

JOHNS HOPKINS CENTER FOR CIVIL SOCIETY STUDIES

UN TSE Sector Handbook project

NEW VISIBILITY FOR THE GLOBAL THIRD SECTOR & SOCIAL ECONOMY: A Major Statistical Breakthrough

Capping a three-year process, the United Nations has released a new statistical guidance document for nations to use to generate solid data on the world's third, or social economy, sector—the **TSE Sector**.

Unknown by most observers, this sector—embracing nonprofit institutions, public-benefit oriented cooperatives and mutuals, social enterprises, philanthropy, and volunteer work—makes up the third largest workforce of any industry in Western Europe and the U.S.

In the developing world as well, these entities, and the volunteer effort they motivate, are widely regarded as crucial to the success of the 2030 Development Agenda.

To date, however, reliable data on these institutions and volunteer activities have been missing or obscured in official international statistical systems. The just-released **United Nations Satellite Account on Nonprofit and Related Institutions and Volunteer Work** (UN *TSE Sector Handbook*) now promises to remedy this problem and bring this TSE sector into systematic empirical view by equipping statistical agencies with comprehensive methodological guidance on its measurement.

This new *Handbook*, produced in collaboration with the Johns Hopkins Center for Civil Society Studies, revises an earlier UN *Handbook on Nonprofit Institutions in the System of National Accounts* and extends its coverage to all entities and activities that exhibit three key attributes:

- ▶ They are **private**, i.e. not controlled by the state;
- ▶ They are primarily oriented to **public benefit purposes**, rather than the pursuit of private profit; and
- ▶ They embody a **significant element of free choice**.

In announcing its availability, UN Statistics Division Director Stefan Schweinfest noted:

“The compilation of a satellite account on Nonprofit and Related institutions and Volunteer work allows for the measurement of the economic impact of the TSE sector and provides an important basis for evidence-based policy-making and for efforts to improve the enabling environment for the TSE sector.”

Statistical offices around the world participated in the formulation of this new *Handbook*. In the process, they produced a document with a **number of special strengths**:

- ▶ **Broader coverage of TSE sector institutions**, including not only nonprofit organizations but also cooperatives, mutuals, and social enterprises;
- ▶ **Inclusion of volunteer work**, both organization-based and direct;
- ▶ Based on a **bottom-up set of common definitions** that guarantee comparability from country to country and over time;
- ▶ **Institutionalized in official national accounts statistical systems**, ensuring regular updates by professional statisticians and the ability to make systematic comparisons to other components of national economies; and
- ▶ Includes a special chapter providing guidance on **the measurement of the impact of the TSE sector**.

Implementation of the new UN *TSE Sector Handbook* is already under way in a number of countries.

DOWNLOAD THE NEW UN TSE SECTOR HANDBOOK: bit.ly/TSE-HB-direct

NEXT STEPS. Workshops on the implementation of the new Handbook for TSE leaders and statistical officials are being organized by the Johns Hopkins Center for Civil Society Studies. **For further information, contact the Center at ccss@jhu.edu.**



The Center for Civil Society Studies of the Johns Hopkins University seeks to encourage the development and effective operation of not-for-profit, philanthropic, or “civil society” organizations. The Center is directed by Lester M. Salamon and carries out its work through a combination of research, training, and information-sharing both in the United States and throughout the world. Visit us at ccss.jhu.edu.

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WHAT WILL WE LEARN?

Implementation of the UN *TSE Sector Handbook* will unleash a **vast torrent of new data** about nonprofit organizations, cooperatives, social enterprises, and volunteer activity in countries around the world.

Among the data items generated about the different types of entities and activities and the entire TSE Sector will be the following:

- ▶ Total expenditures, by field
- ▶ Sources of revenue, broken down among:
 - Market sales,
 - Government support, and
 - Philanthropy, including foundations
- ▶ Employee compensation
- ▶ Other costs
- ▶ Assets—financial, non-financial
- ▶ Annual surplus or deficit (revenue minus costs)
- ▶ Value added to GDP
- ▶ Full-time-equivalent paid workers
- ▶ Full-time-equivalent volunteer workers
- ▶ Value of both direct and organization-based volunteer work

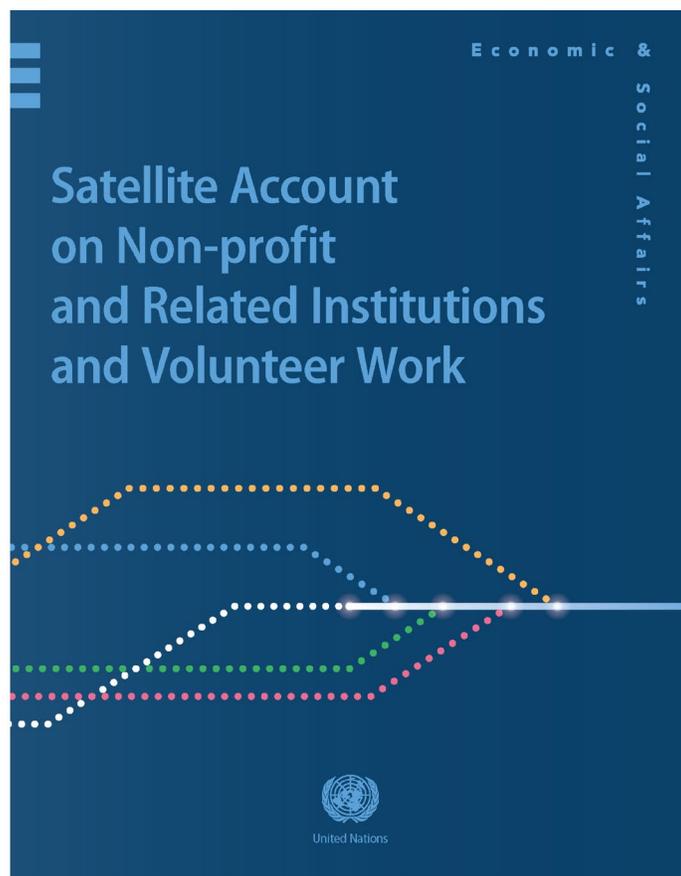


TABLE OF CONTENTS

CHAPTER 1: Introduction

CHAPTER 2: Conceptualizing the TSE Sector

CHAPTER 3: Compiling the TSE Satellite Account I—
Identifying In-Scope Institutions and Volunteer Work

CHAPTER 4: Compiling the TSE Satellite Account II—Assembling the Data

CHAPTER 5: Economic Activity Classification of TSE Sector Institutions
and Volunteer Work

CHAPTER 6: Assessing TSE Impacts by Measuring TSE Inputs, Outputs,
and Outcomes

Annex 1: Sample tables for reporting

Annex 2: The System of National Accounts and the TSE Sector—
A primer for non-specialists