

ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

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Main achievements and challenges in ASEAN regional cooperation in statistics

Corrigendum

The dates of the session *should read* as above.

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Main achievements and challenges in ASEAN regional cooperation in statistics¹

Major Challenges

1. ASEAN Member States (AMS²) are very diverse in many aspects of their statistical practice and level of development. To some extent, such diversity can be attributed to country's peculiarity and availability of basic data, statistical infrastructure and skilled staff. Availability of basic data, statistical infrastructure and skills are functions of management, including proper strategic planning, coordination, national priority, human resource planning and quality management, as well as resource constraints and access to technical support from the concerned international bodies.
2. Peculiarity is an issue in pursuing regional cooperation in statistics towards comparable, relevant, timely and reliable statistics. International standards such as ISIC, for example, are adapted differently from country to country, to take into account country's peculiarity. Reference manuals and international recommendations are adapted differently to best suit country's specific condition and limitation, resulting in differences in concept and measurement, as seen in merchandise trade and manufacturing industry statistics, for example. Two most important frameworks namely, system of national accounts (SNA) and Millennium Development Goals (MDG), also differ in their implementation and level of development, partly because of the same factor. One big challenge is, therefore, how to harmonize or improve comparability of statistics and statistical classifications.

¹ This document was contributed by Mr. Agus Sutanto, Head of the Statistics Unit, ASEAN Secretariat. It has been reproduced without formal editing. The views expressed are those of the authors and do not necessarily reflect the views of the United Nations.

3. Lack of proper strategic planning, together with resource constraints and differences in prioritization, has led to lack of statistical infrastructure, data availability, and skills. There are cases where collection of data is carried out without an integrated plan, so that even if basic data is available sufficiently, many aspects of SNA, for example, still cannot be implemented since the surveys are designed to primarily meet the objectives of planning and monitoring of the respective sectors, with little consideration of their uses for national accounting. As a result, classifications, sampling design, and the resulting data items cannot support national accounts compilation. In other instances, basic data is simply not sufficient, even to produce a few GDP aggregates such as expenditure components of the GDP and Gross National Income, because priority is given to other, sometimes, ad-hoc demand. Also, proper sampling frame remains an issue because such a need is not well anticipated or planned. Another major challenge is, therefore, how to integrate international and regional requirements and the different national prioritizations in the national strategy for development of statistics.

4. Advocating for and facilitating effective coordination at national level continues to remain a major challenge. Partly because of lack of proper coordination, there are instances where access to basic data produced by other data producing agencies remains an issue, consistency of data across different sources remains at large, and prioritization is poorly defined. There are instances where different classifications and concepts exist and are used by different data producing agencies, such as in the case of trade statistics. There are also instances where there are more than one trade figures, produced by different concerned agencies.

5. Lack of staff with proper skills is common, due to staff mobility and lack of well-defined human resource planning. Despite high turn over and staff mobility, in many cases there are no continuous training aimed at creating a pool of statisticians with the required skills. This is particularly an issue in statistical fields that require specialized expertise such as national accounting and environmental statistics. Thus advocating for and facilitating the promotion of a well-defined human resource planning and continuous training programme is another big challenge.

6. Facilitating improved access to technical support from the concerned international bodies also constitutes another major challenge. Using national accounts as an example, supply-and-use table (SUT), which is a basic requirement to ensure data consistency and quality national accounts, is not available in many countries including those that have compiled input-output (I-O) table and social accounting matrix (SAM). SUT, which primarily use is to help ensure data consistency in national accounting, received lower priority than I-O table because the latter can be used in various economic analysis and modelling and hence are more appealing to users and policy makers. I-O table, however, cannot be used to substitute for SUT because it has undergone major adjustments and does not show consistency of the underlying basic data. Consistency between institutional accounts in national accounting therefore remains an issue. While such a problem may have to do with prioritization, to a

large extent, it can also be attributed to lack of awareness of the importance of SUT, due to lack of proper technical support from the concerned bodies.

7. More about proper technical support, because of the recent intense of international efforts in promoting ISIC rev.4 and SNA 2008 Framework, AMS' have been working hard to harmonize the national industrial classifications and to enhance the implementation of the SNA framework. AMS' have adopted an ASEAN Common Industrial Classification at 3 digit level, and is currently working on the 4 digit common classification of manufacturing industry. In the past, with less intense international initiative, ISIC received very low priority in the AMS and SNA implementation was also less prioritized. Currently, AMS' have determined to expedite the implementation of SNA framework, established an SNA Forum, and agreed to use the SNA framework as a major framework for the development of statistics to ensure that SNA requirements are integrated in the national strategy for the development of statistics.

8. Lack of proper quality management leaves monitoring of progress of statistical development with the least attention and to a situation where no best practices are disseminated or easily accessed, and transparency, relevance and timeliness are practically poorly attended. The recent initiative by IMF on SDDS, GDDS, and on monitoring instruments such as the DQAF and ROSC, has proved to help countries improve data timelines, accessibility and transparency. How to promote a culture of quality management is, therefore, another big challenge.

9. Another common and crucial issue is the fact that statistical development in most AMS' is typically among those with low priority despite the increasing demand for statistics from users and the increasing requirements from regional as well as international organization on quality, comparability, relevance and timeliness. While some countries can already rely on their own self capacity, some others still rely much on external resources because of insufficient government commitment and political support. Inadequacy of statistical capacities is clearly not merely a technical but more of development policy problem; lack of policy support and government commitment. Gaining greater government commitment and political support for the development of statistics, to help expedite the process of meeting demand and other statistical requirements at both regional and national level, is therefore one of the biggest challenges.

10. Increasing awareness among the AMS' of the ASEAN goals and initiatives and meeting of the increasing demand and requirements in support of ASEAN initiatives is another big challenge. More detailed data to support various sectors of ASEAN initiatives are needed; data should be comparable and timely, and to the extent possible, should be broken down by intra-ASEAN and extra-ASEAN. The AMS' have also embarked on an initiative to monitor progress of the various programme areas of ASEAN initiatives as well as to measure the overarching goals of ASEAN towards an ASEAN Community. While AMS' have demonstrated their support and commitment, as shown in the major achievements of ASEAN regional cooperation in statistics, the wide ranging

activities of ASEAN initiatives necessitates more communication to increase awareness of and gain greater support for the ASEAN initiatives. Improved awareness of the ASEAN initiatives and requirements will help integrate the regional needs and requirements in the national strategy for development of statistics.

11. Demand associated with the commitment made by the World's Leaders concerning the MDG also needs to be responded. Likewise, the increasing requirements from international statistical organizations in the form of issuance of new and revised international standards and manuals, such as the SNA 2008, the new international recommendations on industrial statistics (IRIS), and the ISIC Rev.4, and demand for transparency and monitoring of progress of the implementation of international standards have to be closely attended. Thus meeting the increasing demand related to the global agenda and international standards and recommendation constitutes a major challenge.

Main Achievements

12. Harmonization of standard classification was among the first that AMS' had addressed, through an initiative on harmonization of industrial classifications under the purview of the ASEAN Heads of Statistical Offices Meeting (AHSOM). AHSOM has adopted an ASEAN common industrial classifications (ACIC), a three-digit industrial classifications based on the ISIC Rev.4, common the AMS'. Currently, AMS' is developing common industrial classifications of manufacturing industry until 4 digits. AMS' are also working on the revision of the national SIC by adopting ACIC and adapting the ISIC Rev.4 at the 4-digit level. Special assistance will be provided to AMS' that do not have national SIC. ASEAN has also been promoting harmonization of industrial statistics, primarily through seminars, workshops and studies.

13. Foundations for harmonization of international merchandise trade statistics (IMTS) and statistics on international trade in services (SITS) have been well established, in which AHSOM has adopted an indicative work plan on IMTS as well as on SITS and established a task force on IMTS as well as on SITS. The work plans were developed based on country assessment and through national workshops and regional workshops. These task forces, composed of representatives of national statistical offices, central bank, and Customs/Ministry of Trade/relevant institution, are meant to provide a venue for resolving differences in standards, format and timeliness, and other aspects of data quality and statistical infrastructure as well as coordination issues. The work plans are expected to be implemented through the forthcoming EU-ASEAN Statistical Capacity Building Programme, which will commence in early 2009.

14. A foundation on harmonization of FDI statistics has also been developed through the working group on Foreign Direct Investment Statistics (WGFDIS), under the purview of the ASEAN Coordinating Committee on Investment (CCI). Members of the WGFDIS are primarily representatives of Central Banks and Board of Investment. Some AMS' national statistical offices are

also directly involved in the WGFDIS. Currently the WGFDIS is working on the formulation of a strategic planning on the enhancement of FDI statistics, which shall also be implemented under the above EU-ASEAN programme.

15. The AMS' have also embarked on an initiative to establish a foundation for regional cooperation in national accounts to enhance the implementation of the SNA framework. The AMS' through a regional cooperation under AHSOM have recently worked on the setting up of common targets, a short-term catch-up programme for SNA, the annual work plan for 2009, ASEAN SNA Forum and ASEAN SNA Advisory Group. AHSOM 8 held in Phnom Penh in 2007 has further agreed to adopt the SNA Framework as the guiding framework for economic statistics data collection.

16. Another important milestone has also been achieved in measuring progress of ASEAN towards an ASEAN Community, under the ASEAN Community Progress Monitoring System (ACPMS) project. Through this initiative, conducted in 2007-2008, the ASEAN has been able to develop a tool and a system of indicators to measure the overarching goals of ASEAN. AHSOM has further agreed to adopt the ACPMS as the reference framework for data sharing, analysis and dissemination of statistics, along with the ASEAN Statistical yearbook, and agreed to establish a working group on data sharing, analysis and dissemination, to promote the use and transparency of statistics in general, and to sustain the monitoring of the ASEAN Community progress, in particular. An inaugural workshop is expected to be carried out to establish a mechanism for data sharing, analysis and dissemination of statistics, in line with a strategic planning workshop in early January 2009.

17. Along the line of the establishment of ACPMS, ASEAN is also formulating a framework of ASEAN Statistical Indicators (ASI) to provide a framework of the regional initiatives on development and harmonization of statistics. It is also expected to serve as an overall framework of monitoring of ASEAN initiatives, which will also integrate the tools for measuring of compliance (ASEAN scorecard), currently being developed, and the tools for measuring of the overarching goals of ASEAN Community (ACPMS). AHSOM 8 has agreed to include the SNA 2008 Framework as one major element of the ASI Framework. The Draft ASI is currently being finalized for adoption in early 2009.

18. With widening scope of data collected at the regional level, and in anticipation of the increasing availability of comparable regional statistics as a result of the regional cooperation in statistics, ASEAN Secretariat has initiated an activity to better equipped itself in managing database and disseminating regional statistics, by developing an ASEAN integrated statistics database and ASEAN statistics websites. The first phase of the ASEAN integrated database and websites will be available by end of 2009.

19. ASEAN has also been working on the plan to organize a strategic planning workshop, to be held in January 2009. Objectives, scope of cooperation, direction, prioritization, measures and

mechanisms will be defined during the workshop; and resource mobilization will be discuss to secure funding and synergize all the potential donors and technical supports. These are important to ensure that all the above challenges be addressed sufficiently and in a more coordinated manner.

20. Other important achievements are the closer partnerships between the ASEAN, AMS' and the concerned international organizations as well as major ASEAN dialogue partner countries. The early stage of regional cooperation in statistics in ASEAN was greatly facilitated by the UN system, through its project on Strengthening Regional Capacities for the Statistical Development in South East Asia, 2000-2003, where UNSD, UNESCAP and UNSIAP have played important roles.

21. Major contribution was made by Australia, through its ASEAN-Australia Development Cooperation Program – Regional Partnerships Scheme (AADCP-RPS) in establishing the foundation for harmonisation of IMTS and SITS. AADCP-RPS was also the major sponsor in the development of ACPMS, and the forthcoming workshop on strategic planning.

22. The USAID, through its ASEAN-US Facility has been instrumental in the initiative on SNA (together with the IMF); the establishment of ASI Framework; the establishment of foundation for harmonization of SITS (together with the AADCP-RPS); and development of an ASEANtracks, a database system to support the updating of the ACPMS.

23. The IMF has significantly contributed in establishing the foundation for regional cooperation for enhanced implementation of SNA (together with USAID), through its financial and technical supports in two SNA workshops.

24. Significant contribution has been made by the ADB in helping the ASEAN Secretariat develop an ASEAN integrated database and ASEAN websites. One of the database components, specializing on the ASEAN Community progress monitoring indicators (ASEANtracks), is also being setup with funding from the ASEAN-US Facility.

25. The European Union through its EU-ASEAN Programme for Regional Integration Support (APRIS 1) has greatly facilitated the harmonisation of industrial statistical classification in ASEAN, leading to the adoption of the ACIC; also in collaboration with and with technical support from UNESCAP, UNSD, and the Australian Bureau of Statistics (ABS).

26. The METI Japan, through the AEM-METI Economic and Industrial Cooperation Committee Working Group on Statistics (AMEICC WGS) and East Asia Expert Meeting on Manufacturing Statistics (EAMS) was the main sponsor for the harmonization of industrial statistics, and development of common manufacturing industry classification.

27. The EU has also committed to assist ASEAN through its forthcoming three year programme on EU-ASEAN Statistical Capacity Building, which will commence in early 2009. While focusing on IMTS, SITS and FDIS, this €6 million programme will also allow for some activities on health, education, ICT, forestry statistics, and other emerging priority, most possibly SNA.

28. ILO was the main sponsor of the inception workshop on the labour market statistics. Korea National Statistics Office (KNSO) is currently collaborating with ASEAN to establish an ASEAN-ROK Forum for Statistical Development. A few other donors, international organizations, and dialogue partner countries have also contributed to the initiatives on FDI statistics and transport statistics.

Conclusion and Recommendations

29. ASEAN, through its regional cooperation in statistics under AHSOM has started responding to the above mentioned challenges and established some foundations for harmonization of industrial classifications and for development of comparable, relevant, and timely statistics in a number of key areas such as IMTS, SITS, FDI, SNA, Manufacturing Industry, and for measuring of ASEAN progress towards and ASEAN Community, among others. Closer partnership has also been set up with key international organizations, donor agencies, and dialogue partner countries.

30. More efforts are needed to implement the work plans that have been formulated and to set up the ground works for other key priority statistics. Some resources have been secured to implement some of the work plans, such as those from the forthcoming EU-ASEAN Statistical Capacity Building Programme. Possibilities are also open to tap on some other resources; and collaboration with a number of international organizations and dialogue partner countries are also very likely. To better organize the plan, strategy and resource mobilization, a strategic planning workshop is to be carried out in early January 2009.

31. Many of the above major challenges have not been addressed; and assistances from and collaboration with international organizations, donors, and dialogue partner countries are very much needed. The followings are some recommendations to ensure greater involvement of the concerned international organizations:

- a. A communication plan needs to be developed at international level to help regional initiatives in promoting the development of a strategic planning and the culture of quality management as well as in gaining stronger government commitment and political support;
- b. A mechanism needs to be established to allow for greater and continuous facilitation by the concerned international organizations through the existing regional initiatives on the enhancement of the implementation of SNA framework;
- c. A mechanism needs to be established to allow for greater and continuous facilitation by the concerned international organizations in promoting continuous training on basic official statistics.