

The Statistics Newsletter

for the extended OECD Statistical Network

July 2002

Issue No. 10

Key Challenges for OECD Statistics: The view of Member countries

By Enrico Giovannini, Chief Statistician of the OECD

In 2001 the OECD launched a new “corporate” statistics strategy. The main objectives of this strategy were to: improve the quality of OECD statistical products, increase the efficiency of OECD statistical activities, design and implement a new statistical information system, enhance the key role of the OECD in the international statistical network and improve the job satisfaction and quality of work of OECD statistics staff. Significant progress has been achieved over the last eighteen months and in May 2002, the Secretary-General of the OECD confirmed the quality of OECD statistics as one of the main priorities of the Organisation in his “strategic document for 2003-2004”.

In this framework, actions have been undertaken to improve the partnership with international and national statistical organisations. In particular, since October 2001, the OECD Statistics Directorate established the Statistical Advisory Group (SAG), which comprises of Heads of National Statistical Offices (NSOs), of eleven countries (Australia, Canada, France, Germany, Italy, Japan, Korea, Norway, Switzerland, United Kingdom and United States). The SAG is a forum for debating issues such as: data and metadata collection policies, reduction of the reporting burden, and the enhancement of the efficiency of collection systems; data and metadata dissemination policies, to maximise user satisfaction, and to improve the quality and transparency of OECD statistical outputs; new research projects to meet emerging user needs and to increase the international comparability of statistics.

The New High Level Group Meets

The conclusions of the SAG meetings recommended that the Statistics Directorate organise a first meeting of the OECD High Level Group on Statistics, with the participation of the Heads of NSOs (or Deputies) of all OECD countries and several International Organisations. This meeting took place on Thursday 13 June 2002, and the discussion was focused on initiatives undertaken by the OECD, working on the framework of the statistics strategy, and on substantive issues (all papers presented at the meeting are available on the OECD web site <http://www.oecd.org/EN/document/0,,EN-document-notheme-15-no-20-29985-0,00.html>). In particular, the following topics were discussed:

- the development of the first OECD Statistical Programme of Work;
- the design of the “quality framework” for OECD statistics;
- the role of the OECD in international co-operation in statistics;
- the future strategy for the OECD on data and metadata collection;
- the dissemination policy for statistics at national and international level;
- the OECD/Eurostat programme on Purchasing Power Parities.

On the first topic, the HLG congratulated the OECD Secretariat on the development of the first OECD Statistical Programme of Work (OSWP). The programme covers all the OECD statistical activities and is a fundamental instrument for managing a decentralised statistical system, such as that of the OECD. In addition, it plays an important role in presenting to outside users a comprehensive picture of OECD statistical activities and outputs. The Statistics Directorate prepared the programme, while other relevant Directorates provided the necessary information through an electronic questionnaire for each line of activity. The information collected concerns: a brief description of the activity; expected improvements and changes with respect to the previous year and the meetings scheduled; the existing co-operation with other international bodies (if any); the characteristics of the data and metadata collection, management and dissemination; the expected output (publication, database, etc.).

The classification used to present activities has been derived from the UN classification of statistical themes and it is currently in use on the OECD web “Statistics Portal”. In 2002, about 90 activities were identified. A synthesis describing the activities is available at

OECD

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<http://www.oecd.org/doc/m00032000/M0032385.doc>, while the OSWP database containing the detailed information will be made available to OECD governmental bodies. This will represent an important tool for agencies in charge of coordinating statistical activities, as well as for all public bodies using OECD statistics.

The Group's Priorities for OECD Statistics

The HLG recommended improving the content of the OECD Statistical Work Programme for future versions, in particular detailing the main developments expected for the reference year. It suggested particular areas of work on which NSOs would like to see the OECD focus:

- the “bridge” function that OECD can play between the EU, North America and the Pacific Rim countries in harmonisation of statistics across these areas;
- labour costs and prices;
- comparability of short-term economic statistics;
- evaluation and comparability of GDP growth in real terms;
- price indices and output indicators for services;
- measurement of productivity;
- statistics to measure globalisation processes.

The Quality Framework

The HLG welcomed the development of the “quality framework for OECD statistics”. In fact, improvement in the quality of OECD statistics is one of the main objectives of the current statistics strategy. OECD statisticians presently devote a significant part of their effort to quality improvement at an individual level, but whilst these initiatives will undoubtedly enhance quality, the absence of a common framework within which we can systematically assess, compare and improve OECD statistics is a weakness in our statistical system. A lot of work has been done in recent years to apply the concept of quality to statistical data. For example, the IMF, Eurostat, Statistics Canada and other NSOs have identified various sets of data quality components and have adopted quality frameworks to improve their organisations and the quality of data produced. The OECD quality framework benefits from this work.

For an international organisation, the quality of statistics disseminated depends

on two dimensions: the quality of national statistics it receives and the quality of its internal processes for collection, processing, analysis and dissemination of data and metadata. The OECD framework focuses on improving the quality of data collected, compiled and disseminated by the OECD through an improvement of the Organisation's

processes and management, though there will be a positive spillover effect on the quality of data compiled at national level. The framework is envisaged as having four elements: a definition of quality and its dimensions; a procedure for assuring the quality of proposed new statistical activities; a procedure for evaluating the quality of existing statistical activities on

Sharp Fall in FDI flows into OECD countries in 2001

By Ayse Bertrand/Hans Christiansen OECD

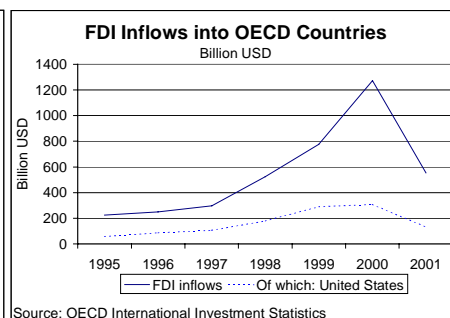
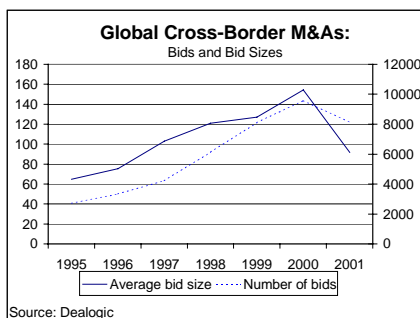
Flows of foreign direct investment (FDI) into OECD countries declined more steeply in 2001 than in any previously recorded year, according to data recently published by the OECD. The fall appears to have continued in 2002, although at a reduced rate.

The figures are contained in an article on Trends and Recent Developments in Foreign Direct Investment to be published in September in the first volume of a new annual OECD publication, *International Investment Perspectives*. The article at <http://www.oecd.org/pdf/M00031000/M00031855.pdf> surveys trends in FDI affecting OECD countries in 2001 and provides early indications of international investment flows in 2002. Some of its main findings are:

- From an all-time high of US \$1.27 trillion in 2000, FDI inflows into OECD countries fell 56 per cent to \$566 billion US\$ in 2001.
- FDI net outflows from OECD countries to the rest of the world held up. On current estimates they rose from 12 billion US\$ in 2000 to 27 billion US\$ in 2001.
- The decline in FDI inflows into OECD countries appears to have continued into 2002, albeit at a reduced rate. On current trends and using mergers and acquisitions in the first half of the year as a rough indicator, FDI inflows into OECD countries seem likely to fall by an additional 20 to 25 per cent this year.
- The decline in international investment flows could represent a “return to normal” following the extremely high transactions of the late 1990s and in 2000, and so the end of a recent mini-boom in FDI.
- The boom of previous years was spurred by an apparent stock market overvaluation, especially in the telecom and high-tech sectors. Record-high equity prices boosted companies' liquidity and ability to buy while at the same time providing previous owners with incentives to sell. Cross-border takeovers were further fed by a wave of utilities privatisations in OECD countries and beyond in the late 1990s.
- While telecom companies figured prominently in the mergers and acquisitions completed in 2001, they barely appear among the transactions in 2002 to date.

International Investment Perspectives will include articles on recent trends and developments in international investment, national policies in OECD and non-OECD countries and international agreements pertaining to investment, and the economics of multinational enterprises. It will aim at contributing to the policy debate on issues of current international interest.

For further information contact Hans.Christiansen@oecd.org or Ayse.Bertrand@oecd.org in the OECD's Directorate for Financial, Fiscal and Enterprise Affairs.



a regular basis; and internal quality guidelines covering all phases of the statistical production process.

Given the work already done by other statistical organisations, the OECD has adopted a definition of quality based on eight dimensions (Relevance, Accuracy, Credibility, Timeliness, Punctuality, Accessibility, Interpretability, Coherence), specifying what these dimensions mean in the specific OECD context. In addition, procedures for assuring the quality of already existing and new statistical activities have been identified. In particular, we defined the main steps in the development of statistical activities, identifying possible quality concerns for each of them and the possible instruments to help statisticians in addressing them were identified. In coming months, guidelines will be prepared for each step of statistical activities, taking into account already existing good practices within the OECD and in other statistical agencies.

The HLG gave some suggestions on the implementation of the quality framework. In particular, it was stressed that the framework should be intended for assessment of internal OECD procedures, not as a basis for assessing data produced by NSOs. Therefore, its implementation will not in itself result in any additional demands for metadata from NSOs, while for quality assessment of national data produced by NSOs, the OECD will support the development and use of a common set of quality dimensions and indicators by all international agencies. Finally, the HLG will follow the development of the OECD Quality Framework and review the progress in one or two specific fields at the next meeting of the Group.

Raising Awareness of Technical Cooperation

Discussing the role of the OECD in international cooperation in statistics, the HLG noted the extensive program of activities that the Statistics Directorate has planned for 2002. In particular, there are three country programmes (Russia, China and Ukraine) and regional programmes for the Commonwealth of Independent States, Baltic States, Balkans, South East Asia (with the main focus on the eight ASEAN countries plus India) and Latin America (with the main focus on Brazil, Chile and Argentina). The co-operation activities cover the following subject areas: National accounts, Non-observed economy, Business tendency surveys, Composite leading indicators, Purchasing Power Parities and Short-term statistics.

The HLG stressed that there is insufficient awareness by Member governments of the need for technical cooperation in statistics. The OECD should create opportunities to use its prestige to convince senior officials in national capitals to pay more attention to statistics. The addition of a statistical component in the OECD Global Forum Governance, already planned for 2003, was also seen as a useful way to reinforce this message. In addition, the OECD should continue to draw on the expertise of statisticians in Member countries in its co-operation programme. Finally, special attention should be given to the development of cooperation with the so-called "Big six" countries (Brazil, China, India, Indonesia, Russia, South Africa).

Data sharing

The HLG also discussed future strategies for data and metadata collection. Improvements in this field need to be considered from two perspectives, from that of the receiving organisation (the OECD), where each receiving unit has several contacts within Member countries, and from that of the national or international organisation that provides the data (who may service several different units in the OECD, and, in some cases, other international organisations). Therefore, achieving greater efficiency (in the OECD) whilst at the same time minimising the reporting burden of the source organisation requires actions by both sides, and possible tradeoffs.

The discussion has been focused on the so-called "data-sharing" model where, for example, the source agency uploads their data to a repository that would be accessible to a number of international organisations. The repository could simply be the Internet. The data made available by each source agency need not use the same format or even be in the same physical database. If data were in the same format it would be possible to present the data as a common database. A simple form of the data-sharing model is the situation where national statistical institutes place all required data on the Internet in their web databases.

In addition, activities for improving data collection within the OECD in the short-term focus on implementing improvements in the efficiency of data transmission processes. Work here entails expanding corporate access to existing source agency on-line databases, encouraging those agencies to expand the range of data and metadata in those

databases and providing efficient data extraction tools. On the other hand, further improvements in internal co-ordination are envisaged, through use of information from the Statistical Work Programme questionnaire.

In the HLG a large consensus in favour of the "data sharing" model to maximise the efficiency of data collection carried out by international organisations. The scale of work in the implementation of this model could be large and there is a need, among other things, to prioritise work and identify areas where gains are practicable for both the OECD and Member country agencies, identifying a small number of key, concrete projects that would demonstrate the benefits of wider implementation. In this context, priority should be assigned to the "National Accounts World Wide Exchange" project and to short-term indicators, eventually within the framework of the SDMX initiative launched by the OECD, the IMF, Eurostat, UN and Bank for International Settlements.

A Task Force on Dissemination Policy

Finally, the High Level Group on Statistics congratulated the OECD Secretariat on the work done on the definition of a new dissemination policy for statistics at the OECD. This policy should meet three different objectives:

- disseminate as widely as possible the statistics collected and elaborated autonomously by the Organisation, adopting high quality standards to facilitate their accessibility and interpretability;
- enhance the credibility of the OECD as a source of high quality statistics reflecting economic, environmental and social performance in Member countries and in selected non-Members;
- contribute to the development of a culture of "informed decision making" at national and international levels, both in governmental and non-governmental bodies.

In meeting these objectives, the statistics dissemination policy has to be conducted:

- in the most cost-effective manner, in accordance with OECD general publishing policy and with the financial and budgetary regulations and requirements of the OECD Council. Maximum use should be made of online dissemination possibilities;

- ensuring that the user community in general can have free access to “basic” statistical information collected and/or originally produced by the Organisation;
- maximising the cooperation with other national and international data providers. In particular, free access to all statistical products has to be given to all national governmental bodies (included NSOs), as well as, subject to reciprocal arrangements, to international organisations.

The High Level Group on Statistics recommended those issues regarding dissemination policies, and in particular pricing policies, be followed up by a Task Force. The Task Force will report to the next HLG meeting and will benefit from the conclusions that will be reached by the Eurostat “Reflection Group” on dissemination and by the Eurostat/UNECE meeting on “Statistical Output for Dissemination to Information Media”.

Population Census of 2002 in Russia

By Vladimir Sokolin, Goskomstat Russia

From October 9 to 16, 2002, a general population census will be conducted in Russia, for the first time in the new economic and political conditions. The previous census in the territory of the country was conducted in 1989, when the USSR still existed, so the borders of the country, the composition and mentality of its population, and the structure of the economy were different.

The coming population census will be conducted within the framework of the Global Census Round of 2000, in accordance with the UN recommendations, and will reflect the requirements of the international standards for such an extensive population survey.

For the first time in the history of Russia the population census is being conducted on the basis of a special federal law, which was adopted by the State Duma in 2001 and was approved by the President Putin in 2002. The essence of this law is to ensure the constitutional human and civil rights and freedoms and to guarantee safety and confidentiality of information collected during the population census. At the same time, the law stipulates

participation in the census as a public duty of each person to the society and the state.

The program of the forthcoming population census is much more versatile than of the previous ones. It will allow to collect data on households’ structure and living conditions; obtain demographic characteristics of the population, the educational levels, national structure, social and economic characteristics, birth rates, migration rates, etc.

In preparation for the census, the legislative registration of the borders between different regions of the country was completed (this problem has not been solved since the collapse of the Soviet Union), the street names and house numbers were put in order. The maps and schemes of all 25,000 of administrative-territorial units of the Russian Federation were produced. The lists of houses for all cities and towns and – for the first time in our practice – all rural settlements with the population over 500 people were prepared, as well as lists of small rural settlements themselves.

During the census preparation we had to solve a considerable transportation problem. It will be enough to mention the Sakhalin *oblast* (region), which consists of 56 islands, where the census documents should be delivered to on time. Almost every region of our enormous country will face similar problems. In total, it is necessary to deliver to the enumeration areas 175 mn copies of instructions and other documents, 215 mn copies of enumeration sheets, almost half a million of brief-cases for enumerators.

Upon agreement with the executive bodies of the subjects of the Russian Federation and with the local administrations, the lists of remote regions, which are difficult of access, were prepared. Here the census will be conducted from June to December of 2002. The number of population to be enumerated in these regions is approximately half a million people.

At present, the work on attracting temporary enumeration staff is on its way. It is necessary to hire more than 600 thousand people for the census, these would be students, teachers, social workers; we also plan to invite unemployed people and pensioners to cooperate.

As the international experience shows, a very important factor of a successful and high quality realization of a population census is an efficient PR campaign among the population.

The official informational campaign started on October 9, 2001, with the motto “Add yourself to the history of Russia”. Within this campaign, in all regions of the Russian Federation press conferences, “Open-door days”, and “round-tables” were organized, where representatives of the regional state authorities participated.

The official web-site of the All-Russia population census was created.

Starting from January 2002, the PR campaign has begun at the major national TV channels. The important work is done through radio broadcasting, in the national and regional press. The “peak” of the propaganda will be on the last days before the census.

According to the social monitoring data, during the period of the informational campaign (October 2001 – May 2002), the share of citizens who are ready to take part in the census has increased almost by 20 percent.

During the PR campaign, special projects were undertaken which were targeted at certain groups of the population (young people, older people, ethnic groups, some regions). Upon agreement with the Ministry of Education, in September, 2002, a special lesson devoted to the forthcoming population census will be held in all schools of Russia.

While preparing for the All-Russia population census, we should say about the processing of the data and, what is also important, about the interpretation of the result.

The Goskomstat of Russia developed a technological scheme of the computerized processing of enumeration materials. The computer complexes for primary data processing will operate in 11 inter-regional centers, and the final results will be produced in Moscow. We will obtain the first results on the number of population with a breakdown by urban and rural population in the beginning of 2003. Further elaboration of the census results will take more time.

The All-Russia population census of 2002 is to be the first one in the new millennium. In future, historians will refer to the data of this census in the same way as the contemporary historians study traditions of our nation, its way of life and culture using the results of the censuses conducted in the past.

Technical Co-operation in Statistics with China

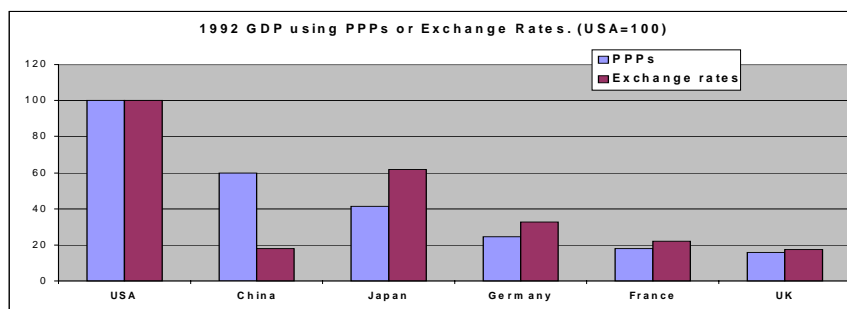
By Kil-Hyo Ahn, OECD

China is playing an increasingly important role in the world economy following the adoption of market-oriented policies in the late 1970s and its recent accession to the WTO. The growth rate of GDP is a key statistics in evaluating economic trends in China and its impact on the world economy. However, both the levels and growth rates of China's GDP are questioned by the international community as well as by several domestic observers. In his study, *Chinese Economic Performance in the Long Run* (OECD, 1998) Professor Angus Maddison pointed out that the official levels of GDP in the 1990s together with the official growth rates implied an implausibly low level of GDP in the 1950s. He reworked the GDP estimates and concluded that the level of GDP in the 1950s must have been higher than the official estimates and that levels in the 1990s were somewhat lower. This implies a slower growth rate throughout the period and he calculated that growth since the reforms of 1978 have averaged about 7.5% compared with the official estimate of nearly 10% per year. In another recent study Professor Rawski has argued that China's growth rates are even lower than Maddison's estimates but Rawski relied mainly on comparisons between growth rates of GDP and energy consumption – a technique which is not widely accepted.

Since the beginning of co-operation with the National Bureau of Statistics (NBS) of China, the Division for Non-Member countries has focussed on ways to help the Chinese statisticians improve the reliability of their national accounts. A key part of this programme has been a series of national accounts workshops which are held in alternate years in China and Paris. The 6th joint NBS-OECD workshop on national accounts was held 3-7 June 2002 at the OECD. Seven persons from China participated in the

2002 workshop. Charles Piggot, a China specialist in the Economics Department, made an opening presentation on the

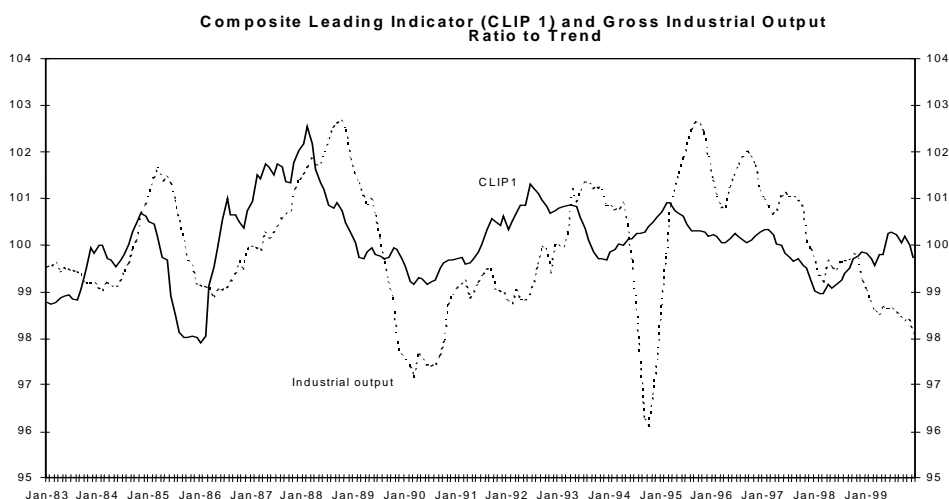
below is based on a 1992 (unofficial) estimate of Chinese GDP in PPP terms. The new estimates are expected to



problems that economic analysts face in understanding China's national income accounts and gave participants a wish-list of improvements. The 2002 meeting reviewed the conceptual differences between China's national accounts and the

confirm this general picture that China is the second largest economy after the United States.

Another important part of the STD programme with China is the construction of composite leading indicators. The



1993 SNA, measurement of imputed rents of owner-occupiers, compilation of input-output tables, measurement of capital stock, and expenditure-side estimates of quarterly national accounts.

OECD has been co-operating with the NBS in several other areas – notable calculation of bilateral OECD-China purchasing power parities (PPPs), business tendency survey (BTS), and composite leading indicator (CLI). The PPP calculation of will provide the first-ever occasion to measure the true size of China in the world economy. The chart

OECD methodology has been used to compile a leading indicator for China (see chart below) and NBS is now funding the construction of similar leading indicators for Shanghai Province and other key economic regions.

For more information on the meeting and the co-operation with China, contact Mr Kil-Hyo AHN kil-hyo.ahn@oecd.org

NEWS IN BRIEF

A Farewell from the National Economic Institute in Iceland,

By Sigurður Guðmundsson

On July 1st 2002 the National Economic Institute in Iceland will be closed down following a decision by the Icelandic Parliament which passed an act to this effect. The tasks performed by the institute will be transferred partly to Statistics Iceland and in part to the Ministry of Finance.

The national accounts and related tasks will in future be compiled by Statistics Iceland, mostly by the same staff and in the same location for the next few months.

The Economic Department of the Ministry of Finance, in addition to its present portfolio of tasks, will be expanded to take over assessment of the state of the Icelandic economy, short and longer term outlook and projections, preparation of the budget premises, development and supervision of national economic models, as well as calculations for tax and social assistance models. The department is also expected to expand its advisory capacity to the government in general.

It is hoped that disruption in the services previously offered by the National Economic Institute will be kept to a minimum. All enquiries will be dealt with by one of the two successors. For the time being the homepage of the institute (www.ths.is) will direct visitors to the appropriate locations. Information about the publications which will replace those of the National Economic Institute will be given there.

The National Economic Institute would like to thank its customers and international partners for many years of co-operation.

OECD Expert Meeting on Agricultural Landscape Indicators

Norway and the OECD Agriculture Directorate are jointly organising an Expert meeting on Agricultural Landscape Indicators on 7-9 October in Oslo.

Norway has invited and funded 4 speakers to provide an overview on landscape indicators, bringing together some leading experts in this field. To date nearly 60 delegates have registered for the meeting, from 19 OECD Member countries, representing all the different OECD country regions, and with 25 papers offered for discussion.

The invitation for the meeting has been circulated to permanent delegations, delegates of the Joint Working Party on Agriculture and Environment, the Working Party on Environmental Information and Outlooks, and to the delegates of the Territorial Development Policy Committee and the Rural Working Party.

For further information contact: kevin.parris@oecd.org or wenche.dramstad@nijos.no

Biotechnology Statistics News

The Third Ad Hoc Meeting on Biotechnology Statistics took place on 13-15 May. The following outline some of the main points of progress:

1) 17 countries now have, or will have by early 2003, official statistics on biotechnology, up dramatically from where we started in 2000 when only 3 countries had data. Korea and the UK will have statistics collected by private organisations that are working with the government, making an overall total of 19. About half make use of the provisional OECD definition of biotechnology, ensuring some degree of comparability. It is our hope, resources permitting, to collect this data in 2003 for inclusion in the 2003 Scoreboard. (The 17 include: Australia, Germany, Belgium, Canada, Denmark, Finland, France, Iceland, Italy, Japan, New Zealand, Norway, Poland, Spain, US, India and Israel.)

2) There was agreement on a model set of questions that will identify biotechnology activity in R&D surveys. These questions will be included in an annex to the new draft of the Frascati Manual which was discussed and approved by NESTI in June. For those countries that adopt this recommendation, this will provide a rich new source of data on biotechnology conducted by firms and possibly by governments and universities.

3) It was agreed to develop a short model survey of "Biotechnology Use and Development" that will better measure the economic impact of biotechnology. An expert group has been charged with finalising this model survey by mid-October so that it can be discussed at the November meeting of the WPB. Nine countries intend to either use this model, or a variant thereof, to survey biotechnology in their countries by the end of 2003.

4) 21 countries attended this year's meeting including Israel and India, both of whom made important contributions and are adopting OECD methodological recommendations. We also had active participation by many members of the WPB, as well as Iain Gillespie whose presence was instrumental in advancing the work, especially as regards the model survey on biotechnology use and development which should directly support the WPB's work on sustainable industrial indicators. The Government of Finland should be thanked for their generosity and efficiency as host to this meeting.

For more information contact andrew.devlin@oecd.org

RECENT PUBLICATIONS

□ OECD Health Data – 2002 edition

OECD Health Data 2002 An international comparison of 30 countries will be released in the week of June 24th. This eleventh edition of OECD's comprehensive information tool on health care systems covers a wide range of indicators on health status, health care resources and their use, expenditure and financing, non-medical determinants of health, and the economic and demographic environment of health care systems. The database comprises some 1200 variables, with many data series updated up until 1999/2000. *OECD Health*

Data 2002 provides a unique way to access data and meta-data. New tools to enhance the user-friendliness of the software have been added, such as an upgraded graphic module, to create, print and export complex graphs, as well as an enhanced double-window display of the hypertext for Sources and Methods.

More detailed information, a press release, sample screens, and selected tables can be found under <http://www.oecd.org/health>. Contact point: sante.contact@oecd.org

□ Monthly Statistics of International Trade

This reliable and up-to-date source of statistics on international trade of OECD countries provides a detailed insight into the most recent trends in trading patterns for OECD countries with the rest of the world. Data are broken down by economic groupings, by country and by region, and include seasonally adjusted series as well as calculated indicators. The series shown cover data for the last eight months, four quarters and two years available. Monthly Statistics of International Trade is also available on CD-ROM. The database is in Beyond 20/20TM, a user-friendly WindowsTM-based software, that allows the user to extract data and customise graphs and tables. It provides longer time series of monthly, quarterly and annual data than covered in the printed version. The database is also available on line at www.Sourceoecd.org.

□ Information Technology Outlook – 2002 edition

Information technology (IT) continues to be a major driver of economic change, restructuring businesses, affecting skills and employment, and contributing significantly to growth and wealth creation. Information Technology Outlook 2002 describes:

- Main trends in industries and businesses supplying IT goods and services.
- The impact of IT diffusion, and the growing importance of network effects.
- Recent market dynamics and globalisation of the ICT sector.
- The rapidly growing and evolving software sector.
- Growth in electronic commerce and barriers to expansion.
- Developments and mismatches in supply and demand for ICT skills, and potential remedies.
- Diffusion of ICTs and the digital divide among individuals, households and businesses.
- Technological developments that will affect the commercial exploitation and impacts of ICTs.
- IT policies in OECD countries, with emphasis on ICT skills and overcoming the digital divide.

“OECD Information Technology Outlook. ICTs and the Information Economy” 328 pages, OECD, Paris 2002 Available in electronic format (pdf) Euros 75; US\$66 ISBN 92-64-19754-0 (93 02 02 1)

□ OECD in Figures – 2002 edition

The 2002 edition of OECD in Figures contains key data on OECD countries, ranging from economic growth and employment to education and migration.

- There are comparable tables on the environment, science and education. For added perspective and comparability, OECD in Figures includes a selection of graphs, giving snapshots on subjects such as sustainable development and development aid, taxation, unemployment and literacy.
- OECD in Figures is an original, simple to use, pocket data book. It is a primary statistical source. And as with all OECD data, it is compiled and checked by our experts, so that decision-makers in government, research and business know they can rely on it.
- Thanks to the web edition, a free e-book, OECD in Figures is now more than ever the public gateway to one of the richest and most respected economic, financial, social and environmental databases around

□ OECD Agricultural Outlook 2002/2007 – 2002 edition

Global agricultural commodity markets have taken a long time to recover from a precipitous drop in prices during the second half of the 1990s. However, world agricultural prices should gradually rise from their current weak levels as the economic recovery strengthens at the end of this year and into 2003, especially for certain meats and dairy products. The OECD Agricultural Outlook provides a comprehensive set of projections for agriculture over the next five years. It also takes a special look at Russian agriculture and at the issue of food security in developing countries.

The Outlook provides a medium term assessment of future trends and prospects in the major agricultural commodity markets of OECD countries. The report is published annually, as part of a continuing effort to promote informed discussion of emerging policy issues.

The highlights, as well as a selection of Statistical Annex Tables, are available to download **free of charge** at SourceOECD.

To access the **full version** of the Agricultural Outlook options:

- Subscribers and readers at subscribing institutions to SourceOECD/Agriculture and Food, can access the electronic edition via SourceOECD, our online library.
- Non-subscribers can purchase the PDF e-book and/or paper version of the OECD AGRICULTURAL OUTLOOK 2002 - 2007 via our [Online Bookshop](http://OnlineBookshop).

□ OECD Employment Outlook – 2002 edition

OECD Employment Outlook 2002 surveys recent labour market developments and short-term prospects in the OECD area. The editorial assesses priorities for employment policy in the coming decade while the five chapters provide in-depth analysis of labour market issues which are critical for creating more equitable and efficient employment policies.

Chapter 1: A Better Start for Youths?

Favourable demographic trends, the prolonged cyclical upswing and a wave of new or expanded labour market programmes appear to have led to some improvement in prospects for young people. OECD countries differ widely in terms of how often students combine work and job search with study.

Chapter 2: Women at Work: Who are They and How are They Faring?

One of the most profound labour market developments in OECD countries over the past few decades has been the continued progress made by women. Nonetheless, a substantial gender employment gap remains in many OECD countries – particularly for less-educated women and mothers – and women continue to earn less than men and to work in different occupations.

Chapter 3: Taking the Measure of Temporary Employment

The share of workers in temporary jobs varies greatly among OECD countries, ranging from one in three in Spain to one in 20 in the United Kingdom and the United States. Workers in temporary jobs have lower pay than permanent workers and are less able to access some key fringe benefits and employer-provided training; however, many are able to move into permanent jobs over a relatively short time span.

Chapter 4: The Ins and Outs of Long-Term Unemployment

Successful measures to tackle broadly defined long-term unemployment should make it possible to bring more people into the labour force. A key question is whether the policy emphasis should be on “preventing” or on “curing” long-term unemployment? Can statistical “profiling” of the unemployed help resolve this dilemma? How can the “carousel” effects that promote recurrent unemployment be avoided?

Chapter 5: And the Twain Shall Meet: Cross-Market Effects of Production and Labour Market Policies

Product market regulations appear to affect workers' employment opportunities, wages and, perhaps, job security. Similarly, wage bargaining structures and employment protection rules affect the incentives for business to invest in new technologies. Effective co-ordination of labour and product market policies may contribute to better outcomes in both markets.

Download the following free of charge.

- [Editorial](#)
- [Summaries of each chapter](#)
- [Statistical annex](#)
- [Complete table of contents](#)

□ Working Together Towards Sustainable Development: The OECD Experience

This report responds to a request by OECD Ministers to develop an OECD input to the [World Summit on Sustainable Development](#) (WSSD), to be held in Johannesburg South Africa from 26 August-4 September. The WSSD will bring together tens of thousands of participants, including heads of State and Government, national delegates and leaders from non-governmental organisations (NGOs), businesses and other major groups to review progress towards sustainable development in the ten years since the Rio Earth Summit.

The OECD report assesses the contribution that OECD countries make to sustainable development both at home and internationally, and brings together the main lessons learned through the Organisation's extensive work on sustainable development.

The Report was officially released at the Final Preparatory Committee Meeting for the WSSD in Bali in early June 2002.

Download the full Report free of charge (PDF, 900 Kb):

- [Working Together towards Sustainable Development: The OECD Experience](#)

ON LINE ACCESS DEVELOPMENTS

IT Practices in NSOs – A Web based forum for shared experiences

by Gérard Salou and Russell Penlington

www.oecd.org/statistics/it

Introduction

Although there is quite a lot of information on and off the Web on IT projects and practices in relation to the statistical production process, it is not readily available. For unpublished information, one would need an extensive personal network to find the right information and persons. For the Web content one needs to sift an impressive number of web-sites that carry a huge number of project descriptions (sometimes very technical) in a hierarchy that serves their projects but not always the visitor from an NSO seeking information.

A lot of research is involved in the improvement of the statistical process and the IT that goes with it. This web site is designed for information sharing in an attempt to better utilise the scarce resources involved in this research and other IT projects.

This is an initiative from the meeting on Integrated Information System, ISIS2002, endorsed by the Conference of European Statisticians.

Purpose and Function of the Web Site

The purpose of this initiative is information sharing about IT practices in National Statistical Institutes. The primary function of the web site is to serve as a collaborative knowledge base of IT practices and solutions arrived at. Contributors will be the national statistical offices, IT or statistics departments from central banks, ministries and organisations like Eurostat, the IMF, the OECD, the United Nations, etc. The users will be personnel at decision-making level and others whom it may concern in the community of statisticians. National statistical offices from countries in transition are a particular target of the web site. The web-site will serve no commercial interests and will carry no advertisements or vendor related material other than for purposes of illustration or instruction. The site is hosted by the OECD but the actual documents are located on the web site of the organisation that has submitted the corresponding IT practice.

Web Site Structure

This web site has a structure that covers the full range of topics appropriate to the Informatics domain. This has been

accomplished through the employment of the Zachman framework. The Zachman Framework (ZF) is a well-known classification system used to guide the development of Enterprise Architectures. It provides, in a two-dimensional tabular format, the topics that should be dealt with by architecture and other study projects. The right-hand side deals primarily with management issues, topics such as Motivation (WHY should the project be approved and funded?), People (WHO are the user communities to be serviced by the proposal?) and Time (WHEN will the various project milestones be completed?). The left-hand side deals with technical subjects such as Data, Function and Network. The vertical dimension deals with scope, from strategic concerns to detail specifications (the target audience also varies in this dimension from strategic planner to technology builder).

Management of the Web Site

The OECD hosts the Web site and a co-ordination group manages its content. The web site does not contain the actual documentation but only hyperlinks to documentation existing on the web site of the organisation submitting the corresponding IT Practice. A co-ordination group has been formed during the ISIS2002 Seminar. It includes staff from Statistics Canada, Statistics Finland, Statistics Latvia, Statistics Netherlands, the United States Census Bureau, Eurostat, the OECD and the UNECE.

NSOs and other statistical institutes can submit proposals for IT Practices to the web site. Submissions can be research papers, design studies, reports from successful or unsuccessful projects as long as they lead to better IT practices. Members of the co-ordination group will review all submissions before they appear on the web site. Submissions must contain:

- A title, brief and relevant.
- An abstract: representing a detailed description of the document linked to. The abstract is limited to 2000 characters.
- Prerequisites and limitations, listing any criteria to be met for this IT practice to apply. This is also limited to 2000 characters.
- Keywords, limited to 255 characters.
- Name of Organisation.
- Email of contact.
- url of document.

The site also offers a search mechanism to facilitate the location of IT Practices. The search engines searches all the fields submitted giving preference to the title field. The actual document is not searched. The site was launched in June 2002 and we wait for your submissions on

<http://cs3-hq.oecd.org/scripts/stats/itp/index.asp>

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Forthcoming OECD Statistics Meetings

N.B. Unless otherwise indicated attendance at OECD meetings and Working Parties is by invitation only.

2002

22-25 July Workshop on Price Statistics for National Accounts, *Statistics Directorate*, Paris

9-13 September Business Tendency Surveys and Leading Indicators (for ESCAP countries) Bangkok, Thailand, *Statistics Directorate*

25-27 September Sixth International Forum on Tourism Statistics, Budapest, *Hungarian Central Statistical Office, the Ministry of Economic Affairs, OECD Directorate for Science, Technology and Industry, and Eurostat.*

(The aim is to discuss major issues concerning the building of an information system for good public and private decision-making in tourism in an environment that strengthens co-operation between governments, the private sector, researchers, academics, OECD/EU member and non-member countries and international organisations. For more information go to <http://w3.ksh.hu/tourforum/keret.htm>)

7-9 October OECD Expert Meeting on Agricultural Landscape Indicators, *Agriculture Directorate and Norway* Oslo, Norway

8-11 October Meeting on National Accounts, *Statistics Directorate*

Other International Statistical Meetings

27-29 August IAOS Official Statistics and the New Economy, London – see www.singstat.gov.sg/IAOS

20-22 August Irving Fisher Committee Conference on challenges to Central Bank Statistical Activities, to be held at the bank for International Settlements, Basle, Switzerland, Information: rudi.acx@nbb.be

30-31 August ISI Briefing Seminar for Chief Statisticians, to be held at the offices of the ONS London, UK. Information: isi@cbs.nl

2-6 September RSS 2002 International Conference, to be held at the University of Plymouth, England. Information: RSS2002@plymouth.ac.uk

25-28 September the 10th Annual Conference of the Portuguese Statistical Society (SPE) will be held in Porto Portugal. Information: spe2002@fep.up.pt

September, CEIES 19th seminar “Innovative Solutions in Providing Access to Microdata”, Lisbon, Portugal – see forum.europa.eu.int/Public/irc/dsis/ceies/library

16-19 October 26th CIRET Conference on Business Surveys Business Cycle Indicators and Consumer Surveys. Website: <http://www.fep.up.pt/spe2002>

14-15 November, CEIES 20th seminar “Labour Statistics – Towards Enlargement”, Budapest, Hungary – see forum.europa.eu.int/Public/irc/dsis/ceies/library

DATABASE OF THE MONTH

The OECD/EU Database on Environmentally Related Taxes and its Current Uses

by Nils Axel Braathen¹, OECD

1. The OECD/EU Database on Environmentally Related Taxes

Economic instruments – like for example taxes and tradable permits – play an increasing role in environmental policy in many countries. The purpose of this article is to provide a brief overview of a database on environmentally related taxes and its current uses – in particular regarding OECD Member countries.

For some years, OECD has collected information on such taxes in a special database², in cooperation with the European Commission, the European Environment Agency (EEA) and the International Energy Agency. OECD defines a *tax* as a *compulsory, unrequited payment to general government*. Taxes are unrequited in the sense that benefits provided by government to taxpayers are not normally in proportion to their payments. The term *environmentally related taxes* is used by OECD to describe *any tax levied on a selected list of tax-bases deemed to be of particular environmental relevance*. The database also contains information on many environmentally related *requited* payments to the government, such as *fees* and *charges* that are levied more or less in proportion to services provided.

The database is freely available, through a large number of pre-defined queries, at www.oecd.org/env/tax-database, and contains information on *inter alia* tax-bases, tax rates, exemptions, refund mechanisms, revenues raised, administrative set-up, sources of additional information and contact persons. The tax-bases covered include energy products, transport equipment and transport services, as well as measured or estimated emissions to air and water, ozone depleting substances, certain non-point sources of water pollution, waste management and noise, in addition to the management of water, land, soil, forests, biodiversity, wildlife and fish stocks.

This article draws on information in this database to describe the current use of environmentally related taxes in the OECD Member countries and in 10 EEA member states not members of OECD.

2. The Number of Taxes and Tax-Bases

The number of separate levies (i.e. taxes, fees and charges levied) on different environmentally relevant tax-bases stands at around 670 in the database. But as many levies covers more than one tax-base, the total number of observations is higher.

The use of taxes, fees and charges in environmental policy goes beyond OECD Member countries. The number of levies used in the ten EEA countries, that are not members of OECD, is relatively high compared to the number of levies in the OECD countries. This is particularly remarkable given the fact that for some OECD countries the database includes a number of taxes levied at sub-national levels, first and foremost concerning motor vehicle fuels and the purchase or use of motor vehicles.

Levies on motor vehicles and on motor vehicle fuels constitute a large share of all the levies covered by the database – in part for the reason explained above – but the number of levies used in, for example, waste management is also important.

Proportionally more levies concerning natural resource management are recorded for the EEA countries than for the OECD Member countries – especially related to the management of water resources and of land, soil and forest resources.

3. Revenues Raised through Environmentally Related Taxes

Another important characteristic of environmentally related taxes is the revenues they raise – even if one, from an environmental point of view, often would like the tax to be so effective that the revenue is substantially diminished. The revenues from these *taxes* (i.e., *not* including revenues from fees and charges) measured in per cent of GDP in the OECD Member countries are of the order of magnitude 2-3% of GDP on average. For the OECD area as a whole, there was no clear trend in this share between 1994 and 1999. However, in some countries (e.g. Denmark, Hungary, The Netherlands and Turkey), the revenues increased considerably measured in per cent of GDP. This in part was caused by the introduction of new taxes, the inclusion of more tax-bases under existing taxes, and by increases in a number of tax rates.

How much revenue is raised on various environmentally relevant tax-bases in OECD Member countries? Motor fuels and motor vehicles dominate the picture. More than 90% of all the revenues from environmentally related taxes are raised on motor fuels and motor vehicles. Very small revenues are raised on tax-bases such as heavy fuel oil, coal and coke, which typically are used in heavy industries.

¹ The opinions expressed in this article are those of the author and do not necessarily reflect the views of the OECD. The article draws heavily on Barde and Braathen (2002): *Environmentally Related Levies* available at <http://www.few.eur.nl/few/research/ocfeb/excisetaxpolicy/papers.htm>. For a fuller discussion of environmentally related taxes, see OECD (2001): *Environmentally Related Taxation in OECD Countries: Issues and Strategies*, OECD, Paris.

² The database originally covered only the OECD Member countries. However, through the cooperation with EEA, information has also been collected for 10 EEA member countries and countries otherwise related to EEA, not being members of OECD. For simplicity, these countries are referred to here as the EEA countries, even if the majority of the OECD countries are also members of EEA.

4. Some Categories of Environmentally Related Levies

The database details the use of a long list of environmentally related taxes, fees and charges – levied on very many different tax-bases.³ For a few categories of *taxes* it is relatively easy to compare the tax rates applied between different countries.

4.1 Taxes on motor vehicle fuels

All OECD countries levy one or more taxes on motor vehicle fuels, but the tax rates applied vary considerably, between countries and between fuels. With four exceptions (UK, Switzerland, Australia and United States), the tax rates for diesel are always lower than for petrol, in many cases the difference is very substantial – which is counterproductive from an environmental point of view. And the tax rates for petrol and diesel in the UK are 4.4 - 6.8 times as high as the combined federal and provincial/state taxes on these fuels in Canada and United States.

4.2 Taxes on electricity consumption

Tax rates on electricity consumption vary significantly between OECD Member countries, with the highest rates by far being applied to electricity used for (households' and businesses') heating of dwellings and other non-business uses in Denmark, and for the first 10 MWh annual use of electricity in the Netherlands. Second, in almost all countries, the tax rates that apply for manufacturing and other industries are lower than those that apply for households – if any tax apply to the industrial sectors at all. The major exception is the UK, where households are completely exempt from the Climate Change Levy. Third, rather different criteria are used to distinguish between groups of taxpayers. For example, in Belgium, only low-voltage electricity consumption is taxable – and hence heavy industries are “automatically” exempted, as their electricity is supplied at high voltages. In Denmark, the tax rate depends on for what purpose the electricity is used – which requires separate metering in some facilities. In the Netherlands, the tax rate decreases with increasing energy usage, and is zero for use above 10 GWh hours per year. And in Austria, a tax ceiling is used to protect manufacturing industries, in that the effective tax rate is zero in goods-producing firms where tax payments under the Energy Tax constitute more than 0.35% of value added of the firm. Between 1.1.2000 and 1.1.2002 the tax nominal rates on electricity consumption *increased* significantly in some countries. No decreases in tax rates for electricity consumption over this period are recorded in the database.

4.3 Taxes on natural gas consumption

There are also taxes on natural gas consumption in a number of countries. Again, the tax rates differ significantly between countries – and between different uses in a given country. Great caution should, however, be taken when comparing the tax rates in the graph, since a long list of special provisions apply – as described in the notes to the graph. Except for the introduction of the Climate Change Levy in the UK in April 2001, no changes in the tax rates concerning natural gas were recorded in 2000 and 2001.

4.4 Taxes on the final treatment of waste

A number of countries have introduced taxes related to the final treatment of waste and/or on packaging and certain specific products that can cause special waste-related problems. For instance, some European countries have responded to European Union targets on packaging and waste to landfill by implementing such taxes. The taxes in this section come in addition to user charges concerning waste collection, which are levied in most OECD Member countries. Secondary benefits of waste-related taxes can be large, specifically in terms of reduced methane gas emissions.

Again there is considerable variation between the tax rates on final treatment of waste that apply in OECD Member countries and between different waste categories, with the highest rates being applied for ordinary (municipal) waste in the Netherlands. Rates applying to such waste in Austria, Denmark, Norway and Sweden are more or less in the same order of magnitude. Rates for ordinary industrial wastes – which normally will cause less methane emissions – tend to be lower than the rates for municipal or household waste. In some cases, tax rates are also lower when waste is delivered to incineration.

5. The Way Forward

OECD's work on environmentally related taxes clearly indicate the following:-

- There is significant interest in Member countries to broaden the use of environmentally related taxes;
- There are two main obstacles to such a broadening:
 - A fear of loss of international competitiveness of the most affected sectors; and
 - A perception that some environmentally related taxes can impact negatively on the income distribution.

The report “*Environmentally Related Taxation in OECD Countries: Issues and Strategies*”⁴ provides a more detailed discussion of these issues. The report also suggests a number of ways these obstacles can be overcome, inter alia through phased-in increases in such taxes as part of broader tax reforms, increased international cooperation and compensation measures directed towards low-income households. The two obstacles mentioned are also at the centre of further OECD work on economic instruments and Sustainable Development. Parts of this work will build on a case study underway of impacts on the steel sector of broader use of environmentally related taxes.

³ At the end of May 2002, approximately 4000 specific tax-bases were included in the database.

⁴ Cf. Footnote 1