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Overview of statistical initiatives and outcome of the CMFB brainstorming

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1. Background

The impact of globalisation on key macroeconomic data – National Accounts, Financial Accounts and Balance of Payments – have been evident for many years, but achieved a higher prominence for users in 2016 through a major revision in Irish data.

It is important to note that globalisation can also have major impacts on primary statistics, such as trade statistics, balance of payments statistics, and labour market statistics. Given the use of these statistics as sources for compiling the macroeconomic accounts, as well as being key statistics in their own right, a close cooperation between statisticians in these and macroeconomic fields is vital.

The last update of the international standards for national accounts (2008 SNA) and balance of payments (BPM6) already incorporated the treatment of many globalisation issues, and provided guidance on such issues as goods sent abroad for processing and merchanting. A greater prominence was given to the concept of "economic ownership", moving beyond legal form. In addition, the capitalisation of research and development has added an important, and challenging, dimension to the statistical representation of the business models adopted by Multi-National Enterprises (MNEs).

Further work has taken place at worldwide level on practical issues in implementing these rules, including the publication of the 2015 UNECE Guide to Measuring Global Production.

The process of globalization provides several real challenges to official statisticians. Large and complex multinational enterprises provide their own measurement challenges. The size and sheer geographical scope of these enterprises may impact individual countries macro-economic accounts disproportionately. Their productive processes are fragmented across countries and may involve measurement challenges that may adversely affect the quality of macro-economic frameworks. Their corporate structures are spread across countries to make optimal use of legal and tax-code provisions and international treaties to optimise profits. Their operations may be asymmetrically recorded by Member States leading to inconsistencies in the Member States' macro-economic accounts.

Also, the analysis of global production and international trade has required new paradigms, emphasising the creation and trade in value added rather than gross trade flows, leading to more detailed macro frameworks that capture the structure of global production, albeit with some delay.

The occurrence of major globalisation events such as occurred in 2016, has led to a number of new initiatives aimed at statistical co-ordination as regards their treatment, as well as those that aim in inoculating the macro economic framework used for short to medium term macro-economic policy making from major distortions as well as equipping them with the necessary breakdowns and indicators to make globalization processes better visible.

This document presents an overview ongoing work in the statistical measurement of globalisation, which – given its complex and disparate nature – covers many aspects in different fora. Its focus is mainly on European initiatives directly related to globalisation mostly in the field of macroeconomic statistics, whilst mentioning further international initiatives as well as relevant developments in related fields.

In terms of the organisation of the document, in section 2 the stocktaking and prioritisation undertaken by the globalisation task force of the European Statistical Forum (ESF) is briefly presented. In section 3 European initiatives and currently ongoing projects are presented and placed in context. In section 4 attention is given to on-going international initiatives in which there is European involvement. Finally, in section 5 the results of the CMFB brainstorming are presented. Annex 2 presents a summary of the initiatives.

2. Discussions at the European Statistical Forum (ESF) and the Committee on Monetary, Financial and Balance of Payments statistics (CMFB)

An ESF Globalisation Group conducted its work from 2015 to 2016, and presented its final report to the ESF plenary in December 2016. The group established a prioritized inventory of areas where the ESCB and the ESS could strategically collaborate, covering 12 initiatives.

A key recommendation of the group was to emphasise the highest importance of the **statistical infrastructure** as regards the recording of globalisation related phenomena, namely

- Eurogroups register and national business registers
- Global Identifiers
- Closing data gap recommendations as regards data sharing, in the context of the G20 DGI-II recommendation 20.

As regards the **improvement of existing data collection**, the report listed priorities (from high to low):

- Study the effects of relocations of national affiliates on economic statistics
- Quality of BOP data and consistency with NA, closing data gaps (CDIS) (FDI statistics)
- European multi-country supply-use and I-O tables.
- Trade in goods and services, trade by enterprise characteristics
- Statistics on cross border activities of MNE's. (Intragroup trade, Income and Financing)
- European multi-country supply-use and I-O tables: reduction of asymmetries in trade.
- Reduction of inconsistencies between the current account of BOP and NA
- Refinement of globalisation indicators from TEC and STEC

The group discussed the importance of reaching full compliance and extending data collections, but considered them outside the remit of the CMFB collaboration:

- Full implementation of MSITS
- European multi-country supply use and IO tables
- Integrated Global Accounts and global production

In order to ensure an effective communication and improve the coordination between the ESS and ESCB in this field, the group proposed some initial recommendations:

- The CMFB should be automatically informed about new developments concerning the initiatives of common interest identified in the reference table,
- The CMFB should be informed about new topics with a globalisation dimension,
- The relevant documents of the ESS Director Groups or the ESCB Working Groups should be shared with the CMFB on request of the CMFB Executive Body in order to allow a timely preparatory work on a CMFB opinion,
- The CMFB should report to the ESF if these recommendations were not followed.

The CMFB identified globalisation issues as one of its work packages, and undertook work to identify and prioritise the various ongoing activities in the field. In doing so, the CMFB stressed the importance of avoidance of duplication of work and establishing new structures when they are not needed.

The CMFB's noted that improvements in the measurement of globalisation are generally achieved via the concourse of several actions, some related to infrastructural elements, others related to data quality management, the development of analytical datasets, and finally others supported by the extension of data collection. Within these categories, the state of play was identified (see Annex 1 for the situation at June 2017).

Nevertheless, given the significant number of activities ongoing, the CMFB has emphasised the need for maintaining a clear overview of activities identifying necessary points of coordination between them, and ensuring and effective implementation and dissemination of the results.

3.   European initiatives

The following is a list of European (ESS and ESCB) activities on globalisation matters relating to macroeconomic statistics and – where relevant - to underlying business and financial statistics.

3.1   Joint BSDG/DMES TF

In recognition of the important links between macroeconomic and business statistics on globalisation, a high level Task Force was established between Directors of Business Statistics and Directors of Macroeconomic Statistics. This task force met twice in 2017 to shape preparation of future work to be presented to Director Generals of National Statistical Institutes, and then a further meeting was held on 15 March 2018, which looked into the development of the "Early Warning System" and "GNI pilots" (see below). The Task Force will continue to meet, with Terms of Reference being established.

3.2   Early Warning System

In order to ensure consistency in terms of applied methods, statistical treatment and communication of results across the ESS in case of restructuring events of large multinational enterprise groups (MNEs), the "Early Warning System" (EWS) was established in 2017.

It is intended as a clearly structured, but light (non-legislative) procedure based on the voluntary cooperation between national data compilers and Eurostat. The network of national EWS correspondents has started to work on concrete restructuring cases. The EWS is a learning process that will be continuously improved with more experience.

The purpose of the EWS is:

1. to facilitate an early knowledge of restructuring cases across Member States directly concerned with the aim of achieving, to the degree possible, an agreed methodological treatment of the cases by the national data compilers;

2. to ensure the consistency of European statistics as regards such globalisation events;

3. to ensure a coordinated timing in the publication of first results and revisions;

4. to ensure a timely, harmonised and interlinked communication towards users of national and European statistics.

Member States should trigger the EWS as soon as they learn about the restructuring of an MNE with sizeable effects on national and European statistics. National data compilers should not wait until all facts about such cases are available. The EWS could also be triggered by information available at European level.

Until June 2018, nine restructuring cases had been reported to the EWS. Three cases have been closed, and the other six are still ongoing, i.e. information is being collected from the countries concerned and in some cases from the companies concerned. More cases are expected to be raised during the course of 2018.

Within Europe, the ECB and NCBs are important data compilers in some areas of official statistics, such as balance of payments and financial accounts. They are also major users of business statistics and National Accounts. NSI Director Generals discussed on 8 February 2018 how to shape ESCB-ESS

collaboration as regards the ESCB involvement in the EWS. A proposal for the cooperation was first presented and discussed at the joint BSDB-DMES Task Force on Globalisation held on 15 March 2018 (see above). The key principles of the proposal are the recognition of the importance of enhanced collaboration and of the importance of trust and respect of statistical confidentiality. Concretely the proposal encompasses the following elements:

National EWS correspondents should ensure the involvement of (their) NCB statistics department (counterparts) in EWS cases where external statistics or financial statistics and any underlying primary data under their responsibility are affected;

Likewise NCBs should inform national EWS correspondents when they become aware of potentially relevant cases;

Relevant NCBs' and the ECB statistics department to participate fully in any case-specific TF where external or financial statistics and any underlying statistics under their responsibility are affected.

The chairperson of the ESCB Statistical Committee (STC) sent on 15 May 2018 a letter to the NCBs regarding the proposed cooperation. Further discussions will take place based on replies from National Central Banks and an initial discussion at the June STC meeting.

The involvement of the OECD may be useful in cases where countries outside the EU are involved in a globalisation event. Even if the OECD has an observer status at the BSDG/DMES Task Force, no concrete proposal regarding the cooperation with the OECD has been drafted yet.

3.3   GNI pilots

The approach for dealing with the Globalisation issues within the context of Gross National Income – and focusing on existing MNE structures rather than just restructuring cases - has been agreed within the ESS and is now underway.

A one off DMES task force met in January 2018 and the main outcome was the agreement of the DMES Task Force to launch a sample exercise of 25 MNEs cases (the MNEs pilot exercise), elaborated on the basis of the outcome of the second GNI questionnaire on globalisation and other available information. The design of the pilot exercise would build on a thorough prioritisation reflection, aiming in particular at a balanced coverage of globalisation related issues and repartition of work between Member States. The work would be conducted in close cooperation with all relevant statistical domains.

In its meeting of February 2018, the ESSC supported the launch of GNI pilots on multinational enterprises and underlined their importance for assuring comparable and consistent GNI statistics across all Member States. There was a shared view that prioritisation is necessary to keep additional workload feasible in the context of other on-going activities in business and macroeconomic statistics. A number of delegations stressed that the confidentiality of any exchanged micro-data within the pilots should be guaranteed. All the mechanisms and procedures for the safe exchange of microdata should be elaborated and put in place. Some delegations requested that when the system becomes fully operational (after the pilot stage) the exchange of microdata has to be based on a specific legal provision that goes beyond that which is provided by Regulation 223/2009, e.g. by enshrining respective provisions in the FRIBS Regulation. In order to ensure confidentiality of any exchanged micro-data, the number of partners involved should be restricted to a minimum. The Joint BSDG-DMES Task Force was mandated to steer the process of implementing the pilot exercises and to develop how this work will be taken forward.

The Joint BSDG-DMES Task Force discussed on 15 March 2018 the practical implementation of the pilot phase of the GNI work on globalisation, based on the overall architecture agreed by the ESSC. Participants provided overall support to the pilot project, noting that the proposed timetable is very challenging, especially with regard to including the results of the work in the 2019 benchmark revision, and taking account of the number of pilots that some Member States will be involved in. While primary income flows would be relevant for the pilot exercise, it was clarified that for GNI Pilot exercise, the main

focus would be on allocation of value added. The importance and related challenges of locating and valuing intellectual property assets were also acknowledged.

The pilots will take place in principle with as reference the year 2016. Profiling was seen as an important first step by the DMES task force by providing the necessary integration between the work in business statistics and national accounts; however it cannot be considered as compulsory if the lead country prefers to proceed without it for phase 2 cases (phase 1 cases having been already profiled). Confidential data exchange remained a critical issue. While a trust-based approach (based on Regulation 223/2009) could work for a pilot exercise, some countries asked that a more permanent solution should be developed for the future, i.e. after the pilots.

The objective of the MNE Pilot Exercise is to achieve by the end of the current GNI verification cycle in December 2019 a reasonable understanding of the reliability of the recording of globalisation issues in GNI data. In addition, the two globalisation recommendations by the European Court of Auditors need to be satisfied. The MNE Pilot will continue reporting to the BSDG/DMES Joint Task Force.

A kick-off meeting discussed on 19-20 April the practical implementation of the pilots based on the draft Guidelines from the Joint TF, and the available qualitative questionnaire and final reporting template developed by Eurostat. The guidelines discussed in the Joint TF present for each stakeholder the roles, responsibilities and the required action steps. The qualitative template will be used by the lead country to collect qualitative information from partner countries. The reporting template has been designed to harmonise the output of the 25 pilots which will form the basis of the final conclusions of the pilot to be drafted by Eurostat. These documents are being finalised through a written consultation of the Joint TF.

The meeting then discussed about the lead and partner countries for each of the 25 MNEs involved in the Pilot. It was agreed to replace one MNE, and lead countries were confirmed for all remaining 24 MNEs. The 25th MNE and partner countries for each MNE are now confirmed; however, there are still some non-confirmed lead/partner country relations, which must be solved in the near future.

Eurostat will follow-up cases where a Member State was not in a position to respond to GNIC questionnaire due to unavailability of information on a case by case and country by country basis to ensure comparability and consistency of recording.

Eurostat informed the meeting that the exchange of microdata among members of each pilot will be done via a secure environment provided by the IT services of the Commission, S-CIRCABC. This secure environment with two-step authentication will allow all member countries of a pilot to upload and download information (qualitative info, microdata, and discussions) that will only be available to the members of that specific pilot. Eurostat has worked on this secure exchange through S-CIRCABC since the meeting and with some minor procedure checks it is ready to be used in the exercise.

The MNE Pilot will be run in two phases: the first phase covering 10 MNEs that have already been profiled in 2015-2017. These 10 MNEs will be prioritised to form the first pilot exercises in 2018. A second phase covering the remaining 15 MNEs (4 of them will be profiled in time for this exercise) will run from end 2018 until April 2019.

3.4   Full International and Global Accounts for Research in Input-Output Analysis (FIGARO)

Over the last decade, the scientific community has been working on the construction of several **multi-regional Input-Output (MRIO) databases**. The main objective has varied from environmental applications (e.g. footprints) to socio-economic applications (e.g. global value chains - GVCs). Examples include the OECD's TiVA initiative (see below) and the "World Input-Output Database: Constructions and Applications" (WIOD), under which annual current and deflated Inter-country Input-Output Tables were constructed for the same period (and recently updated to 2014).

Eurostat, together with the European Commission's Joint Research Centre (JRC), has been developing a the FIGARO project, aimed to produce an experimental database of EU inter-country Supply, Use and Input-Output Tables (EU-IC-SUIOTs) in line with the European System of Accounts (ESA) 2010

methodology. Based on the experience gained in the project, a work plan is being developed for the annual production of EU-IC-SUIOTs and the production of a time series of EU-IC-SUIOTs from 2010 to 2015[1]. EU-IC-SUIOTs constitute a further development of the consolidated SUIOTs for the EU and the euro area, which are currently published on a regular basis[2].

This project relies on the reuse of available Eurostat data based on ESA 2010 methodological framework. This ensures quality assurance of the data in the National Accounts framework. The FIGARO project also aims to create the conditions for sustained data provision of EU-IC-SUIOTs.

The experimental EU-IC-SUIOTs provide an industry breakdown of 64 activities[3]. The EU-IC-SUIOTs use the latest statistical classifications of economic activities and products currently applied in EU: NACE Rev. 2 (ISIC Rev. 4) and CPC/CPA 2008. The tables cover the EU Member States (EU-28) plus the USA to capitalise on work already undertaken by Eurostat in recent years so that United States (US) data are also presented in NACE Rev. 2 and CPA 2008 classifications, as the European SUIOTs4.

The data presented on the Eurostat's experimental statistics page are the first version of the EU-IC-SUIOTs compiled under the FIGARO project. The FIGARO methodology was presented during the course of the project to various technical groups such as the National Accounts Working Group, Eurostat's Directors of Macroeconomic Statistics as well international bodies (OECD and UNSD) and the academic community (e.g. International Input-Output Association, Hispanic-American Input-Output Society).

The EU-IC-SUIOTs serve to support the analyses of the economic, social and environmental consequences of globalisation in the EU by means of studies on competitiveness, growth, productivity, employment, environmental footprints and international trade (e.g. GVCs). They aim to be the reference for national and international agencies in terms of analysis of policies on trade, globalisation, socio-economic, National Accounts and environment.

3.5   Task force IGA

The project "Integrated Global Accounts and Global Production (IGA)" was launched in 2016 with the overall aim to better capture the impacts of economic globalisation on statistics delivered by the accounting frameworks of national accounts and balance of payments. This provides horizontal support to the more detailed case-by-case approach, which may be seen in the Early Warning System or in the GNI-related approach.

In the fifth meeting of the IGA Task Force, which took place on 9-10 April 2018, the actions undertaken by the Member States within the IGA grants were presented and discussed. They include specific issues like identification of global producers, improving measurement of manufacturing services, improvement of data quality in external statistics, micro-data linking, reducing bilateral asymmetries through reconciliation exercise, etc. A session on FATS dealt with concepts and definitions, analysis of available data and the relationship of FATS to national accounts. Moreover, experience in establishing and functioning of the Large Cases Unit in one of the Member States were discussed. Other items in the agenda included the work of the UN Expert Group on drafting a Handbook on Accounting for Global Value chains, progress made in the FIGARO project as well as Eurostat work done by the Eurostat TF on factoryless goods producers.

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[1] Input-Output Tables — IOTs — 2010-2015; Supply and Use Tables — SUTs — 2010 and 2015

[2] However, the methodology underlying the consolidated EU tables is different from the one applied in the FIGARO tables.

[3] When Eurostat will be regularly producing the FIGARO tables the most recent year/years will provide a breakdown of at least ten activities until more detailed input data will be available from EU countries.

[4] Eurostat has developed a methodology for converting US data from the NAICS classification to NACE and CPA classifications. For additional details on the methodology used, see:
http://ec.europa.eu/eurostat/documents/51957/51999/Compilation-usa-suiot-2008-2011.doc

Moreover, on 16 March 2018, the IGA project organised a seminar on "Economic globalisation: Addressing measurement challenges related to IPPs". The seminar looked at methodological and conceptual elements of IPPs and gave an overview of the cross-country trade in IPP related services. A panel discussion with the participation of all speakers concluded that a) as MNEs operate globally, there is a need for sharing relevant data between concerned countries in order to obtain consistent and timely information, b) contact with tax administrations would be beneficial, as they have better picture of the economic activities of the MNEs, c) close cooperation with companies and regular contact with them is essential, and d) although international manuals provide methodological basis, the real-life cases create considerable challenges for the statisticians.

The IGA project will continue to follow up and address the issues identified above.

3.6   The Eurogroups Register, European Profiling and other activities in Business Statistics

Eurostat and the European NSIs have worked together in the last decade to implement a cross-border, relevant and consistent view of large multinational groups. On the one side the EuroGroups Register (EGR) was set up to provide a coordination frame to EU countries for the production of consistent statistics on globalisation[5]. On the other side NSIs have agreed to look beyond the purely legal definition of groups, capturing instead the 'enterprise' in the economic meaning. European profiling was developed to implement this growing focus on the 'enterprise' as well as a cooperative approach among NSIs on the multinational groups in their national economies.

The EGR now contains more than 110,000 enterprise groups with active in Europe. The further development and the needs for EGR data was discussed in much detail with the national FATS compiler in a combined workshop.

In order to create the EGR, Eurostat collects enterprise group information from the national statistical business registers of the EU Member States and participating EFTA countries and commercial sources.

EGR contains information on:
- legal units: identification, demographic, control and ownership characteristics;
- enterprises: identification and demographic characteristics, main activity code (NACE), number of persons employed, turnover, institutional sector;
- enterprise groups: identification, demographic characteristics, the structure of the group, the group head, the country of global decision centre, main activity code (NACE), consolidated employment and turnover of the group.

European profiling was tested by 26 countries in the period 2013-2016. The feedback received led to an improved methodology that was endorsed by the Business Statistics Directors Group in December 2017.

The benefits of European profiling have been acknowledged by the testing countries. European profiling promotes collaboration among the NSIs. It proposes a harmonised approach to business statistics in describing cross-border phenomena and in particular when it comes to delineating the statistical units to be stored in the national statistical business registers. It brings a better understanding of the economic reality of the multinational groups and consequently improves the quality of the national business registers and national statistics.

European Profiling is based both on dialogue with the accountants of the largest groups and the exchange of information between Eurostat and the profilers from different NSIs. It allocates specific roles and responsibilities among the countries, according to the place where the global decision centre (GDC) of the group is located.

The profiling team of the country where the GDC is located (GDC country) delineates the global enterprise within the group on the basis of information from all available sources (EGR, national business

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[5] For further information see: http://ec.europa.eu/eurostat/statistics-explained/index.php/EuroGroups_register

register, statistical surveys, annual report of the group, etc.). International Financial Reporting Standard (IFRS) segments published in the annual report are used as a starting point. It updates the legal units held within the group, identifying which legal units belong to the group and their residence country. Finally, it provides a first view of the economic activity of the group, by country, by linking the legal units to the global enterprises.

The above process contributes the top-down perspective regarding the countries where the global enterprises operate and their national activities. Data on global enterprise activity, employment and turnover is collected at global level.

The European countries where the group has affiliates but not the GDC are called "partnering countries". The profiling team of a partnering country updates the legal units for its own country. It benefits from the preliminary picture of its national enterprises, communicated by the GDC NSI, and ultimately decides on the correct structure of the national enterprises. Data on enterprise activity, employment and turnover is confirmed at national level.

Together, the GDC country and the partnering countries validate the final group structure.

The profiling data is exchanged through a dedicated secure and collaborative platform developed by Eurostat, i.e. the Interactive Profiling Tool (IPT). In 2018 26 countries are already using the IPT, either following the regular European profiling cycle or testing the tool. In total, between 2013 and 2017, more than 300 multinational groups have been profiled with the European profiling methodology. By the end of 2018, the IPT will host information on the structures and economic activities of over 240 multinational groups. The integration, in a more systematic way, of the results of European profiling into the national business registers and the EGR is being developed.

European profiling improves the consistency of information held on large multinational groups. These improvements arise from the study of annual reports and discussions with group's representatives. They also arise from the exchanges between the profiling teams of different countries. Besides, within each NSI, profiling paves the way to discussions and reflections between the profiling team and their colleagues or users: business registers, Foreign Affiliates Statistics (FATS), Structural Business Statistics (SBS), and national accountants.

Business statisticians work on other globalisation related activities, where there is often a strong overlap with the ongoing work in macroeconomic statistics, for example:

- Globalisation indicators
- Large Cases Units (LCUs)
- Statistical units
- Trade in goods and services statistics
- Foreign Affiliates Statistics
- International Sourcing surveys

3.7   Review of the ESCB Balance of Payments Guideline

3.7.1   Review of data requirements

In the context of the review of the Guideline on External Statistics, the STC engaged in a high level review of the priorities in the field of external statistics. Following this review the WG-ES was mandated to review and amend the External Statistics Guideline, a work that was initiated in 2016. The review of the guideline took into account users' needs, as well as ongoing international initiatives such as the G20 data gaps exercise, IMF recommendations.

The key recommendations as regards external statistics translated in data requirements that encompass a higher targeted granularity in the accounts along several key dimensions, namely:

a) It envisages increased sectoral detail, notably the separate reporting of non-financial corporations and a more detailed breakdown as regards other financial institutions. This addresses the need of a better alignment between national accounts and balance of payments statistics;

b) It envisages the separate reporting of special purpose entities

c) It envisages a higher granularity of the geographic dimension to support asymmetry analysis

d) It envisages additional breakdowns by maturity and by currency

The Guideline is currently in an advanced stage of development. It is expected to come into force by 2020.

3.7.2 BOP-ROW consistency

In order to strengthen macro-economic statistics, much effort is placed on the consistency between national accounts and balance of payments statistics. The WG-ES has developed a workstream which pursues the consistency of the financial accounts between national accounts and balance of payments. This work dovetails with the work ongoing in the context of the CMFB TF on BOP –ROW consistency.

3.7.3 Geographical specification

A key element in the assessment of globalisation is the geographical dimension. Following the introduction of the new standards (BPM6) it became necessary to revisit earlier work as regards the geographical attribution of portfolio investment liabilities and portfolio investment income. This work is benefiting from the development of within euro area data on securities data bases (SHS) as well as the availability of more detailed and the envisaged higher frequency of IMF's CPIS survey.

3.7.4 The availability of metadata on large transactions.

As part of the guideline, countries are required to provide metadata as regards large individual transactions affecting the b.o.p./i.i.p. contributions to the euro area b.o.p;./i.i.p. Such metadata, provided on a confidential basis, serves at identifying and explaining potential quality issues, and allows follow up with countries that are counterparty to the transactions reported, to ensure consistent recording in the EA b.o.p./i.i.p. Such information often provides the earliest indication of large globalisation events in the external account.

3.8 Medium Term Development of the Financial Accounts in the ESCB

At its meeting of March 2018, the STC mandated the WG FA to suggest the Committee a medium-term strategy for financial accounts. In preparing the strategy, the WG FA has identified areas of analytical interest where efforts to enhance the financial accounts coverage are warranted. Globalisation is one of those areas.

The WG FA will prepare a paper on the issue that will identify possible enhancements in financial accounts availability, taking into consideration users´ interest and feasibility aspects. The preliminary discussions held at the WG meeting in June 2018 point out to the following elements:

- A separate identification of financial flows and balance-sheets for "Foreign controlled non-financial corporations (S.11003)" is seen as of great analytical value to single out MNEs structures within the national economy. However, prerequisites to cover the accounts for such sector are the availability of appropriate entity identification and business register infrastructures, and that the basic financial statistics used for the compilation financial accounts for the corporate sector (BSI, SHS, etc) do separately identify units belonging to the newly proposed sector.

- A functional split of SNA/ESA financial instruments is feasible for cross-border flows and positions, in order, inter alia, to identify foreign direct investment flows. This endeavour benefits form the ongoing joint efforts by b.o.p./i.i.p. and financial accounts compilers to achieve full

consistency between the two domains under the aegis of the STC (see above descriptions in the framework of external statistics).

- Although framed in the context of yet another medium-term strategy theme, the WG FA is also entertaining the possibility of presenting separate financial balance-sheets and flows for SPEs, at least for countries where this industry is relevant

- To help better understand global financial integration, it is also considered the extension of the w-t-w framework to provide more geographical granularity, leveraging on the richer data availability in this respect pursued by the new b.o.p. Guideline (see above).

- Similarly, the w-t-w matrices should ideally be extended to cover the proposed new sectoral detail (foreign controlled corporations, SPEs...), to provide a tools for monitoring potential spillover and propagation effects to the overall domestic economy coming from units belonging to MNEs.

3.9   Joint ESCB – ESS TF on Foreign Direct Investment

The Joint ESCB-ESS Task Force on Foreign Direct Investment (TF-FDI was set up in 2017 as the main technical forum to address methodological and compilation issues in the area of FDI. In its first three meetings the TF-FDI focused on the following topics:
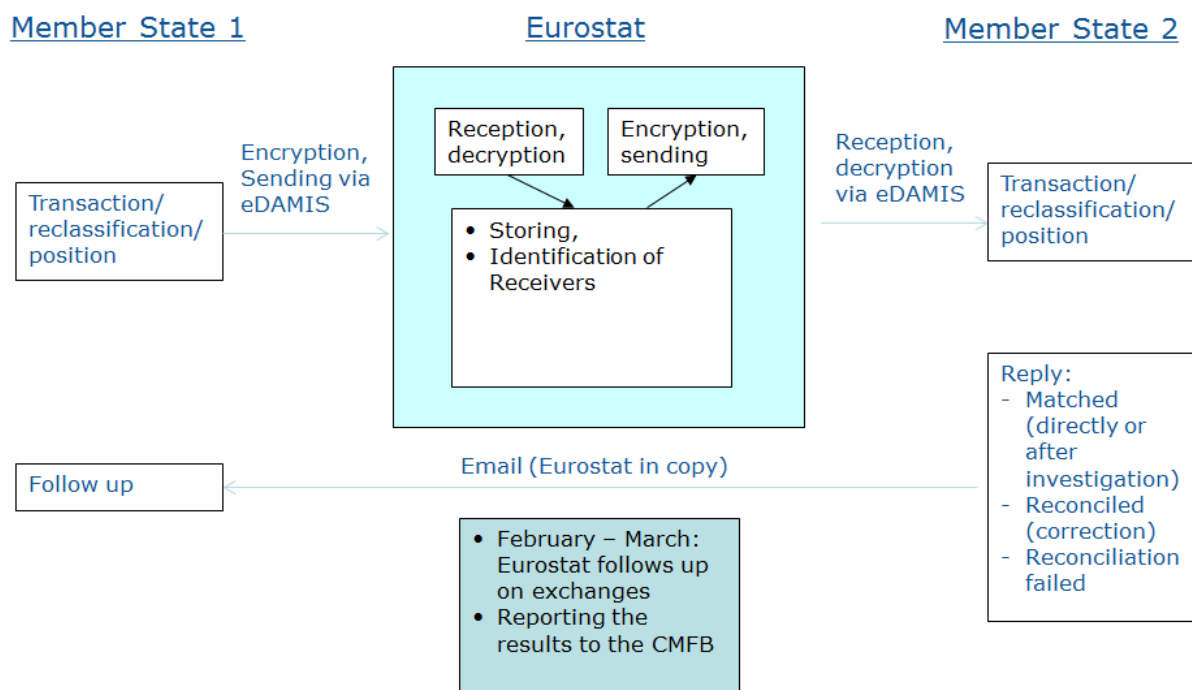
- Develop the necessary methodology and guidance for extended FDI presentations, including **ultimate ownership concept (UOC)** and distinguishing between **greenfield investment and take-overs**.

- With the signature of the Regulation (EU) 2016/1013, Eurostat and the Member States were assigned to develop extended measures for FDI statistics. This legislative step was justified by intensified and more complex international capital flows and, in particular, by the increased use of special purpose vehicles and legal constructions for channelling capital outflows and inflows. Pilot studies were started in the context of the TF-FDI in order to establish the conditions, including the methodological and statistical framework, to introduce new data collections on Ultimate Investing Country, Ultimate Host Country and Greenfield FDI transactions distinguished from take-overs, assess the costs of the related data collections, the quality of the statistics and the cross-country comparability. Decisions on the main methodological choices for the pilot studies were taken and a time-plan for data delivery was put forward in order to comply with the deadlines set for the final reporting to the European Parliament.

- Support the development of **methodological frameworks** and **integrated data sources** for FDI statistics.

- On the one hand, in order to strengthen the analytical relevance of FDI statistics and better capture economic and financial links between countries, much effort in the TF-FDI was placed on exploring new possibilities for enhancing the methodological frameworks for FDI statistics. In particular, methodological proposals in order to mitigate the effects of pass-through and its potentially distortive effects on multi-country aggregates were discussed.

- On the other hand, the possibilities to use integrated databases at the European level (such as the EGR and RIAD) for helping and harmonising the identification of i cross-border ownership links were encouraged by the TF-FDI.

- Design innovative approaches to support the work on **FDI Asymmetries**

- The TF-FDI welcomed and supported the work on the measurement and analysis of asymmetries in FDI data through a set of innovative synthetic indicators. This work focused on quarterly FDI data on flows, stocks and income and is planned as well on the annual FDI dataset, once the data exchange between Eurostat and the ECB is in place.

- Support and follow the international work on **Special Purpose Entities (SPEs)**

3.10   FDI Network

The FDI Network went 'live' in 2009 with the objective of increasing the quality and consistency of FDI statistics in the EU. For this purpose the exchange of micro data was considered as the most efficient way to reduce asymmetries. How this is done is illustrated in figure 1

Figure 1 Exchanging micro data in the FDI Network

Member State 1 — **Eurostat** — **Member State 2**

Transaction/ reclassification/ position → Encryption, Sending via eDAMIS → [Eurostat: Reception, decryption; Encryption, sending; • Storing, • Identification of Receivers] → Reception, decryption via eDAMIS → Transaction/ reclassification/ position

Follow up ← Email (Eurostat in copy) ← Reply:
- Matched (directly or after investigation)
- Reconciled (correction)
- Reconciliation failed

- February – March: Eurostat follows up on exchanges
- Reporting the results to the CMFB

The functioning of the Network is documented in the FDI Network Manual with predefined templates to be used for exchanges. According to the FDI Manual all transactions or reclassifications higher than EUR 2 billion should be exchanged through the FDI Network on an on-going basis. For positions the indicative threshold is EUR 3 billion and should be exchanged during the annual 'window-period' in May-June.

Participation in the FDI Network takes place on a voluntary basis. The reconciliation of exchanges remains the responsibility of the Member States; Eurostat provides the infrastructure for secure data exchange and follows up on the transactions and positions exchanged on annual basis. The results of the exchanges are reported to the CMFB and TF-FDI. The results have also been presented several times at the OECD WGIIS and at the IMF workshop on CDIS Bilateral Asymmetries in Hamburg in November 2017.

In 2016 the CMFB Task Force on asymmetries in FDI and the FDI Network came with its recommendations on how to improve the functioning of the Network. Following this Eurostat in cooperation with Member States developed the 'metadata flash cards' for Network participants to have a quick overview of relevant aspects of national compilers' FDI methodologies. Further Eurostat has investigated the possibility of setting up 'secure chat-rooms' for Member States to more easily exchange confidential information on Network reconciliations. Such chat-rooms could also serve as a centralised, user-friendly database to store all data requests and reconciliation exercises. Unfortunately no suitable

IT-solution has been found yet, however Eurostat continues the discussions with relevant IT services to come to a solution.

Following the IMF workshop on CDIS Bilateral Asymmetries some ideas for improvements also came up which were presented for the TF-FDI in December 2017. This includes:

- Share lists of countries' largest 10-25 companies bilaterally and focus on resolving asymmetries caused by these companies
- Share information on population counts and sample sizes
- Continue the bilateral meetings done at the workshop to discuss more specifically the reasons behind asymmetries

The work on the improvement actions continues and will be followed up at the next meeting of the TF-FDI in November 2018.

3.11   Granular data collection at the ESCB

Although not primarily aimed at the issue of globalization, several initiatives taken by the ESCB as regards data collection to serve Monetary and Economic Policy, Financial Stability or Banking Supervision analysis are worth mentioning. These are the development of the Register of Institutions and Affiliates Database (RIAD), the data collection done with regards to securities issuance at the security-by-security (s-b-s) level (Centralised Securities Database or CSDB), as well as the reporting on the holdings of individual securities by institutional sectors (Securities Holdings Statistics Database or SHSDB) and the development of loan-by-loan (l-b-l) statistics (AnaCredit).

RIAD is a multipurpose ESCB-wide dataset of reference data of legal entities and other organisational units (e.g. branches). The data on individual institutions are provided by NCBs. It has a mandatory coverage of financial institutions except those belonging to sectors S125 to S127, and a voluntary coverage of non-financial corporations, government entities and financial institutions belonging to S125 to S127. With the go live of the AnaCredit project, RIAD will maintain information on 15 million entities, covering lenders, guarantors and borrowers. RIAD also will contain the reference information on issuers of securities relevant to CSDB and holding entities of relevance to the SHSDB. (See below)

The CSDB provides since 2008 comprehensive and up-to-date reference information on all securities relevant to the European System of Central Banks (ESCB) from the issuer perspective. In particular, the CSDB contains information on over six million debt securities, equities (both listed and unlisted shares) and investment fund shares/units issued or held by residents of the European Union (EU) Member States or denominated in euro with an ISIN code. In particular, it provides detailed information on individual issuers (such as name, sector, country of residence) or the characteristics of the securities (such as maturity, price and yield) [6]. It also identifies issuers by means of national and CSDB identifiers (e.g. fiscal number, ESCB MFI code in the case of issues by banks, etc.), but also by means of the globally unique Legal Entity Identifier (LEI).

SHSDB complements the CSDB database providing information on the holder side of the securities reported by final financial investors and custodians resident in the EA (and selected EU countries as well), by tracking all the resident institutional sectors holding securities. The information included refers to the corresponding amounts referring to stocks, transactions and other changes in volume at the s-b-s level, while the instrument types covered is analogous to that of the CSDB.[7] The linkage of the SHSDB with the CSDB is based on the ISIN code of the individual securities. Together, these databases provide very rich and granular information both on the securities' holder and issuer perspectives.

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[6] For more information, see the publication entitled "The centralised securities database in brief" on the ECB's website.

[7] For more information see "Who holds what? New information on securities holdings", Economic Bulletin, Issue 2, ECB, 2015.

AnaCredit is a project to set up a dataset containing detailed information on individual bank loans in the euro area, harmonised across all Member States. "AnaCredit" stands for analytical credit datasets. The project was initiated in 2011 and data collection is scheduled to start in September 2018.

The origin of the AnaCredit project lies in the Financial Crisis, which showed that aggregate statistics are not sufficient for an adequate understanding of the underlying developments, given that a number of economic and financial indicators have diverged significantly across different segments of the economy, such as sectors of activity, firm size or geographical areas. The project supports monetary policy analysis and operations, risk management, financial stability, economic research, and statistics.

4.   Broader (global) initiatives

It is well recognised that European activities cannot, and should not, be undertaken in isolation of efforts at worldwide level. Whilst the somewhat unique European statistical structure provides intense activities at regional level, the overall concepts and practical approaches are ideally harmonised worldwide. European countries and institutions are therefore heavily engaged in various international activities on globalisation.

4.1   Eurostat-OECD Task Force on Intellectual Property Products

This Task Force, co-chaired by Eurostat and OECD, has extended conceptual and practical work within the Task Force on "Land and other non-financial assets" to Intellectual Property Products. The Task Force is currently planned to meet for three meetings, ending in 2018. The work of the Task Force has been supported by results of an extended questionnaire on sources and methods.

The objective is to come up with a final report with recommendations on concrete issues (but not new handbook) by October 2018. The work is covering various issues such as approaches to the practical compilation of IPP data, use of existing international manuals, price measurement techniques, approaches to depreciation and the recording of the ownership of IPP within MNE groups. Particular attention has been given to software and databases.

4.2   UNECE Expert Group on National Accounts

The UNECE Expert Group has maintained a focus on global production issues for several years. It has prepared the "Guide to measuring global production" and continues to discuss globalisation issues.

Every two years the Expert Group focuses solely on global production issues and the forthcoming 2019 meeting will discuss issues on global production, data sharing, and the LCU-Network.

4.3   CES Task Force on exchange and sharing of economic data

Statistical work on globalisation has identified the importance of exchange and sharing of detailed data (sometimes microdata on individual companies) both at national level and international level. This Task Force, and the work under recommendation II.20 of the Data Gaps Initiative (see below), are intended to address this issue, though it also important to mention that there are ongoing intense discussions within European statistical for a on data exchange issues.

The CES Task Force is established under the CES Steering Group on National Accounts. The Task Force reports to the CES and its Bureau. It is working over 2017-2020, after which it will submit a final report.

The results of the work will be discussed by the Group of Experts on National Accounts and the Group of Experts on Business Registers, as relevant. The Task Force will also consult the Intersecretariat Working Group on National Accounts (ISWGNA) and the Advisory Expert Group (AEG) on National Accounts to ensure effective coordination of work.

The objectives of the Task Force are twofold. In a first stage the Task Force will analyse the concrete examples of data exchange implemented by NSOs that help statisticians to depict economic reality, profile MNEs and provide meaningful data on their activities. Through these concrete examples, the Task Force will identify enablers and obstacles of data sharing and review the practical requirements of data exchange.

In a second stage, the Task Force will develop guidance, tools and principles to facilitate the exchange of economic data (including granular data and information on business structures) by NSOs. The guidance will also highlight innovative ways to exchange economic data to increase the quality, coherence and granularity of statistics and the ability to better analyse the activities of MNEs.

The work will build on existing national and international experience, including the results of related initiatives of UNSD, Eurostat, OECD, WTO and IMF. The Task Force will ensure coordination with and input to corresponding work undertaken by the Expert Group on International Trade and Economic Globalization Statistics (ITEGS), the G20 Data Gaps Initiative, Eurostat's Integrated Global Accounts (IGA) –projects, the CES Task Force on Common Elements of Statistical Legislation and the Data Integration Project under the UNECE High-level Group for the Modernisation of Official Statistics.

4.4   Inter-Agency Task Force on International Trade Statistics (TFITS)

The TFITS group promotes the development of international standards and respective compilation guidance, systems and classifications for international trade statistics. It is led by the UN with the participation of the OECD, IMF, Eurostat and WTO.

Working under this group, **a UN Expert Group on International Trade and Economic Globalization** was mandated by the UN Statistical Committee, and held its first meeting in 26-27 January 2016 in New York. The UN Statistical Commission requested the Expert Group to prepare a Handbook. It held a second meeting on 29/11 to 1/12 2016, in which the title and scope of the handbook was established as "Accounting for global value chains: a system of extended national accounts and integrated business statistics". The Expert group subsequently met in Luxembourg (April 2017) and Rome (April 2018). The Expert Group is expected to finalize the handbook over the course of 2018, in time for its presentation to the Statistics Committee in its March 2019 meeting.

The table of contents of the handbook is as follows:

1. Political, business and statistical motivation
2. Conceptual framework of global value chain accounting
3. Framework of integrated business statistics
4. Policy use and applications

The handbook will be accompanied with a compendium of detailed papers presented at the Luxembourg meeting.

4.5   OECD's work on globalisation

The OECD has worked for many years in the field of statistical aspects of globalisation. For example it has published a Handbook on Economic Globalisation Indicators[8] and companion material. Recently it has organised an informal reflection group on "Globalisation, Intellectual Property Products and Measurement of GDP", which prepared a set of recommendations for discussion at the June 2018 meeting of the Committee on Statistics and Statistical Policy.

Two important ongoing initiatives can be highlighted:

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[8] http://www.oecd.org/sti/sci-tech/oecdhandbookoneconomicglobalisationindicators.htm

4.5.1 Trade in Value Added (TiVA)[9]

This initiative, run in cooperation with the WTO, addresses the problem that flows of goods and services within these global production chains are not always reflected in conventional measures of international trade. It considers the value added by each country in the production of goods and services that are consumed worldwide. TiVA indicators are designed to better inform policy makers by providing new insights into the commercial relations between nations.

4.5.2 Analytical Database on Individual Multinationals and their Affiliates (ADIMA)

ADIMA aims to provide statistics on the scale and scope of international activities of MNEs, taking a 'whole of the MNE' view. By using innovative methods and data sources (e.g. web-scraping and text analytics), and combining these with traditional financial reporting sources, ADIMA provides a Register of MNE parent-affiliate structures, a series of economic Indicators at the level of the MNE and individual countries in which its affiliates operate; and a Monitoring tool that aims to provide a timely flow of information on MNEs' restructurings to aid the work of national compilers.

4.6 IARIW – CRIW - globalisation issues discussed at 2017 and 2018 dedicated conferences

Two relevant Conferences on Research in income and Wealth (CRIW) have been held – jointly with the International Association for Research in Income and Wealth - with the 2018 conference dedicated to globalisation issues.

Amongst the many interesting papers available from the conferences[10], there was an analysis of the potential impacts of shifting value-added of US corporations between countries (and the impact on counterparty countries), and microdata work to investigate intra-company flows at the very detailed level.

4.7 ISWGNA, AEG and new ISWGNA TF

The Inter-Secretariat working group on National Accounts (ISWGNA) – comprising a membership from five international organisations (IMF, World Bank, OECD, UNSD and Eurostat) - is the worldwide coordinating body for national accounts standards, including the System of National Accounts.

The ISWGNA has identified globalisation as one of the three major challenges facing national accounts (the others are digitalisation and sustainability), and has agreed to prioritise research on the topic. It has established a specific Task Force to analyse the SNA research agenda alongside research agendas for related statistics and ongoing activities, with a particular concentration on the priority areas.

There are other activities relating to globalisation under the steer of the ISWGNA, for example the ongoing task Force on Statistical units (led by the OECD). The ISWGNA also maintains close links with other globalisation-related tasks such as the ongoing Task Force on Special Purpose Entities (SPEs) which is being led in the Balance of Payments domain by the IMF.

4.8 IMF TF on SPE's

The IMF BOPCOM decided mandated the Task Force on Special Purpose Entities at its 2016 meeting. The mandate of the taskforce addresses the reporting of SPE's in the external account, also by countries that are not under direct reporting requirements by the IMF. The work of the TF focuses on clarifying the concept of SPE's, in assisting their identification, and in elaborating strategies to ensure the inclusion in coverage of SPE's in the external statistics, encompassing balance of payments and international investment position and foreign direct investment (CDIS). The TF provided an interim report to the BOPCOM in 2017, and is expected to deliver its final report to the BOPCOM in October 2018.

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[9] See http://www.oecd.org/sti/ind/measuring-trade-in-value-added.htm

[10] See http://conference.nber.org/confer/2018/CRIWs18/summary.html

4.9　IMF and FSB : G20 data gaps initiative

In 2009, the G-20 Finance Ministers and Central Bank Governors (FMCBG) endorsed 20 recommendations to address data gaps revealed by the global financial crisis. The initiative, aimed at supporting enhanced policy analysis, is led by the Financial Stability Board (FSB) and the International Monetary Fund (IMF). The Inter-Agency Group on Economic and Financial Statistics[11] (IAG) plays the global facilitator role to coordinate and monitor the implementation of the DGI recommendations.

The first phase of the DGI was successfully concluded in September 2015 and the second phase of the initiative (DGI-2) was endorsed by the G-20 FMCBG. The key objective of the DGI-2 is to implement the regular collection and dissemination of comparable, timely, integrated, high quality, and standardized statistics for policy use. DGI-2 encompasses 20 new or revised recommendations, focused on datasets that support: (i) monitoring of risk in the financial sector; and (ii) analysis of vulnerabilities, interconnections and spillovers, not least cross-border.

The GDI contain several recommendations that are of direct relevance of the discussions on globalisation. It emphasises the availability of macro-economic statistics, and pushes towards a recommended granularity, but it also has far reaching recommendations as regards the availability of micro data, and contains relevant initiatives as regards the exchange and sharing of data.

The implementation of the DGI II recommendations are being regularly monitored with a view to their implementation by 2021.

Of specific interest to the work on globalization is the work marked out as high priority, namely the elaboration of the Sectoral Accounts, detailing the non-bank financial sector and the development of from whom-to-whom matrices. It inter alia includes a recommendation to distinguish foreign controlled enterprises from domestically controlled enterprises. This recommendation is complemented by another recommendation covering the external account international investment position - also aimed at a higher sectoral detail, specifying the separate reporting of non-financial corporations - and the recommendations underpinning the coverage, granularity and timeliness of the CDIS and CPIS data sets collected by the IMF.

As regards the exchange of statistical information, two recommendations have been made. Recommendation 19, which covers the data coordination between international organisations, and recommendation 20, which promotes the intensification of data exchange between national statistical organisations as regards data and metadata, so as to improve on data quality and consistency.

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[11] BIS, ECB, Eurostat, IMF (chair), OECD, United Nations and World Bank.

#	Initiative

8   Sectoral Accounts (Priority Area)

The G-20 economies to compile and disseminate, on a quarterly and annual frequency, sectoral accounts flows and balance sheet data, based on the internationally agreed template, including data for the other (non-bank) financial corporations sector, and develop from-whom to-whom matrices for both transactions and stocks to support balance sheet analysis. The IAG, in collaboration with the Inter-Secretariat Working Group on National Accounts (ISWGNA), to encourage and monitor the progress by G-20 economies. As part of the proposals, additional detail is sought in the sector accounts as regards the identification of foreign controlled enterprises in the reporting format.

10   International Investment Position (IIP)

The G-20 economies to provide quarterly IIP data to the IMF, consistent with the Balance of Payments and International Investment Position Manual, sixth edition (BPM6), and including the enhancements such as the currency composition and separate identification of other (non-bank) financial corporations, introduced in that Manual. IMF to monitor reporting and the consistency of IIP data, and consider separate identification of nonfinancial corporations, in collaboration with IMF Committee on Balance of Payments Statistics (BOPCOM).

12   Coordinated Portfolio Investment Survey (CPIS)

G-20 economies to provide, on a semi-annual frequency, data for the IMF CPIS, including the sector of holder table and, preferably, also the sector of non-resident issuer table. IMF to monitor the regular reporting and consistency of data, to continue to improve the coverage of significant financial centres, and to investigate the possibility of quarterly reporting. The IMF is working towards the implementation of an increased reporting frequency from semi-annual to quarterly.by 2019.

13   Coordinated Direct Investment Survey (CDIS)

G-20 economies to participate in and improve their reporting of the IMF Coordinated Direct Investment Survey, both inward and outward direct investment. IMF to monitor the progress.

14   Cross-Border Exposures of Nonbank Corporations

The IAG to improve the consistency and dissemination of data on non-bank corporations' cross-border exposures, including those through foreign affiliates and intra-group funding, to better analyze the risks and vulnerabilities arising from such exposures including foreign currency mismatches. The work will draw on existing data collections by the BIS and the IMF, and on the development of the OECD framework for foreign direct investment. The G-20 economies to support the work of the IAG.

19   International Data Cooperation and Communication

The IAG to foster improved international data cooperation among international organizations and support timely standardized transmission of data through internationally agreed formats (e.g., SDMX), to reduce the burden on reporting economies, and promote outreach to users. The IAG to continue to work with G-20 economies to present timely, consistent national data on the PGI website and on the websites of participating international organizations.

20   Promotion of Data Sharing by G-20 Economies

The IAG and G-20 economies to promote and encourage the exchange of data and metadata among and within G-20 economies, and with international agencies, to improve the quality (e.g., consistency) of data, and availability for policy use. The G-20 economies are also encouraged to increase the sharing and accessibility of granular data, if needed by revisiting existing confidentiality constraints.

5. CMFB Brainstorming

As part of its preparation the CMFB initiated a fact finding amongst its members on issues in the field of globalisation that are in need of attention. Members were invited to *"provide ideas in the context of measuring cross-border activities of multinational enterprise groups and not (fully) taken into account in other European fora"*. The following paragraphs provide a reflection / summary of the responses received.

In terms of methodological guidance, several CMFB members pointed at the methodological issues as regards economic ownership vs. legal ownership, and residency vs. nationality based concepts. Also, some emphasis was placed on the definition, delineation and valuation of intangible produced assets and non-produced assets. The methodological treatment of specific types of corporate restructuring would need to be clarified.

In terms of observing MNE activity, an emphasis was made on the observation of intra MNE flows, notably cross border flows. There was a sense that MNEs would need to be observed as a whole, and that an emphasis would need to be placed on the consistent reporting by MNEs, or the resident part of MNEs, across different statistics, and that additional emphasis would need to be placed on the consistent recording of MNE's transactions across borders. This consistent recording would imply harmonisation of primary data, single point reporting, and in-house co-ordination across statistics by means of Large Case Units (LCU's). It was noted that new administrative data sources would need to be investigated, such as inter alia the common reporting standard (CRS) and mini one stop shop (MOSS), noting that not all statistical institutions would have access to such data. Also the availability of statistical group registers was emphasised.

A key theme in the suggestions by CMFB members was the ability to share and exchange micro data (and metadata) for statistical purposes. Whereas current legislation enables countries to do so, several countries experience constraints to share confidential data even between national statistical institutions, let alone between countries. There was a call for ensuring that within Europe such constraints would be comprehensively addressed.

The brainstorming reflected also on the question as regards new indicators were necessary to measure economic activity, or whether additional detail in the core accounts would allow a better communication strategy vis-á-vis users as regards the sensitivity of the national economy to the activities of multinationals.

Overall, the brainstorming reflected a wide variety of interests and concerns, and presented a large overlap with already ongoing initiatives. One member emphasised that as regards large MNEs, a co-ordinated and holistic approach would be necessary, removing constraints within and between ESS and ESCB as a whole in addressing the statistical challenges in measuring the operations of MNEs in Europe.

Annex 1:   CMFB-identified work streams: state of play at June 2017

A. Infrastructural elements

1. Business registers addressed by the CMFB and also included in its 2017 WP
2. Global identifiers –addressed by the CMFB and also included in for its 2017 WP
3. Promotion of Data Sharing by G-20 Economies (Recommendation II.20 from the second Phase of the G20 Data Gaps Initiative) – already addressed by the CMFB and also included in its 2017 WP

B. Improving existing data collections

1. Effects of relocation of national affiliates of multinationals on economic statistics – included in the CMFB 2017 WP
2. Quality of b.o.p./i.i.p. data and consistency with national accounts – Statistics on FDI and the CDIS (Recommendation II.13 from the second Phase of the G20 Data Gaps Initiative) included in the CMFB 2017 WP
3. European multi-country supply-use and I-O tables – Reduction in asymmetries in international trade statistics (goods and services) – addressed by Eurostat and OECD
4. Statistics on cross -border activities of MNEs and crossborder exposures of non-bank corporations (Recommendation II.13 from the second Phase of the G20 Data Gaps Initiative)–included in the CMFB WP 2017)
5. Quality of b.o.p./i.i.p. data and consistency with national accounts – Reduction of inconsistencies between the current account and the r.o.w .sector in national accounts – already addressed by the CMFB and also included in its 2017 WP
6. Further refinement of economic globalisation indicators

C. Reaching full compliance and extending data collections

1. International trade in services. – full implementation of MSITS is too technical for the CMFB
2. European multi-country supply-use and I-O tables – Consistent classification system for all statistics related to international trade rather in the OECD - Eurostat remit
3. Integrated global accounts and global production addressed by Eurostat

Annex 2:   Summary of initiatives

Category / Initiative	Timeline bar label
ESF	
TF Globalisation	ESF Globalisation
ESS	
Figaro	Figaro
TF-IGA	IGA
TF-BSDG-DMES	TF- BSDG-DMES
EWS	EWS
GNI Pilot	GNI-pilots
Eurogroups Register	Eurogroups register
European Profiling	Profiling, pilot / Profiling, implementation
ESCB	
External Statistics GL	ES Medium Term / GL IMPL
Financial Accounts medium term	FA-Medium Term / ? TBD
RIAD	RIAD V4.0
CSDB	CSDB
SHS-DB	SHS-DB
Anacredit	Anacredit preparation / Anacredit, start data collection
ESS-ESCB	
TF-FDI	TF-FDI
FDI Network	FDI Network
Global Initiatives	
TF-IPP (Eurostat OECD)	TF-IPP
UNECE Expert Group on National Accounts	UNECE Expert group
CES TF on exchange and sharing of economic data	CES Data Exchange and Sharing
Inter Agency TF on International Trade Statistics	TF-ITS
OECD Initiatives	
Trade in Value Added (TIVA)	TiVA, GVC, extended SUT/IOT ?
Analytical Database on Individual Multinationals and their Affiliates (ADIMA)	ADIMA ?
IMF / FSB Initiatives	
G20 Data-gaps	DGI-I / DGI-2
IMF Initiative	
TF-SPE	TF-SPE
ISWGNA / AEG and ISWGNA-TF	
TF-ISWGNA	TF-ISWGNA
ITEGS, handbook on Global Value Chains	ITEGS

Columns (right side): Euro-stat | ESS (NA, BS) | ECB | ESCB