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THE WORK PROGRAMME OF  
THE EASTERN CARIBBEAN CENTRAL BANK (ECCB)  
IN THE SUB-REGION ON ECONOMIC STATISTICS

STATISTICAL DEVELOPMENT TO SUPPORT POLICY FORMULATION

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BARBADOS*

**EASTERN CARIBBEAN CENTRAL BANK  
ST KITTS**



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**1. BACKGROUND**

The Monetary Council of the ECCB, at its 55<sup>th</sup> meeting on 17 February 2006, agreed that a strategic approach to policymaking is a prerequisite for sustainable growth and development of the ECCU member countries. Council recommended to member governments a number of measures to enhance the policymaking process in the ECCU, including the strengthening of the statistics offices and enhancing the statistical system for data gathering, processing and dissemination. As an approach to identifying best practices in the provision of statistical services, the Bank collaborated with the International Monetary Fund (IMF) on the hosting of an International Conference on Statistics.

The aim of the Conference was to identify a way forward in developing an appropriate statistical system to support effective policy making at both the national and currency union levels. The participants discussed a number of issues related to the development of effective statistical systems and identified key steps in developing effective statistical systems in the region including the need to:

- (1) Strengthen the capacity of the CSOs and other statistical agencies in producing statistics by raising the profile of statisticians through the creation of an association of professional statisticians.
- (2) Improve the coordination between producers and users through the formation of a statistical advisory committee.
- (3) Advance regional coordination through the establishment of a regional body mandated by treaty with the authority to set work programme priorities and standards.

- (4) Raise the awareness of the importance of statistics by engaging in public education.
- (5) Improve the timeliness of data by establishing data release calendars and adopting international standards.
- (6) Make use of standardised information technology systems.
- (7) Improve the awareness of the importance of statistics and increase the demand for statistics by publishing core indicators regularly.
- (8) Ensure that all statistics offices have websites and pursue the establishment of data warehouses for greater access to data.
- (9) Strengthen human resources by training all statistics officers in IT.

The participants also identified data gaps that required urgent attention, such as labour market information, and social and environmental statistics. Based on the recommendations of the Conference, the attached 'Statistics Action Plan' was developed for strengthening the statistical systems in the OECS. (See Appendix I) The Action Plan is subdivided into four components namely: Institutional Strengthening; Data Development; Data dissemination and Public Awareness.

Based on the Statistics Action Plan, the ECCB is collaborating with the member countries in data development, and in particular the rebasing of the national accounts and the development of the BOP survey forms. See Appendix II

## **2. REPORT ON DATA DEVELOPMENT PROJECTS**

### **2.1 New Balance of Payments Form**

**The ECCB, in keeping with its continued commitment to the development of statistics in the sub-region, has developed a programme, whereby all member countries use the same methodology, concepts and definitions for collecting, processing and analysing individual balance of payments (BOP) statistics.**

Over the years, the growing importance of services and foreign direct investment in the economies of the ECCU necessitated a change in the collection and presentation of BOP statistics. As a result, emphasis was placed on the modification of existing forms and preparation of new survey forms, aimed at both improving the coverage of the survey as well as the quality of the data. It is expected that the improved forms will allow for the presentation of the BOP in the Extended Balance of Payments Services (EBOPS) format and over the medium-term, the preparation of the International Investment Position (IIP). The new forms also allowed for data to be provided by ECCU country grouping and other CARICOM grouping.

The Statistics Department of the ECCB conducted a two-day workshop in August 2006, to undertake a complete review of the new BOP survey forms with the national BOP compilers. At that workshop, a number of changes to the new forms were recommended. In addition, during 2007 and 2008 further assistance with the review of the current and the new BOP forms was provided by the IMF Statistics Department.

In April 2008, the ECCB partnered with the OECS on the testing of the new BOP survey forms. The OECS procured the services of a consultant for the testing of the new forms. Staff from the ECCB accompanied the consultant in Antigua and Barbuda, and Dominica. The statistical offices in the piloted member countries with the exception of Antigua and Barbuda, provided assistance by ensuring that the questionnaires were submitted to the establishments on a timely basis and also participated in the BOP testing missions.

Following are the processes in the preparation of the revised BOP Forms:

New BOP survey forms were revised based on the recommendations coming out of the workshop and the review conducted by the IMF.

**Detailed notes to accompany the new forms were compiled by the ECCB and the Central Statistical Office in St Vincent and the Grenadines in March 2008. Further assistance was also provided by the IMF Statistics Department in finalizing the notes for the new forms.**

**A total number of 22 forms were tested in four of the member states, namely Antigua and Barbuda, Dominica, Saint Lucia and Saint Vincent and the Grenadines over the period April to May 2008.**

**A detailed report on the feedback from the testing mission is being prepared by the OECS Consultant and should be ready by June 2008.**

## 2.2 Rebasing of the National Accounts

The ECCB member territories are still using 1990 as the base year for compiling the national accounts estimates. A very old base year diminishes the relevance and accuracy of the estimates. The economies of the member states have undergone structural changes, such as declining share of agriculture and increasing share of services. The purpose of rebasing is to obtain and use a base year price structure which is more representative of the current period; to ensure data consistency and accuracy over time; and to provide users with reliable and accurate data. In the interest of comparability it is of utmost importance that all the member territories of the currency union have a common base year.

The Statistics Department of the Bank is presently assisting member countries in rebasing their national accounts series from base year 1990 to 2000. Missions to discuss the requirements of the exercise have been conducted in all member states. Following the missions, an action plan outlining the timeline for completing the exercise was forwarded to all Central Statistical Offices. At this time only St Vincent and the Grenadines are at an advanced stage for completion

of the rebasing exercise. Grenada and Dominica have commenced work on the collection of data and compilation of estimates for some sectors.

In the rebasing exercise to reference year 2000, improvements in the coverage, data sources and methodology would be incorporated into the accounts. Timely and reliable indicators of new activities of growing importance would be explored and adopted for the estimation of constant price estimates. Revisions will also be made in the classifications used for GDP by Economic Activity.

### **3. CONCLUSION**

The ECCB, in collaboration with the Statistics Offices, would continue the process of implementation of the following projects:

- Rebasing of the National Accounts
- Development of the BOP Survey Forms
- Development of the CPI

The ECCB, in collaboration with the Statistics Offices, would also address issues relating to public education and raising the profile of the Statistics Offices.