

Bratislava Conclusions

1. The DGINS discussed the statistical implications of economic globalisation, noting the activities that have been undertaken by the ESS since the Riga DGINS conference in 2014: EuroGroups Register, European profiling, Early Warning System, Large Cases Units (LCUs), Work on trade asymmetries, Foreign Direct Investment network and GNI pilots on multinational enterprise groups (MNEs). The DGINS recognised that further actions at ESS level are necessary to ensure high quality and relevant statistics for users, and supported bringing various activities, instruments and capacities together in a systematic, coordinated and cost-effective joint approach.
2. The DGINS acknowledged that globalisation is a growing reality with a strong impact for European economies. This phenomenon, based in particular on internationalisation and complexity of value chains, generates new information requirements from policy makers and users, at both national and European levels. These information requirements relate especially to income generation, taxation and social policies, business activities, investment and trade.
3. The DGINS stressed that these new needs put statistical systems at national and European level under strong pressure to develop appropriate tools for high quality measurement of the impact of globalisation on statistical indicators. In particular, the challenge for statisticians is to select and compile a limited set of appropriate indicators based on existing statistics, which measures the relevant aspects of economic globalisation.
4. The DGINS considered that these indicators could be brought together in a single comprehensive view. This should also serve as a communication tool agreed by the ESSC and should provide insights into different aspects of the complexity of economic globalisation. The required information could come from various sources, including national accounts, balance of payments and business statistics.
5. The DGINS' discussions showed that economic globalisation, in general, and the fast changing patterns of activities of large, complex and dynamic MNEs, in particular, increasingly put to test well-established concepts, methods, data sources, production processes and forms of cooperation in many areas of business and economic statistics in the European Statistical System (ESS). This situation represents a challenge to the communication of European Statistics and, in some cases, may undermine the credibility of official statistics, including key statistical indicators for policy and administrative purposes, such as GDP. Enhanced communication with key users and policy makers is required to safeguard the credibility of official statistics.
6. The DGINS agreed on the need to clarify and further enhance methodological frameworks for economic statistics and their practical implementation, especially where differences cause significant inconsistencies across domains.
7. The DGINS emphasised the role of high quality and up-to-date statistical business registers (national and European) as a necessary infrastructure for the coordination of statistical activities and exchange of data on MNEs.

8. The DGINS considered that a prioritised set of MNEs, having a significant impact on business and economic statistics at national and European level, should be subject to frequently updated profiling in order to achieve the quality necessary to support the production of European statistics adequately reflecting economic globalisation.
9. The DGINS encouraged the creation of national Large Cases Units (LCUs) or the inclusion in existing units of a clearly identifiable section with similar functions. The DGINS backed the establishment of an LCU network across Member States to early identify and reconcile significant cross-border, cross-domain and inter-temporal inconsistencies in a data driven manner. An LCU network would support the different MNE-related statistical activities in the ESS, such as the Early Warning System, European Profiling, GNI/MNE work, and also facilitate an exchange of experience.
10. The DGINS emphasised the need to explore the possibility of strengthening the access to administrative data for statistical purposes and for developing standardised solutions for more efficient use of administrative data. The DGINS also agreed to explore the full potential of existing European legislation and technical infrastructures for safely sharing micro data among the relevant ESS and ESCB members for statistical purposes only, with a view to possible enhancements. In this context, an active role of Directors General at national level and of Eurostat at European level is essential.
11. The DGINS acknowledged the importance of establishing communication with users and with MNEs, to listen to their needs and expectations, including response burden, and to communicate the statistical impacts of economic globalisation in an understandable and effective way. Communication should be tailored to reach different audiences and should support reinforced cooperation with MNEs. In relation to MNEs' data, the DGINS considered that the issue of confidentiality should be further discussed at the level of Directors General.
12. The workshop of Directors-General scheduled for 24-25 March 2020 in Croatia to follow up on the globalisation discussions will also address communication issues.
13. The DGINS underlined that comparisons across countries, strengthened efforts to address asymmetries, and micro data sharing are necessary to improve data consistency at national and European level. This should be implemented via more coordination and cooperation between domains, between countries, and between the ESS and ESCB.
14. The DGINS stressed that the ESS work on economic globalisation should be coordinated with corresponding international work streams (e.g. by UN, UNECE, OECD) to fully cover the global dimension of MNEs, share experience and best practices and avoid duplication of efforts. In this context, an active role of Eurostat is essential. The DGINS also underlined the importance of strengthening the cooperation with tax and customs authorities to better capture economic globalisation in statistical results.
15. The DGINS realised that this work would require additional resources at EU and Member State level. The DGINS agreed that the respective roles and responsibilities as well as priorities needed to be made clear to avoid overlaps and gaps. Furthermore, efforts should be focused on MNEs entailing the highest risks regarding the consistency and usefulness of the statistics.
16. The DGINS concluded that follow up of these issues will be discussed at the February 2020 ESSC meeting.