclaimed by the Commission at its sixty-eighth session.

2. The review of the past Decade by governments showed advancements in legal, policy and programme responses to promote the inclusion, participation and economic empowerment of persons with disabilities, including greater access to the physical and information environments.

3. Progress was also noted in the area of data collection. At the start of the Decade in 2003, only nine Governments had developed national disability databases and five were in the process of doing so. In contrast, by 2012, 50 Governments had indicated that they had data on disability prevalence. Of those, 35 Governments reported that they collected disability prevalence data through population censuses, reflecting a degree of mainstreaming disability into national data collection systems. A few governments indicated that efforts were underway to adopt the standards of the World Health Organization's International Classification of Functioning, Disability and Health (ICF).

4. While using these standards could help close data gaps and substantially improve the evidence base (as well as facilitating inter-country comparison), most governments reported that they have yet to establish such data collection systems in line with the ICF framework due to technical and financial limitations as well as other capacity constraints.

5. The Meeting noted that countries in the Asia-Pacific region still faced the fundamental challenge of lack of reliable and comparable data on disability, which not only hampers evidence-based disability-inclusive policy formulation, implementation and evaluation, but also hinders the removal of many environmental and societal barriers for persons with disabilities.

The Incheon Strategy

6. The 39 governments that attended the High-level Intergovernmental Meeting charted the course of the new Asian and Pacific Decade of Persons with Disabilities for the period 2013 to 2022. They adopted the Ministerial Declaration on the Asian and Pacific Decade of Persons with Disabilities, 2013-2022, and the Incheon Strategy to "Make the Right Real" for Persons with Disabilities in Asia and the Pacific.

7. The Incheon Strategy provides the Asian and Pacific region, and the world, with the first set of regionally agreed disability-inclusive development goals. Developed over more than two years of consultations with governments

and civil society stakeholders, the Incheon Strategy comprises 10 goals, 27 targets and 62 indicators. It builds on the Convention on the Rights of Persons with Disabilities which was adopted by the General Assembly in 2006.

8. The Incheon Strategy contains goals that range from reducing poverty and increasing employment for persons with disabilities to enhancing their political participation, ensuring disability-inclusive disaster risk reduction, promoting gender equality for women and girls with disabilities, improving disability data, and accelerating the ratification of the Convention.

9. The Incheon Strategy includes a separate goal on data collection, namely Goal 8: Improve the reliability and comparability of disability data. The Strategy recognizes that data comparisons across countries are frequently unreliable. It calls for more accurate statistics on the socioeconomic situation of persons with diverse disabilities to enable evidence-based policymaking and to support the realization of the rights of persons with disabilities. The Strategy also calls for targets and indicators that monitor the availability of disaggregated data (by age, sex, race and socioeconomic status) based on the ICF framework.

10. The Incheon Strategy will enable the Asia-Pacific region to track progress towards improving the quality of life, and the fulfillment of the rights, of the region's 650 million persons with disabilities, most of whom live in poverty.

Disability prevalence in Asia and the Pacific

11. WHO estimates that 15 per cent of the world's population lives with some form of disability. That translates into approximately 650 million persons with disabilities in the Asia-Pacific region. That number is in stark contrast to the disability data provided by governments to ESCAP in 2012. Based on that data, the population-weighted average for the Asia-Pacific region was only 4.6 per cent, or 200 million persons with disabilities.

12. The disability data submitted by governments to ESCAP in 2012 also revealed an enormous spread for disability prevalence from 1 to 18.5 per cent.¹ Most countries reported disability prevalence below 6 per cent. Only five countries reported disability prevalence above 10 per cent. For example, Australia and New Zealand reported the highest rates at 18.5 and 16.6 per cent respectively. On the high end were also Turkey and Vanuatu with 12 per cent and Bangladesh and the Russian Federation with 9 per cent. Close to the average were countries such as Timor-Leste, Azerbaijan, Japan and the Republic of Korea. On the lower end of the disability prevalence scale were the Lao People's Democratic Republic, Brunei Darussalam, the Philippines, Indonesia and Malaysia – all with reported rates of around 1 per cent.

13. It is important to note that there appears to be no correlation between disability prevalence and, for example, GDP or the Human Development Index. Hence, the level of disability prevalence is not linked to a country's level of development.

14. The variance in disability prevalence across countries in the Asia-Pacific region raises questions about inter-country comparability. Moreover, the large discrepancy between the regional average (4.6%) and the global estimate (15%) also casts doubt on the validity of the reported data.

¹ *Disability at a Glance 2012: Strengthening the Evidence Base in Asia and the Pacific* (United Nations publication, Sales No. E.12.II.F.13).

15. The ESCAP publication *Disability at a Glance 2012* shows that these variations do not necessarily reflect actual differences in disability prevalence.² Rather, they point to different dimensions of disability as captured through the use of specific concepts and definitions of disability, the specific purposes of data collection and the specific measurement methods and practices. The policy objective of any data collection initiative has implications on the definition of disability, the dimension and severity of the disability, and the overall design and planning of data collection activities. In the end, the interplay of these interlinked parameters affects the outcome.

16. The submitted disability data further indicated that men had higher disability prevalence compared to women. There was also a strong correlation in almost all countries between disability prevalence and age, often reaching 20 per cent or more for persons 60 years or older. The data also revealed that physical disabilities or muscular-skeleton diseases were by far the most common type of disability in almost all countries. For other disabilities, such as visual impairments, psycho-social or intellectual disabilities, there were no clear patterns across countries.

The role of National Statistical Offices

17. The Incheon Strategy will enable the Asia-Pacific region to track progress towards improving the quality of life, and the fulfillment of the rights, of the region's 650 million persons with disabilities, most of whom live in poverty.

18. The primary responsibility for the implementation of the Incheon Strategy lies with Government, particularly the national coordination mechanisms which are responsible for mobilizing diverse ministries, departments and other institutions as well as engaging with civil society, including organizations of and for persons with disabilities.

19. It is clear that for the Incheon Strategy to be effectively implemented, monitored and evaluated, the engagement of National Statistical Offices (NSOs) will be crucial, particularly in establishing adequate baselines and monitoring progress in achieving the goals and targets. ESCAP plans to engage closely with the NSOs to support this process.

² Ibid.

Part V

Implementation of the programme to build the capacity of national systems in tourism statistics in Asia and the Pacific*

World Tourism Organization

I. Background

1. Following the report of the World Tourism Organization (UNWTO) on tourism statistics presented at the forty-second session of the Statistical Commission,¹ which provided an overview of the work undertaken by the Organization to support national efforts in building and strengthening national statistical capacity in implementing a system for tourism statistics, UNWTO now provides an update of its work in this sense to the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) for presentation during the third session of its Committee on Statistics.

2. At its thirty-ninth session, the Statistical Commission adopted the International Recommendations on Tourism Statistics 2008 (IRTS 2008) and took note of the updated version of the Tourism Satellite Account: Recommended Methodological Framework 2008. These recommendations constitute an integrated set of concepts, definitions and classifications for the measurement of tourism activity and its economic contribution.

3. The report presented at the forty-second session of the Statistical Commission (<http://unstats.un.org/unsd/statcom/doc11/2011-26-TourismStats-E.pdf>) outlined the response of UNWTO and the UN Statistics Division to the Commission's request for an implementation plan of the above recommendations, and provided an overview of the work undertaken by the Organization to support national efforts in building and strengthening national statistical capacity in implementing a system for tourism statistics.

4. The present report provides an overview of UNWTO's work in this sense in Asia and the Pacific region. This report describes the regional capacity building programme held in the region.

II. Regional Statistics Capacity Building Programme

5. UNWTO has developed a prototype for its capacity-building programme, to be applied on a regional basis that involves intensive and highly technical training of officials from national tourism administrations, national statistical offices, central banks and, to the extent possible, migration authorities. One country in each region is designated as the "regional hub" and serves as the regional training centre.

6. These so-called Statistics Capacity Building Programmes (SCBP) consists of three or four consecutive training workshops for a selected, small number of countries and one regional seminar. The purpose of the technical workshops is to train senior statisticians from specialized national institutes. The participants are expected to implement concrete tasks and recommendations after the first workshop and to present the work accomplished and share their experience at the next workshop.

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¹ <http://unstats.un.org/unsd/statcom/doc11/2011-26-TourismStats-E.pdf>.

7. The objective of is to strengthen national experts' capacity to develop their Systems of Tourism Statistics for a better measurement, analysis, understanding and management of the tourism sector. This is done through a consistent and transparent approach that builds the capacity of key country experts and reinforces inter-institutional cooperation on a national and international level. Country experts are trained in the United Nations recommended methodology for measuring tourism and are also provided guidance on the practical aspects of its implementation.

8. Together with the final Workshop in each region a two-day Regional Seminar is held. This is open to all UNWTO member countries in the region. The main purpose of the Seminar is to spread the learning of the Workshop participants to other countries in the region.

9. In the interest of strengthening regional cooperation, the United Nations regional commissions and regional organizations such as Eurostat, the Standard International Classification of Tourism Activities, the Asia-Pacific Economic Cooperation, the Regional Tourism Organization of Southern Africa and the African Development Bank are always invited to participate.

10. Through its SCBP, UNWTO has been active in imparting training to its Member States in different regions: Europe (2008-2009), Anglophone Africa (2008-2010), Asia and the Pacific (2010-2012), and currently CIS countries and Georgia. UNWTO expects more Programmes to be held in additional regions or sub-regions.

III. Recent activities in Asia and the Pacific

11. The UNWTO Statistics and Tourism Satellite Account Programme and the UNWTO Regional Programme for Asia and the Pacific jointly implemented theregional Statistics Capacity Building Programme between 2010 and 2012 in the region.²

12. The countries that participated in this programme were: Cambodia, China, Fiji, India, Indonesia, Japan, Korea, Macao, Malaysia, Maldives, Philippines, Sri Lanka and Thailand. The technical hosts were Australia and New Zealand and, due to logistical reasons, the workshops and seminar were held in Thailand (with the kind collaboration of UNESCAP and held on its premises) and the Philippines.

13. The first workshop was held in UNESCAP Offices in Bangkok, Thailand, on 22-26 November 2010. The overall objective was to assist participants' countries to improve and expand their System of Tourism Statistics as well as to encourage them to understand and implement the IRTS 2008 recommendations.

14. The workshop was articulated around the dissemination of theoretical knowledge and technical practices, leaving place also to group discussions. UNWTO provided an overview of the IRTS 2008 and explained how to document a country's national System of Tourism Statistics. Participating countries were requested to present their current state of statistics relating to domestic, outbound and inbound tourism. The technical hosts, Australia and New Zealand, gave an overview of their practices concerning their System of Tourism Statistics, the collection and Government's use of domestic, outbound and inbound tourism as well as on formulating government policy using statistics. Thailand, Philippines and India also made special presentations: the first country

² <http://statistics.unwto.org/en/content/scbp-asia-pacific-2010-2012>.

on its system of tourism statistics, the second on its use of domestic tourism statistics and the latter on its use of inbound tourism statistics. Pacific Asia Travel Association (PATA) gave its perspective on markets and metrics, and UNESCAP proposed a regional programme for the improvement of economic statistics in the region. The large majority of the participants considered this first workshop to be very useful, particularly thanks to the sharing of and learning from other countries' experiences and from the technical experts, as well as the value of the discussions.

15. The second workshop was held in Manila, Philippines, on 4-6 July 2011. A total of 39 participants from 13 countries, plus 15 from the Philippines attended. Participating countries were requested to present the developments that had occurred in their country since the first workshop concerning domestic, inbound, and outbound tourism statistics. Four new topics were introduced in this second workshop: accommodation statistics, tourism as an international traded service, the Tourism Satellite Account (TSA), and employment. The UNWTO Accommodation kit and the TSA were explained by UNWTO. The technical hosts, Australia and New Zealand, presented the tourism accommodation supply and demand surveys in their countries, tourism in the Balance of Payments, the supply side data for TSA, their respective TSA (current measurement and future directions), employment in the tourism sector and finally, practical issues in developing a TSA. Overall, the evaluation of this workshop from the participants was extremely positive, considering the workshop to be very useful for their current or future professional activities.

16. The third and last workshop was held in UNESCAP offices, Bangkok, Thailand, on 5-7 March 2012. Participating countries were requested to give a presentation on what they had implemented since the previous workshop on domestic, inbound and outbound tourism. These presentations identified a significant amount of developments in the participating countries over the period of the SCBP implementation, not only in terms of improvements that were already implemented since the first Workshop but also in terms of further improvements to bring each country's System of Tourism Statistics into line with the IRTS 2008 recommendations, and what developments each country plans to implement during the period 2012 to 2013 to achieve this objective. Australia and New Zealand presented their recent improvements in demand side surveys and issues facing tourism data collection in their countries. Japan talked about common standards for statistics on inbound, domestic and foreign tourists by prefecture.

17. The Regional Seminar constituted the final event of the Asia and the Pacific Region Statistical Capacity Building Programme (SCBP). It was held back to back with the third workshop, in Bangkok, on 8-9 March 2012. The main purpose of the Seminar was to spread the outcomes of the Workshop to more politically-oriented participants, as well as to a wider range of countries in the region. Three additional countries participated: Bhutan, Nepal and Viet Nam. Selected Workshop countries presented what they had learned, the developments they had achieved since the start of the SCBP in November 2010, and the relevance of these outcomes.

18. It should be mentioned that the programme involves participating countries to, prior to each Workshop, complete a series of questionnaires/forms from UNWTO. These provide a detailed 'stocktake' of their available systems of tourism statistics, how these compare with the international standards (as per the IRTS 2008), and what their development plans for the future are. While this is an onerous task for the participants, it is always an important part of the Programme as it requires them to review what they have and where they have gaps in their

data and also, in requiring them to compare their data with the international standards, compels them to learn what the new standards are.

19. The National Tourism Administration is responsible for compiling the information for their country and completing these UNWTO questionnaires/forms. This requires the coordination with other organizations in the countries, primarily the National Statistical Office and the Central Bank but also other bodies involved in producing tourism related statistics such as the National Immigration Authority. The provision of this information represents a very considerable and commendable effort on the part of these organizations and countries.

20. Another important component of the workshops is the discussion time that takes place after most of the sessions. This enables the participants to learn from each other, as well as from the experts, and to understand that they aren't alone with their challenges.

21. The Asia and the Pacific SCBP also benefitted from formal presentations by Australia's and New Zealand's resource persons that focused on practical solutions to common challenges. The resources persons also engaged in the discussions and provided invaluable knowledge to the participants.

22. All in all, it may be considered that the programme has been very successful, as evidenced from feedback received from participants at the Workshop and through the evaluation forms collected at the end of each of the Workshops. The workshops' final documents, containing a comprehensive description of the current state (April 2012) of each participating country's System of Tourism Statistics, are available through the following UNWTO webpage: <http://statistics.unwto.org/en/content/scbp-asia-pacific-2010-2012>. The information in these documents has been provided by each of the participating countries.

Part VI

Tourism statistics¹

I. Overview

1. Based on the Tourism Nation Promotion Basic Law (Act No.117 of 2006), a new “Basic Plan for National Tourism Promotion” was approved by the Cabinet on 30th March, 2012. The plan suggests that it is required to promote the development and utilization of tourism statistics, including launching the “Regional Tourism Economic Survey” which is linked to the Economic Census from 2012.

II. Orientation of approaches

(a) The Basic Plan has four methods of approach:

(b) Conducting the “Regional Tourism Economic Survey” which is linked to the Economic Census from 2012”.

(c) Encouraging all prefectures to adopt the “Common Standard” for “Statistics on Inbound Tourists by Prefecture”.

(d) Discussing methods to understand the actual status of the diversification of overnight trips.

(e) Promotion utilizing tourism statistics in policy making processes through providing practical and concrete suggestions to local governments and tourism related industries on how to analyze and utilize the statistics.

III. Major achievements in 2011

(a) The Survey of Regional Tourism Economic Survey was conducted on a trial basis and the design for the full-scale survey has been completed.

(b) National Tourism Survey introduced a new method of attribute analysis and it enabled us to understand consumer behaviors when on trips and sightseeing.

(c) The Tourism Satellite Accounts for 2009 was produced and released in April 2011 to ensure more accurate international comparison of the economic effects of tourism.

IV. Future Direction

(a) The Survey of Regional Tourism Economic Survey will be conducted in full-scale version from FY2012.

(b) The “Common Standard” for “Statistics on Inbound Tourists by Prefecture” will be encouraged for all prefectures to adopt and also be

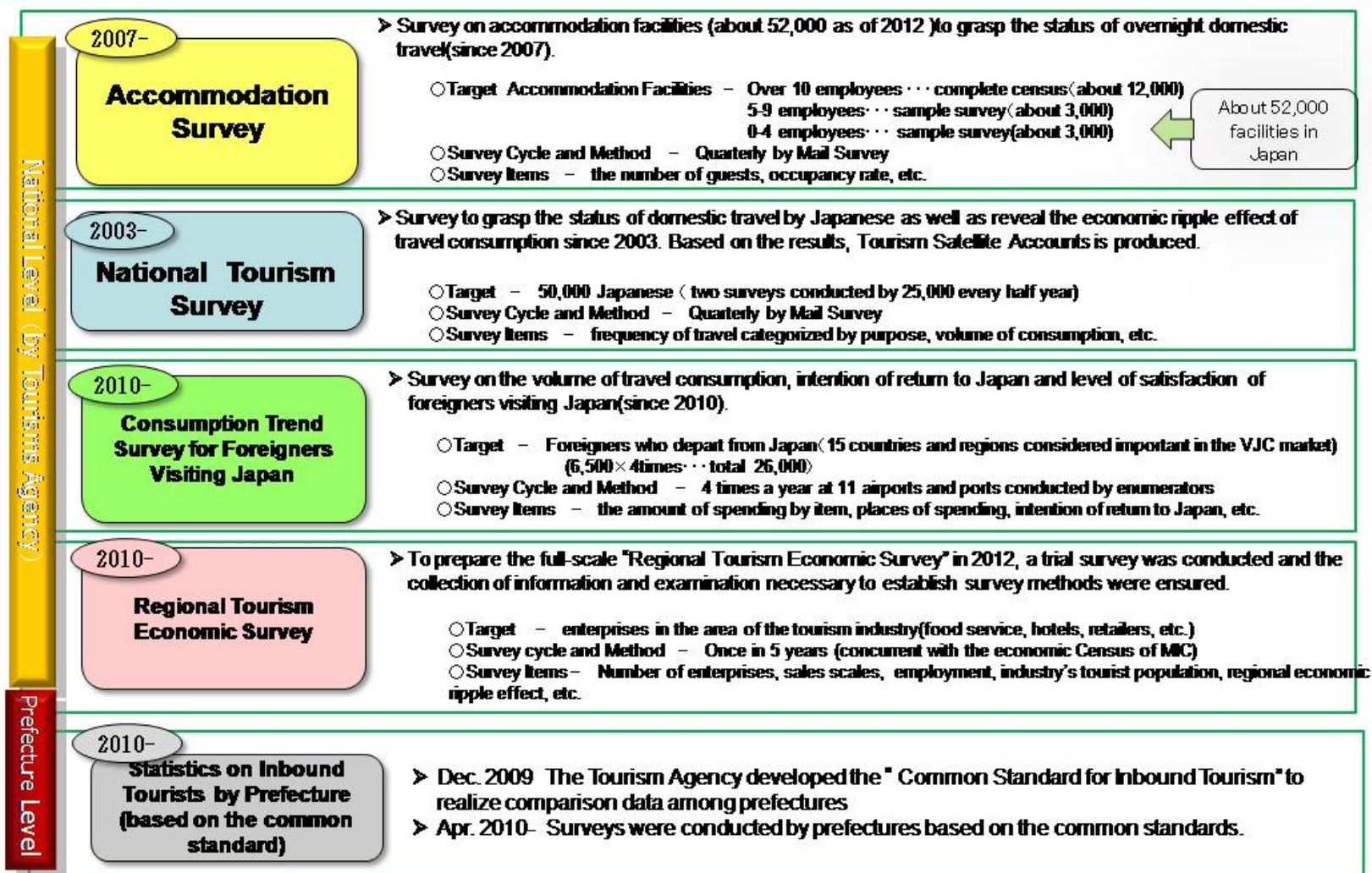
¹ This document was contributed by the Government of Japan. It has been reproduced without formal editing. The views expressed are those of the author and do not necessarily reflect the views of the United Nations.

reviewed in order to ensure effectiveness and accuracy. The utilization of tourism statistics in policy making processes will be promoted through providing practical and concrete suggestion to local governments and tourism related industries on how to analyze and utilize the statistics.

V. Major Statistics

- (a) Accommodation Survey
- (b) National Tourism Survey (Tourism Satellite Account)
- (c) Consumption Trend Survey for Foreigners Visiting Japan
- (d) Regional Tourism Economic Survey
- (e) Statistics on Inbound Tourists by Prefecture (based on the common standard)

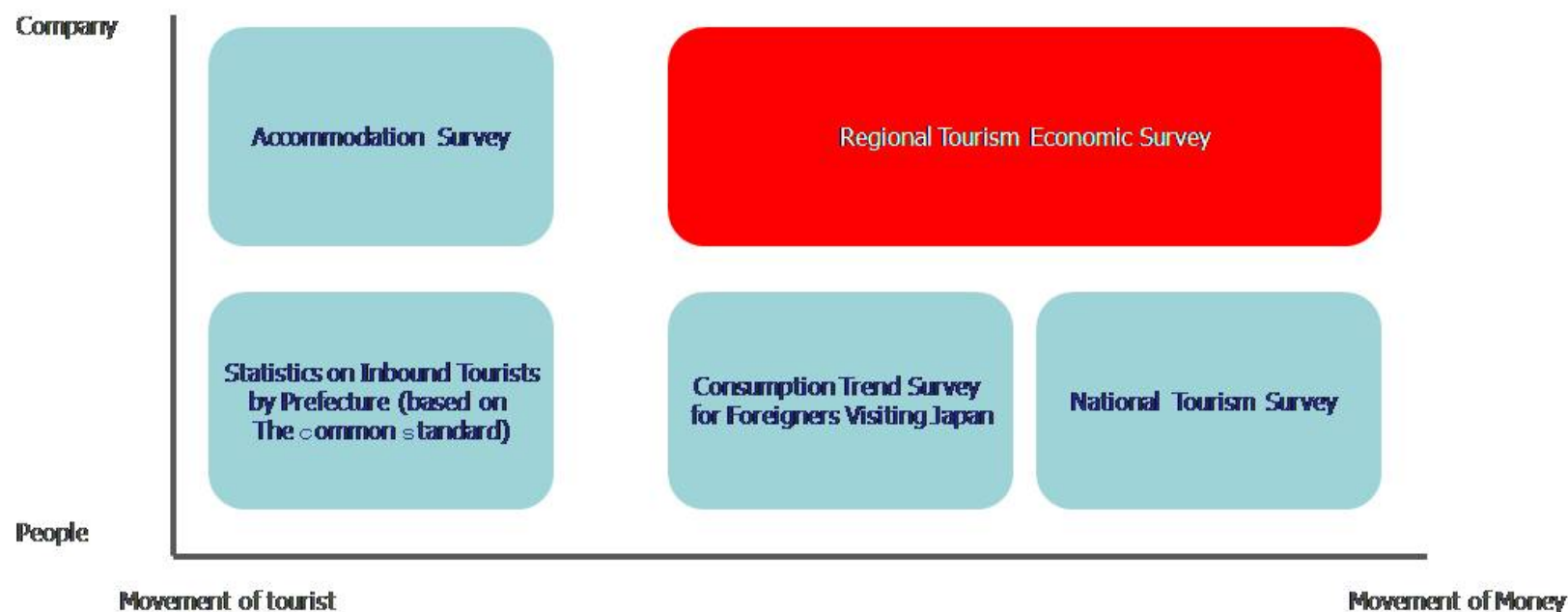
【1. Outline of Statistics on Tourism】



[2. Relation between the Regional Tourism Economic Survey and the rest of tourism statistics]



- Originally, tourism statistics have covered the “movement of tourists” or “movement of money by tourists”, however there was a lack of surveys addressing “company × money” and it has been difficult to grasp the economic ripple effect by tourist demands quantitatively.
- To bridge this gap, the Regional Tourism Economic Survey focuses on these aspects of the industry.



Part VII

Statistics of international trade in services¹

United Nations Statistics Division

Summary

This report gives an overview of recent developments in the measurement of international trade in services. It highlights important new recommendations in this field of statistics and the actions which have been taken to provide guidance for their implementation at national level. International cooperation is organized through the Task Force on Statistics of International Trade in Services (SITS), the UN Expert Group on compilation of SITS and a UN Technical Sub-group on the revision of the Classification by Broad Economic Categories (BEC). This cooperation should lead to improved and better coordinated capacity building activities, to a compilers guide for trade in services statistics and to a revised BEC.

I. Introduction

1. This report gives an overview of the work which has recently been undertaken in the area of statistics of international trade in services (SITS). New recommendations were adopted in 2010 and work is now on its way to give guidance on their implementation. The report also discusses developments in the classifications related to the trade in services and describes the international cooperation in this field to move forward.

II. Measuring international trade in services

2. At its 41st session in 2010, the Statistical Commission adopted the recommendations contained in the Manual on Statistics of International Trade in Services 2010 (MSITS 2010), which reflects the updated recommendations of Balance of Payments statistics, Foreign Affiliates statistics, Foreign Direct Investment statistics and the Modes of Supply of services in the context of the GATS negotiations. MSITS 2010 recommends the implementation of four core elements in the first phase, namely: (a) the definition, valuation, classification and recording of services transactions between residents and non-residents in accordance with the sixth edition of the Balance of Payments Manual; (b) additional details in those services categories of the 2010 Extended Balance of Payments Services Classification (EBOPS) which are economically important to the compiling country or area; (c) foreign direct investment (FDI) statistics by economic activity; and (d) main variables of foreign affiliates statistics by economic activity. For each of those core elements, MSITS 2010 recommends the inclusion of partner country breakdowns. For services transactions between residents and non-residents, partner country breakdowns are expected, first, at the level of services trade as a whole, and second, for each of the main services categories and for the additional economically important items of EBOPS. For FDI and foreign affiliates statistics, the aim is to report partner detail both in the aggregate and for the major economic activities. In the second phase, further recommended elements could be implemented, namely, more details of EBOPS, more variables of foreign affiliates statistics, the identification of trade between related and unrelated parties, the value of the international supply of services by mode and statistics on the number of natural persons covered by the General Agreement on Trade in Services mode 4 framework.

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3. In accordance with the changes in the 6th edition of the Balance of Payments Manual, the most important change in the MSITS 2010 recommendations concerns the introduction of recording “manufacturing services on inputs owned by others”. For those cases, in which companies are producing goods without obtaining ownership of the imported inputs or of the exported processed goods, the international transaction is now treated as an importation of services by the country of the owner of the goods. These cases are also known as “goods for processing” or “processing under contract”. The consequence of this change in statistical treatment is not only that certain transactions will now be classified under “manufacturing services on inputs owned by others”, but that the corresponding physical cross-border movements of goods should be removed from the international trade in goods statistics. This implies a change in the collection of the data as well. The statisticians need now to distinguish transactions of goods with change of ownership from transactions without change of ownership. The same company could process goods both on its own account and on accounts of others. Such business practices are not uncommon in the textile, automotive or information technology industries. Refineries are also known for processing of crude oil under contract.

4. This data collection problem may actually provide an opportunity to get more information on the issue of global production. On one hand enterprises, which engage in processing under contract, need to be identified and surveyed (to obtain payment and other information on the exports of manufacturing services) and on the other hand these enterprises need to be linked to the customs-based trade information to identify those goods which these companies have imported (as inputs) and exported (as outputs) of the production process. Such surveys will increase the knowledge of the strategies and business models of companies involved in global production and will therefore improve the measurement of international trade statistics.

5. Foreign affiliate statistics (FATS) and statistics on Foreign Direct Investment (FDI) are of course very relevant to the analysis of economic interdependencies among countries. FATS refer to statistics for enterprises located in one country that are majority (more than 50%) owned by an enterprise, which is resident in another country. Business entities that meet the criteria for FATS are a subset of FDI population, but the range of FATS extends well beyond those statistics traditionally compiled for FDI. FATS data are also important for understanding the impact of FDI on a broad set of economic activities in an economy such as output, employment, value added, and trade, rather than just the investment transactions and positions that are the focus of FDI.

6. Two basic approaches to compiling FATS, which are not necessarily mutually exclusive, are generally followed. The first approach entails conducting surveys by a national statistical agency or central bank that request information directly on the operations of resident affiliates of foreign enterprises and foreign affiliates of domestic enterprises. The second approach, which can be used only for inward investment, identifies from existing data on resident enterprises the subset that is foreign-controlled enterprises. With either of these approaches, links to existing data on FDI are likely to exist. Where there are surveys of foreign affiliates, registers used for collecting FDI data would typically be used to identify foreign-controlled affiliates for which FATS variables could also be collected.

7. Finally, a relatively new approach in the context of measuring international trade in services is the international sourcing of business functions, which will help understand how business operate internationally. In search of efficiency gains and low labor costs, companies are increasingly moving business functions that are currently performed in-house or domestically

outsourced to either non-affiliated, or affiliated enterprises located abroad. This typically results in jobs being moved abroad with, thus affecting employment and economic activity.

8. In two recent studies (conducted in 2008 and 2012) a number of European countries (under leadership of Statistics Denmark) tried to measure the international sourcing of business functions. An important feature of the study was the breakdown of activities carried out by the enterprises into a number of core and support business functions. The core business function equals the primary activity of the enterprise. Support business functions, also called ancillary activities, are carried out in order to permit or facilitate production of goods or services. Support functions include services such as distribution, marketing, after sales, ICT, administration or research and development.

III. Global Forum on Trade Statistics

9. On 2-4 February 2011, a Global Forum on Trade Statistics was organized by the United Nations Statistics Division (UNSD), the Statistical Office of the European Union (Eurostat), the World Trade Organization (WTO) and the United Nations Conference of Trade and Development (UNCTAD). The forum explicitly confronted the question if we are getting the right numbers for the measurement of international trade. Participants to the forum were not only trade statisticians, but also policy makers, economists and researchers. Statements were made by a number of high ranking officials which underlined the importance of the topic. These statements consistently expressed the concern that the current international trade statistics are insufficient for answering the relevant policy questions on international trade. More and better statistics are necessary for trade in services. Linking of trade to other economic and social statistics is necessary to better understand the position of trade within the global production processes. More information is needed about the trading companies and their practices. The Forum concluded with the adoption of a three point vision statement, namely (i) more and better trade in services statistics are necessary, (ii) trade statistics need to be linked to other economic, social, environmental and financial statistics, and (iii) improvements of classifications for trade statistics are desirable. To realize those improvements the Forum urged closer cooperation among the national agencies involved in the compilation and dissemination of international trade statistics.

IV. Classifications for use in international trade statistics

10. As indicated in the last paragraph, the Global Forum requested among others that improvements would be made for the classifications of international trade statistics. The relevant classifications for the recording of international trade in services are the Central Product Classification (latest version CPC 2.0), the Extended Balance of Payments Services classification (latest version EBOPS 2010) and the Classification by Broad Economic Categories (latest version BEC, revision 4). All these mentioned classifications are product classification indicating the good or service being delivered (with BEC also including the end-use of the product). For FATS statistics the economic activity is also important to be recorded, as classified in the International Standard Classification for all Economic Activities (latest version ISIC, revision 4).

11. For trade in services, the most important classifications are currently EBOPS 2010 and CPC 2.0. EBOPS is derived from the BOP services components with more detailed services categories within each of those components. The content of those services categories is described in BPM6 and MSITS 2010. The services categories in CPC are more detailed than the EBOPS categories and are described in the CPC manual including explanatory notes.

The CPC categories do not directly correspond to the EBOPS categories, but a correspondence can and has been created. Such correspondence table makes it very explicit which detailed service products of the CPC are allocated to which category of EBOPS 2010. The correspondence table is not available in MSITS 2010, but is available in draft version on the website of the Task Force on SITS, which is hosted and maintained by UNSD.

12. The UN Expert Group on international economic and social classifications decided at its May 2011 meeting in New York that a technical sub-group should revise the existing BEC and improve this classification on 4 points namely:

- (a) Re-defining BEC structure to better reflect current economic reality;
- (b) Extending its scope, including services as well as goods;
- (c) Improving explanatory materials to help both compilers and users of data disseminated according to BEC, and
- (d) Providing updated correspondence tables to link BEC with other statistical classifications.

Moreover, the definition of intermediate goods should be given extra attention in the description of the dimensions of BEC. The UN Technical Sub-group on the revision of BEC should submit the revised BEC for approval and endorsement to the 45th session of the Statistical Commission in 2014.

13. The main purpose of the BEC is to provide an analytical framework for the international comparison of trade and production statistics dealing with products, especially the comparison of the end-use of these products classified according to intermediate and final consumption, and capital formation. The BEC was developed in the first place to tabulate international trade statistics, but could also be used for production statistics and prices. The current structure of the BEC contains a mix of economic and end-use categories at its top level, namely Food, Fuels and Transport equipment as well as Industrial supplies, Capital goods and Consumer goods. It would be better for analytical clarity if the economic and end-use categories would be completely separated.

14. Even though the distinctive feature of the BEC is the classification by end-use, the first level of the revised BEC is proposed to be broad economic categories, which divides the economy in meaningful sectors. Through these sectors the end-use categories derive their meaning and interpretation. For instance, capital formation is different for the economic sectors of construction, transport or ICT, and it is meaningful to see those differences when making international comparisons. Likewise, economies differ widely in the intermediate consumption of energy, transport, ICT or textile goods and services. Since the classification of the end-use of goods is not exactly the same as that of services, especially where it concerns capital formation, the second level of the proposed revised BEC consists of goods and services, and the third level of end-use categories. Following this logic, the structure of the revised BEC would look approximately as shown in the snapshot below. As mentioned before the specific details are still under discussion.

1. Food (including beverages)

- Goods
 - Intermediate Consumption
 - Generic
 - Customized
 - Capital formation
 - Final Consumption
- Services
 - Intermediate
 - Final Consumption

2. Energy

- Goods
 - Intermediate Consumption
 - Generic
 - Customized

V. International cooperation

15. The main task of the Task Force on SITS is currently the implementation of MSITS 2010, especially the development of compilation guidance. At its March 2011 meeting, the Task Force decided to produce a guide for compilers covering the full scope of the Manual, which would be developed in parallel and in consultation with the compilation guidance for the balance of payments services statistics. The Task Force asked UNSD to take the lead in the process, which would be supported by an expert group on the compilation of statistics on international trade in services (EG-CSITS). The expert group consists of all Task Force members and national experts from developed and developing countries. More information on EG-CSITS is given below.

16. The Task Force agreed at its in November 2011 to improve coordination in technical assistance and to make more efficient use of available resources. WTO was requested to coordinate this initiative. It was proposed to collect information on the capacity-building activities in the field of trade in services organized by the international organizations and by national institutes. This information would include potential consultants and a review of new training tools, such as e-learning. At the same meeting in November 2011, the Task Force discussed the process of working towards the harmonization of data on trade in services presented in international databases. This effort was initiated by WTO in Beirut in March 2010 and is supported by all the agencies of the Task Force. This work on data harmonization is expected to improve the exchange of information among international organizations and to have a beneficial effect on the quality and consistency of trade in services databases (data and metadata), as well as reduce the reporting burden on countries in their provision of data to international organizations.

17. The expert group on the compilation of statistics of international trade in services (EG-CSITS) was established in December 2011 to ensure active country involvement in the development of the compilers guide for MSITS 2010. The expert group is convened by UNSD. In March 2012, the first meeting of EG-CSITS was held through virtual discussion. The main objective of the meeting was to review the annotated outlines of all chapters of the compilers guide and to define the scope of the guide and the content of each of the chapters. A revised annotated outline was thereafter circulated for worldwide consultation in July 2012 and first draft chapters were prepared as well. The outcome of the

worldwide consultation and the draft chapters are being discussed in a virtual meeting in October 2012. The expert group is expected to finalize its work during 2013.

VI. Compilers Guide for MSITS 2010

18. The Compilers Guide for MSITS 2010 should help countries in developing a high quality and effective data collection, processing and dissemination system which complies with the recommendations of MSITS 2010. It should be useful for both developed and developing countries and should reflect practices for all regions in the world. The Compilers Guide will be fully in line with MSITS 2010 and will not prescribe new recommendations. It will elaborate on the recommendations of MSITS 2010 and give the practical how-to information.

19. As mentioned before, EG-CSITS electronically discussed the main parts of the Compilers Guide during its first meeting in March 2012, namely statistical infrastructure, data collection, data processing, quality assurance, and data dissemination. The outcome led to an updated annotated outline with the following main structure.

- Part I General Frameworks (Conceptual, Legal and Institutional Frameworks)*

- Part II Data Collection: overview of data sources*
 - (a) Registers and survey frames*
 - (b) Enterprise and establishment surveys*
 - (c) Surveys of persons and households*
 - (d) International Transaction Reporting System*
 - (e) Administrative records*

- Part III Data Compilation:*
 - (a) Integration of data from different sources*
 - (b) Compilation of resident/non-resident trade in services statistics*
 - (c) Compilation of FATS and the international supply of services*
 - (d) Compilation of other indicators for modes of supply*
 - (e) Estimation and modeling of missing data, forecasting or back-casting*

- Part IV Data Dissemination*

- Part V Cross-Cutting issues*
 - (a) Quality management*
 - (b) Metadata*
 - (c) Use of Information and Communication Technology*

VII. Conclusion

20. This report gives an overview of recent developments in the measurement of international trade in services. It highlights the important new recommendations in this field of statistics and the actions which have been taken to provide guidance for their implementation at national level. International cooperation is organized through the Task Force on Statistics of International Trade in Services, the UN Expert Group on compilation of SITS and a UN Technical Sub-group on the revision of BEC. This cooperation should lead to improved and better coordinated capacity building activities, to a compilers guide for MSITS 2010 and to a revised BEC.
