From: John Maron Abowd (CENSUS/ADRM FED)

Sent: Sunday, January 7, 2018 9:19 PM

To: areamer@gwu.edu

Subject: Re: Comments on 2017-19 Report on Organization

## Andrew,

Thank you very much for the memo you provided. I have been briefed by Lucia Foster and Shawn Klimek, and they have assured me that your concern can be addressed under the project referenced in the memo. You stated in the memo:

"I believe the Census Bureau has informed OMB about this study. However, while the study is highly complementary to the outstanding term of clearance, it does not fulfill that term. Specifically, it looks at adapting current survey instruments for MNE analysis, not examining the desirability and feasibility of collecting new or revised data elements to better understand TiVA and GVC activities."

In the MOU between Census and BEA, we believe this work is already covered:

"This project will assess the current state of data collections by the U.S. Census Bureau and the BEA on GVCs, including an assessment of the quality of the data being reported, identification of any remaining data gaps preventing the full implementation of the new standards, and recommendations of how best to fill these gaps."

In the Predominant Purpose Statement, approved by IRS on 7/18/2015, we address the above statement in the MOU with two deliverables:

- Recommendations for new data collections related to factory-less goods producers in the 2017 Economic Census (Year 1)
- Prepare internal report on the state of data collection on imported manufacturing services and provide recommendations for any additional data collection that may be needed. (Year 4)

Although the project was approved in summer 2015, work didn't begin until 4/12/2016 when new BEA staff were available to work on the project. That delay means that recommendations from the project would have been too late for the 2017 Economic Census and will likely be delayed towards the end of the project when they could be implemented in the 2022 Economic Census, most likely as part of the year 4 deliverable.

Upon review of the PPS, we agree the project would benefit from adding the more explicit language above from the MOU with BEA. BEA and Census have already agreed to add additional years of historic data to the project, necessitating the need for additional approval from IRS. We'll add this modification to the PPS as well. Again, we appreciate your interest and support on this very important joint statistical project between the agencies and we are happy to address any additional concerns you have in the future.

Thanks,

John

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