

**THIRTY-FOURTH MEETING OF
THE STANDING COMMITTEE OF
CARIBBEAN STATISTICIANS****SCCS/2009/34/3****Castries, Saint Lucia
26-28 October 2009****22 October 2009**

**PROGRESS IN THE COMPILATION AND DISSEMINATION OF NATIONAL
ACCOUNTS****Status Report – National Accounts****1. INTRODUCTION**

For a number of years, the Caribbean Community (CARICOM) Secretariat has maintained a database on National Accounts. In the past, this database comprised a set of Microsoft Excel spreadsheets with data on Gross Domestic Product (GDP) by Kind of Activity in current and constant prices, GDP by Expenditure components, Gross National Income and the consolidated accounts of Member States. More recently, the Secretariat entered in a collaborative agreement with the United Nations Statistics Division (UNSD) to collect these statistics through the use of a common instrument. The rationale for this approach was to seek to reduce the response burden of Member States in having to submit the same or similar data to the two organisations each year. This would have also ensured that both the CARICOM Secretariat and the UNSD had the same datasets.

This paper, therefore focuses on the status of the Regional National Accounts database, the experience of the submission of data through the use of the common questionnaire and the challenges observed. It also provides an overview of the

developmental work being undertaken regionally in the area of National Accounts and the regional work programme for the period 2010-2011.

2. STATUS OF REGIONAL NATIONAL ACCOUNTS DATABASE

The CARICOM Secretariat continued its joint collaboration with the UNSD to despatch and collect national accounts data from Member States and Associate Members in October 2008, through the administration of the United Nations National Accounts Questionnaire (NAQ). The focus was on collecting final data for the year **2007**, preliminary data for 2008 and revisions/updates for the earlier years. The timeline for data submission is December for the NAQs despatched in October of the same year.

Table 1 overleaf shows the responses by countries for the period 2006-2008. In general, there has been a downward trend in the data submissions over the period. Overall, completed NAQs were received from 12 countries in this round, compared to 15 countries the previous year and 16 the year before. Of the 12 questionnaires, one country was able to supply preliminary data for 2008 while all the other countries provided data up to 2007. Effectively, nine countries have met the **7 December 2008** deadline for the submission of 2007 data, seven of which submitted the data prior to the despatch of the 2008 NAQs. In comparison, three countries met the deadline in 2007 and five in 2006. Based on the submissions of 2007 data, it would appear that Member States/Associate Members can provide the Secretariat and the UNSD with completed questionnaires by the stipulated deadline. The Secretariat would therefore like to encourage countries to try to meet the December deadline in the forthcoming exercise.

Six countries have not yet submitted the 2008 NAQ; however, the Secretariat was able to update the regional database with 2007 data for a total of 16 countries through the use of the NAQs that were submitted and other sources. In the case of data from web sites and other sources, the Secretariat would be sending these countries NAQs which

have been updated from these sources. The countries would then need to verify the data prior to acceptance by the UNSD.

Table 1: Status of National Accounts Data Submission: 2006-2008

NAQ SUBMISSION					Total No. of Countries Submitting Data (Including from other sources)	No. Outstanding	Remarks
Year of Despatch	Year of Data	No. of Countries submitting NAQ by Deadline	No. of Countries' NAQs Received After Deadline	Total NAQs Submitted			
2006	2005	5	11	16	18	-	
2007	2006	3	12	15	18	-	
2008	2007	9	3	12	16	2	

3. MAIN CHALLENGES IN THE SUBMISSION OF 2007 DATA

The major challenge observed was the inability of countries to provide the complete set of Minimum Required Data Sets (MRDS) tables. As seen in **Table 2**, the problematic tables seem to be the ***Rest of the World Account; GDP by Expenditure in constant prices; and Output, gross value added and fixed assets by industries***. For the most part, countries were able to complete tables of Gross Domestic Product (GDP) by Industry in constant and current prices, GDP by Expenditure in current prices and the National Aggregates.

Table 2: Data Gaps in the MRDS Submitted: 2007

Table Name	No of Countries Submitting Table	Remarks
Rest of the World Account	1	Table was incomplete.
GDP by Expenditure in Constant Prices	2	
Output, Gross Value Added and Fixed Assets by Industries	5	Incomplete tables submitted in the case of three countries.
Value Added by Industries in Constant Prices	9	
National Aggregates	9	
Value Added by Industries in Current Prices	10	
GDP by Expenditure in Current Prices	11	

Further, an analysis of the tables in the questionnaires highlighted the fact that few Member States/Associate Members were able to submit more than five of the seven MRDS tables with data for 2007; only three Member States attempted to submit five or more tables although some of the tables were somewhat incomplete.

Other concerns with respect to the completion of the questionnaires were partial updates/revisions, missing data and discrepancies between totals and sum of the components. In addition, it was observed that the methodological notes generally continue to be not as detailed as required. The importance of detailed notes cannot be overemphasised since they can provide compilers at the regional and national levels and users with a clearer understanding of the data through an examination of the data compilation practices employed. These notes can also be used to facilitate the process of harmonisation of national accounts statistics across the Region.

A summary of the submissions/data gaps, challenges/best practices is contained in **Attachment I** to this Paper.

4. DISSEMINATION OF NATIONAL ACCOUNTS STATISTICS

The 2007 National Accounts data for all Member States have been disseminated on the Secretariat's web site. These data include GDP by industry in current and constant prices, GDP by expenditure components in current prices and the national aggregates. The Statistics Sub-programme has also been working on an updated National Accounts Digest comprising data for the period 2002-2006. This report, which includes tables and data highlights, is available on the Secretariat's web site.

The despatch of the 2009 NAQs has been scheduled for October 2009 and countries are requested to return the completed questionnaires to **both** the Secretariat and the UNSD by **8 December 2009**. These questionnaires should provide actual data for **2008**, preliminary estimates for **2009** and any updates/revisions to the data for the earlier years.

5. COMPILATION OF QUARTERLY GDP DATA

During 2008/2009, the Secretariat continued to collect and compile quarterly GDP estimates from available data published by Member States. Using this approach, the Secretariat has been able to publish on its web site quarterly constant price data up to first quarter 2009 for one Member State. Data for two additional Member States were also posted up to fourth quarter 2008 and second quarter 2008 respectively.

Countries are urged, to the extent possible, to institute systems to produce quarterly GDP. Given the nature of the global economic environment, the usefulness of these data series should not be underestimated. Presently, policy and decision makers need the data to be able to quickly monitor and assess the impact of the current economic

and financial crisis which countries in the Region face and to be able to react appropriately. Fundamentally, quarterly GDP and other short term indicators are important in monitoring the establishment, operation and performance of the CARICOM Single Market and Economy (CSME).

6. OVERVIEW OF DEVELOPMENTAL WORK UNDERTAKEN IN NATIONAL ACCOUNTS STATISTICS

Developmental work in the area of national accounts continued in 2008/2009 under the Caribbean Integration Support Programme (CISP). Member States were informed of the recruitment of a consultant to facilitate the development and implementation of a framework of activities for the improvement of key economic statistics in the Region and in April 2009, a Meeting of Economic Statistics Experts was convened in Guyana to assess methods in the production and compilation of key economic statistics and to develop an action plan. The objectives of the meeting were:

- (i) To collate information on the approaches to the production and compilation of key economic statistics, plans for major revisions and improvements of these systems of statistics and related updates;
- (ii) to conduct an assessment of the methods used, best practices, the development needs and the degree of harmonisation of the approaches across Member States; and
- (iii) to obtain information for the development of an Action Plan to facilitate the identification of the developmental needs and the implementation of activities to improve this area of Statistics.

Prior to the meeting, one of the activities that the Secretariat undertook relative to the first objective was to commence collecting baseline information of the national accounts systems in Member States, specifically metadata on:

- GDP by Industry (current and constant prices);
- Expenditure on GDP (current and constant prices);
- Surveys;
- General national accounts approaches/procedures;
- Supply and use tables;
- Tourism Satellite Accounts.

Table 3 below shows the number of Member States that have submitted metadata up to the time of preparation of this paper. Except in the area of general National Accounts Approaches/Procedures, there has been little response in the other areas.

Table 3: Summary of the Submission of National Accounts Metadata

Area	No. of Countries Submitting Metadata	No. of Countries Outstanding
GDP by Industry in Current Prices	2	13
GDP by Industry in Constant Prices	2	13
Expenditure on GDP in Current Prices	3	12
Expenditure on GDP in Constant Prices	0	15
Surveys	4	11
General National Accounts Approaches/Procedure	8	7
Supply and Use Tables	1	14
Tourism Satellite Accounts	1	14

Information on outstanding country submissions are available and countries with the requested metadata could submit it to the Secretariat during the course of the meeting.

The Meeting would recall that, following the Economic Statistics Meeting held in Barbados on 19-20 June 2008, a decision was taken to form Technical Working Groups to implement an Action Plan that would facilitate the strategic development of specific areas of economic statistics, based on participation from all stakeholders. It was expected that the implementation of this Plan of Action would facilitate significant advances in the harmonisation of statistics; a key objective stated in the CISP. In this regard, a Technical Working Group (TWG) functioning in the areas of National Accounts and Short-term Indicators and International Trade in Services and Investment was established during the meeting of the Economic Statistics Experts in Guyana. The Terms of Reference of the TWG were articulated and the composition of the group determined. The First Meeting of the TWG in National Accounts has been scheduled for 9-11 November 2009 in Trinidad and Tobago.

Also emanating from the Guyana meeting was a draft common integrated national accounts questionnaire. Possible core elements of the questionnaire were identified following an examination of a sample of establishment survey questionnaires currently being used in Member States and Associate Members.

Other areas which the Secretariat focused on during the year included research on a Quality Assurance Framework, details of which will be presented in a paper as part of the Second Regional Statistical Research Seminar, and the activation of National Accounts discussion forums on the Secretariat's online Help Desk facility.

7. OVERVIEW OF NATIONAL ACCOUNTS STATISTICS WORK PLAN FOR THE PERIOD 2010-2011

In the area of National Accounts, the Secretariat's 2010-2011 Work Programme will continue to focus on the improvement and harmonisation of these statistics and consideration of a schedule to support the movement to the 2008 System of National Accounts (SNA). In February 2009, the United Nations Statistical Commission (UNSC) at its Fortieth Session, adopted the second volume of the 2008 SNA, which, combined with the first volume, adopted at the Thirty-Ninth Session of the UNSC, provides the

international framework for the compilation of national accounts. Further, the UNSC urged countries and regional and sub-regional organisations to implement and support the implementation of this updated version of the SNA. It is therefore advantageous for the Region to take steps now towards its implementation and to put in place a schedule to achieve this.

At the regional level, this effort will be supported largely through the CISP and it is expected that the implementation of the CESAP in National Accounts would guide the direction of the work over the course of the year. The activation of both the Help Desk at the Secretariat and the TWG would also play an integral role in the exchange of technical knowledge in the area. Further, the issue of support for the implementation of the 2008 SNA has been placed on the agenda of the TWG Meeting for discussion in November 2009.

Some of the activities expected to be undertaken in 2010/2011 include:

- (i) Provision of technical assistance to Member States to develop and improve basic data production in national accounts;
- (ii) Development of regional guidelines/schedule for the movement to the SNA 2008;
- (iii) Continued development of a Quality Assurance Framework and implementation of quality standards at the regional level and, by extension, in Member States;
- (iv) Implementation of a programme of attachments/exchange visits and regional workshops to strengthen capacity in the harmonisation of national accounts practices throughout the Region.

ACTION REQUIRED:

The **Meeting** is **invited** to:

- (i) **consider** the results of the collaborative process between the CARICOM Secretariat and the United Nations Statistics Division in the joint

administration of the National Accounts Questionnaire to collect these statistics from all CARICOM Member States and Associate Members and specifically the challenges experienced relative to the timelines and the actual completion of the tables;

(ii) **also consider** the developmental work being undertaken at the regional level to improve and harmonise National Accounts statistics;

(iii) **further consider** the approach to be taken to move from the SNA 1993 to the SNA 2008 and its implications.

THIRTY-FOURTH MEETING OF THE STANDING COMMITTEE OF CARIBBEAN STATISTICIANS (34th SCCS)

5.1 Compilation of Regional Database in National Accounts and the Implementation of the 1993 Systems of National Accounts (1993 SNA)

AREA OF STATISTICS	DATA PRODUCTION (Tables etc.)	DATA DISSEMINATED	DATA GAPS	BEST PRACTICES/ CHALLENGES	RESOURCES REQUIRED Technical Assistance Training Applied or Required	REMARKS
NATIONAL ACCOUNTS - SNA 93	<p>Annual Data:</p> <p>Database updated:</p> <p>2007: 14 Member States (MS) and 2 Associate Members (AM)</p> <p>Countries submitting National Accounts Questionnaire (NAQ)</p> <p>12 NAQs with 2007 data</p> <p>Actual 2007:</p> <ul style="list-style-type: none"> • 11 Member States (MS) and 1 Associate Member (AM) 	<ul style="list-style-type: none"> ▪ Web site: available 2007 data for all Member States disseminated. 		<p>2 MS met the 7 December 2008 deadline for the submission of the 2008 NAQs.</p> <p>Challenges:</p> <p>1993 SNA Implementation:</p> <p>Need to assess quality of the data relative to conformity to the recommended 1993 SNA ;</p> <p>MRDS Compliance:</p> <p>5 or more tables: 3 Member States.</p> <p>Lack of capacity to produce full set of tables in the recommended</p>		<p>2009 NAQs despatched with deadline 7 December 2009.</p> <p>Ideally should provide 2008 data and preliminary 2009 data, if available, and any updates to the data for the earlier years.</p>

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AREA OF STATISTICS	DATA PRODUCTION (Tables etc.)	DATA DISSEMINATED	DATA GAPS	BEST PRACTICES/ CHALLENGES	RESOURCES REQUIRED Technical Assistance Training Applied or Required	REMARKS
	<p>Publications:</p> <p>Work in Progress on the production of a Publication: National Accounts Digest 2002-2006</p>	<p>Tables published on the Secretariat's web site.</p>		<p>MRDS.</p> <p>Some of the problems encountered during the validation process were:</p> <ul style="list-style-type: none"> - incomplete updates/partial revisions - missing data - discrepancies between totals and sum of the components - notes on methodology too brief. <p>Recommended Tables: Capacity Building required in all Member States.</p> <p>Some inroads into the development of supply and use tables (precursor to Input-Output analysis) but Implementation of 2008 SNA will pose challenges</p>		

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AREA OF STATISTICS	DATA PRODUCTION (Tables etc.)	DATA DISSEMINATED	DATA GAPS	BEST PRACTICES/ CHALLENGES	RESOURCES REQUIRED Technical Assistance Training Applied or Required	REMARKS
- Quarterly	Q1 2009: 1 Member State Q1-Q4 2008: 2 Member States Q1-Q2 2008: 1 Member State	All the data collected were disseminated on the Secretariat's web site.	Quarterly 2009: 14 Member States, of which 12 may not be producing this data.			The Secretariat continues to urge Member States/Associate Members to explore the possibility of preparing these indicators.