STATISTICS

Overview of
CM.1 - An Assessment Framework to
Measure Alignment with Statistical Standards

International Workshop on the Update of the System of National Accounts, 2008

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Outline

➢ Objective of the guidance note

➢ Summary of global consultation outcomes

➢ Next steps for the guidance note

Objective of the Guidance Note (CM.1)

Develop a framework to assess alignment to the statistical standards

Framework

Develop an alignment framework that countries can use to communicate their alignment to each of the statistical standards – SNA, BPM and GFSM.

Communication

Propose guidance on how statistical agencies should complete the alignment framework and how users interpret them.
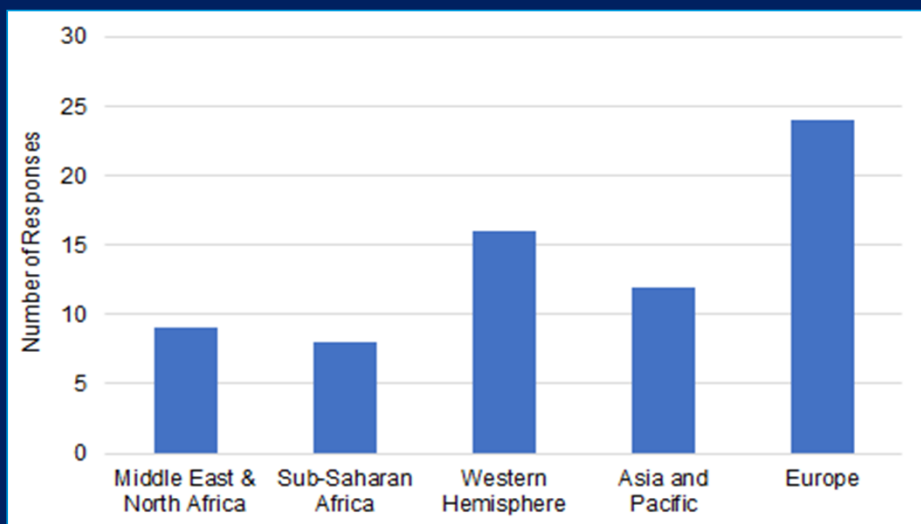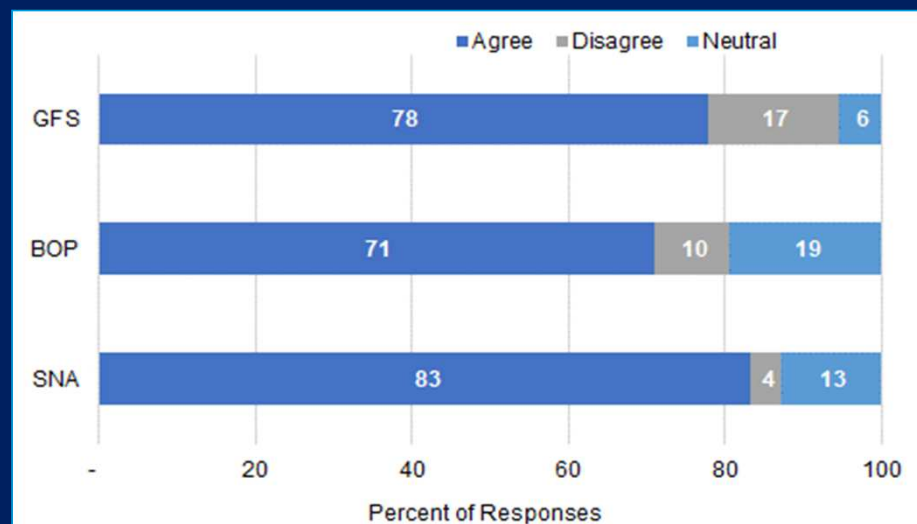
Uses

- Explain the uses of the alignment frameworks for users, the economies and the international community. Including:

  - *Improving cross-country data comparisons.*

  - *Helping NSOs to prioritize resources, planning and development.*

  - *Signaling the extent of possible future revisions to users.*

Results of Global Consultation

Geographical Distribution of Responses

Views on the Need for Alignment Framework in the Standards
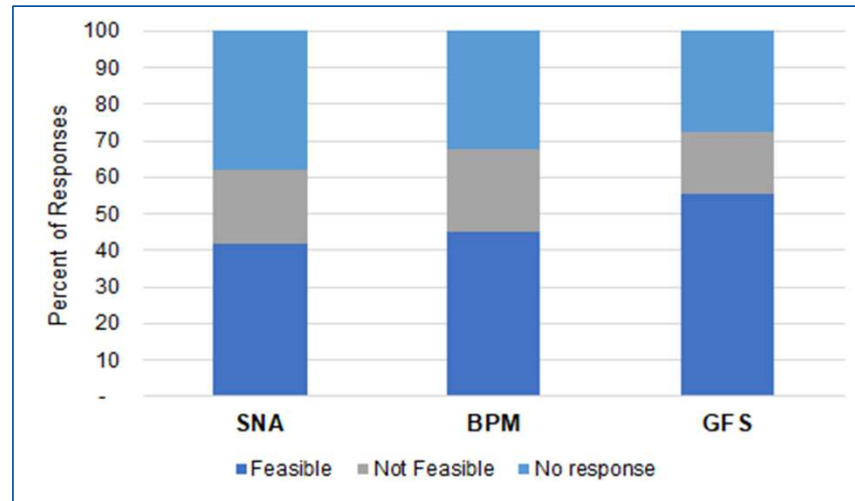

- ➤ 69 complete responses were received from 55 economies, reflecting compilers from all three domains.

- ➤ Respondents from Europe had the largest participation (35 per cent), followed by those from Western Hemisphere (23 per cent), Asia and Pacific (17 per cent), Middle East (13 per cent) and from Sub-Saharan Africa (12 per cent).

- ➤ Majority of the respondents agreed with incorporating a set of alignment frameworks in next update of the statistical standards.

Results of Global Consultation

➢ A significant majority of the respondents agreed with the list of concepts and definitions, accounting rules, classification systems and presentation dimensions (and elements) of the three frameworks.

➢ Respondents generally agreed with the dashboard presentation of the frameworks. However, there were concerns about relying on the statistical offices to be objective about the degree of alignment of their statistical programs.

➢ Respondents were also concerned that with the categories (expressed in per cent), it could be difficult for compilers to judge elements that are not aligned with statistical standards.

➢ Most respondents expressed concerns about the number of elements in each of the frameworks.

Feasibility of Completing the Alignment Frameworks

➤ A small majority of respondents agreed that it would be feasible for their office to update, maintain and publish the framework regularly.

➤ Respondents acknowledge the initial upfront resource cost to complete the framework. However, they noted that subsequent updates to the frameworks would require less resources and therefore would be feasible.

➤ The other half of the respondents argued that their agencies do not have sufficient resources to regularly maintain the frameworks.

Test Results
(from Global Consultation)

Completed Alignment Frameworks

➢ Twenty economies agreed to complete relevant alignment frameworks as part of the consultation.

➢ The economies that participated are from a range of regions, statistical capacity / statistical resource levels and income levels.

➢ Most (16 of 20) of the participating economies stated that the alignment framework was straightforward. The others thought that the frameworks were difficult to complete.

   Some extracts and takeaways from the completed SNA alignment frameworks are presented in the following slides.

Extracts from Completed SNA Alignment Frameworks

Economies (Names Concealed)

Concepts and Definitions (Extract)	1	2	3	5	6	7	8	9	10	11	12
Production Boundary Covers:											
Informal economy											
Underground economy											
Illegal activities											
Other non-observed activities											
Imputed services (of owner-occupied dwellings)											
Own-account production of all goods for own final consumption											
Research and development for market and own account											
Output of goods for own-account fixed capital formation;											
Costs of mineral exploration											
Production of entertainment, literary, or artistic originals											
Production of computer software for own account											

Asset boundary (Extract)	1	2	3	5	6	7	8	9	10	11	12
Dwellings											
Other buildings and structures											
Machinery and equipment											
Weapons systems											
Cultivated biological resources											
Intellectual property products											
Valuables											

Legend: Not Applicable | Fully Aligned | Highly Aligned | Broadly Aligned | Partially Aligned | Not Aligned

SNA Alignment Frameworks (Costa Rica and Mexico Comparison)

Concepts and Definitions (Extract)`	Costa Rica	Mexico
Production Boundary Covers:		
Informal economy	Broadly Aligned	Fully Aligned
Underground economy	Broadly Aligned	Not Aligned
Illegal activities	Highly Aligned	Not Aligned
Other non-observed activities	Broadly Aligned	Not Aligned
Imputed services (of owner-occupied dwellings)	Fully Aligned	Fully Aligned
Own-account production of all goods for own final consumption	Fully Aligned	Fully Aligned
Research and development for market and own account	Fully Aligned	Not Aligned
Output of goods for own-account fixed capital formation;	Fully Aligned	Fully Aligned
Costs of mineral exploration	Not Applicable	Fully Aligned
Production of entertainment, literary, or artistic originals	Fully Aligned	Fully Aligned
Production of computer software for own account	Fully Aligned	Not Aligned

Asset boundary	Costa Rica	Mexico
Dwellings	Fully Aligned	Fully Aligned
Other buildings and structures	Fully Aligned	Fully Aligned
Machinery and equipment	Fully Aligned	Fully Aligned
Weapons systems	Not Applicable	Fully Aligned
Cultivated biological resources	Fully Aligned	Highly Aligned
Intellectual property products	Fully Aligned	Highly Aligned
Valuables	Fully Aligned	Broadly Aligned

Legend (top to bottom): Not Aligned · Partially Aligned · Broadly Aligned · Highly Aligned · Fully Aligned · Not Applicable

Some Takeaways from Completed SNA Alignment Frameworks

➢ Some positivity bias observed on the part of the compiling agencies.

➢ The alignment framework clearly communicates areas of possible revisions to users or prioritizing resources for improvements for producers.

➢ Single, comprehensive framework for users to understand the metadata of one economy relative to others, without the need for extensive metadata research (which may still be incomparable).

➢ The countries that participated report alignment to both *2008 SNA* and *1993 SNA.* Nevertheless, the alignment framework shows more clearly the variation in methods and concepts underlying the national accounts estimates produced by each economy, and the difficulty that less sophisticated users would have to compare the results.

➢ There is a clear need to provide sufficient explanatory notes and guidance on how to complete all three alignment frameworks.

Changes to Guidance Note from Consultation

➤ Reviewed completed frameworks and made adjustments based on feedback received.

➤ Detailed the benefits of the alignment frameworks for users.

➤ Added further explanatory notes to all three frameworks.

➤ Updated guidance note with guidelines on appropriately balancing providing information on alignment with statistical standards and providing other metadata (specifically focusing on the statistical offices with limited resources).

Next Steps

Next Steps

➤ Test underway with users of the BOP and SNA framework.

➤ Amend the Guidance Note to reflect the findings and changes needed.

➤ Resubmit to AEG / BOPCOM for final endorsement in October 2022.

THANK YOU!