

Unclassified

English - Or. English

29 October 2019

**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS
STATISTICS AND DATA DIRECTORATE**

Working Party on Financial Statistics

An update on recent activity in the development of Digital Supply and Use Tables

Joint meeting of the Working Party on Financial Statistics and the Working Party on National Accounts

**5-7 November 2019
OECD Conference Centre**

The document summarises work on the digital SUTs completed over the previous twelve months. It references two documents available with the agenda to the meeting: (i) Guidelines for Supply-Use Tables for the Digital Economy (SDD/CSSP/WPNA(2019)1) and (ii) High Priority Indicators in the Digital Supply-Use Tables (SDD/CSSP/WPNA(2019)2).

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JT03453729

Progress on the Digital Supply-Use Tables Framework

1. Under this agenda item, the progress over the last year of the proposed framework for compiling Digital Supply-Use tables will be discussed.
2. The framework that sets out the Digital Supply-Use tables (digital SUTs) has been refined and finalised over the past year. The framework, of which a draft version was discussed at length at the meeting of the Informal Advisory Group on Measuring GDP in a Digital Economy (Advisory Group), following the meeting of the OECD Working Party of National Accounts (WPNA) in November 2018, creates an avenue to provide information on various digital indicators aligned with the 2008 System of National Accounts (SNA). Over the past twelve months, the Advisory Group has further improved the digital SUTs, also taking into account feedback from various constituencies, including the Advisory Expert Group (AEG) on National Accounts, the ECB, the UK Economic Statistics Centre of Excellence (ESCoE), and the OECD Working Party on Measurement and Analysis of the Digital Economy (WPMADe). The most significant change to the original proposal is the addition of a column to incorporate an estimate of transactions that are digitally delivered, enabling the framework to be consistent with the monitoring of digital trade. Additionally, small changes have been made to fine-tune some of the terminology and definitions used in the tables. The final framework was presented to the members of the Advisory Group in July and provided to all members of the OECD WPNA in July for written consultation. This version of the paper is included in the agenda (SDD/CSSP/WPNA/A(2019)1).
3. The feedback from the written consultation of the members of the OECD WPNA was supportive of both the initiative and the underlying concepts of the framework. Countries expressed a desire to compile statistics based on the digital SUTs; however, concerns were raised regarding the lack of data sources and compilation guidance currently available, both of which would be required in order to populate the tables to a usable level. Feedback also queried if the definitions used would be explicitly included in any update to the international classifications.
4. Concurrently to the development of the digital SUTs, countries have continued to make progress in measuring digital activity consistent with the SNA, as demonstrated by various releases in 2019.¹ However, it is clear that the digital SUTs should still be considered as quite ambitious, and the expectation remains that countries will not be able to fully populate the tables right from the start. These compilation challenges were also discussed at the most recent meeting of the Advisory Group, and in response, it was proposed to create a list of high priority indicators that can be derived from the digital SUTs. This list not only offers guidance on where countries might focus developmental resources but will also assist in co-ordinating the initial results provided by countries. A concrete proposal for a set of high priority indicators was sent to the members of the Advisory Group in September and is included in the agenda (SDD/CSSP/WPNA/A(2019)2).
5. Countries are kindly requested to come up with first estimates for the relevant variables, beginning in 2020, albeit most probably on an experimental and ad hoc basis in the beginning. At the same time, countries are encouraged to exchange information on their

¹ See e.g. work done by the Australian Bureau of Statistics (2019), “Measuring digital activities in the Australian economy”; by the Bureau of Economic Analysis (BEA), “Defining and Measuring the Digital Economy”; and by Statistics Canada (2019), “Measuring digital economic activities in Canada: initial estimates”. Links to these works are in both attached documents.

compilation methodologies, in order to start determining best practices, which may assist other countries in further improving the quality and coverage of their digital SUTs.

Main issues to be discussed

6. The delegates are requested to:

- Offer their opinion on the proposed high priority indicators, selected on the basis of an initial discussion at the July 2019 meeting of the Advisory Group, cognisant of the need for statistical organisations to compile and disseminate these high priority indicators relatively quickly.
- Reflect on any data sources, methods or compilation intelligence that might be applied to assist with, or speed up, the compilation of the digital SUTs.