OECD Progress Report

(1) **1999-2001 Voorburg program**

- CPC classification
- PPI for services
 - OECD (now jointly with Eurostat) conducts an annual survey of national services PPI data collection 20 countries are now reporting collecting such data
 - OECD began collection data on services PPIs in Indicators of Industry and Services (IIS) in 2000 and at a very aggregated level through Main Economic Indicators. But IIS has been suspended till end 2003 pending a review.
- Demand for services
- Non profit institutions
 - o Ad hoc issues:
 - Measurement of employment input
 - Definition and measurement of the ICT and content activities
 - OECD/WPIIS discussed the OECD definition of the ICT sector in April. It decided to retain the current definition and work towards a revision in the context of the revision of ISIC, for 2007. The new ICT sector definition would also be more closely linked to a classification of ICT products and services. One small modification was made to the ICT sector definition, however by substituting "5150 (wholesaling of machinery, equipment and supplies if possible only the wholesaling of ICT goods should be included)" with: ISIC Rev. 3.1 class 5151 "wholesale of computers, computer peripheral equipment and software", and ISIC Rev. 3.1 class 5152 "wholesale of electronic and telecommunication parts and equipment"
 - The OECD/WPIIS also discussed a proposed list of ICT manufacturing products which will be revised on the basis of comments received. Some discussion also took place on ICT service products, but little progress was made in this area.

International trade in services

The Interagency Task Force on Statistics on International Trade in Services (TF) is convened by OECD.

The Manual on Statistics on International Trade in Services is still with UN going through the publishing process.

The TF has set preparation of compilation guidance as a priority task and are starting to prepare documentation, but resources are very limited.

OECD has published for the first time data in 2002 on:

- i) trade in services by partner country;
- ii) foreign affiliates trade in services.
- OECD Expert Group on Trade in Services will meet in February 2003

(2) **2002-2004 Voorburg program**

- PPI for services OECD and Eurostat have decided to launch a task force on services PPIs to look at implementation and harmonisation issues to complement the work of the Voorburg Group
- Classification of service activities and products
 - OECD will participate actively in the revision process of CPC, ISIC and Balance of Payments Services Classifications. A paper on classification issues related to measuring trade in services has been submitted to the Voorburg Group.
 - An OECD Task Force on Financial Services is seeking to review definitions of output and its measurement for these activities.

• Information society statistics

The OECD/WPIIS meeting of April 2002 made progress in several areas of information society statistics. A draft model survey by households was discussed and will be finalised this year. A large number of recommendations were also agreed on as regards how to measure electronic commerce and ICT use by businesses. These recommendations included, inter alia, areas such as recommended weighting schemes, implementation of definitions, changes to the OECD model survey of ICT use by businesses. Two expert groups were established to address the treatment of electronic financial transactions and the measurement of electronic business processes. Finally, the improved international comparability of information society statistics has led to a critical mass of official statistics. OECD will publish a compendium of these official statistics in October 2002, under the title "Measuring the Information Economy".

o Ad hoc issues:

- Non profit institutions
- Sales by service products (measurement of turnover of detailed products)
 - This is currently only really treated in the context of exports and imports of service products but these are not very detailed.
- Short term indicators

OECD has established a new Short-term Economic Statistics Expert Group (STESEG). At the first meeting of the Group on 24-25 June 2002, delegates from 25 OECD member countries and a number of international organisations attached high priority to future work in the area output indicators for services. A more detailed outline of this work in provided at http://www.oecd.org/doc/M00033000/M00033222.doc.

This work will be coordinated with the work of Eurostat and the Voorburg Group.

In general services data publication are being progressively expanded by OECD in National Accounts, Structural Statistics of Industry and Services, Structural Analysis database (STAN), Trade in Services, Foreign Affiliate Trade in Services.

OECD has been asked to write a short review of the international progress on services statistics for the UN Statistics Commission 2003 highlighting future coordination issues.

STD/DSTI 20 September 2002