

**THIRTY-SIXTH MEETING OF
THE STANDING COMMITTEE OF
CARIBBEAN STATISTICIANS****SCCS/2011/36/2****Belize City, Belize
25-26 October 2011****17 October 2011**

**Status Report on National Accounts - Data Submitted to the CARICOM Secretariat,
Data Quality, Developmental Work, and Programme of Work 2012/13****1. INTRODUCTION**

This paper provides an update on the status of the Regional National Accounts database; the experience of the submission of data through the use of the common questionnaire with the United Nations Statistics Division (UNSD); the data compiled and disseminated, and the challenges observed since the 35th Meeting of the Standing Committee of Caribbean Statisticians (SCCS) in November 2010. It also presents an overview of the developmental work being undertaken regionally in the area of National Accounts and the regional work programme for the period 2011-2013 as it relates to National Accounts.

2. STATUS OF REGIONAL NATIONAL ACCOUNTS DATABASE

For the 2010 National Accounts data collection cycle, the UNSD revised the deadline for the submission of the completed United Nations National Accounts Questionnaires (NAQs) from 29 January to 31 March. This change in the submission deadline was based on the experience the UNSD had gained through a pilot exercise conducted during the 2009 cycle whereby more countries in the test region were able to provide up to date data than in previous cycles. It was felt that the new despatch date and deadline would give countries more time to complete their accounts and reduce the amount of time spent in follow up. In accordance with this proposed schedule, the CARICOM

Secretariat, in continuing collaboration with the UNSD, despatched the NAQs to all 20 Member States and Associate Members in March 2011; the late despatch was due to a delay in preparing the required documentation. The intention was to collect final data for the year **2009**, preliminary data for **2010** and any revisions/updates for the earlier years.

The responses by countries for the period 2006-2010 are shown in **Table 1**. It can be seen that the revised dates for the completion and submission of the questionnaires did not have a positive impact on the number of countries responding by the deadline. Only **three (3)** countries met this deadline, including the Cayman Islands, which was also the first country to submit data using the International Standard Industrial Classification (ISIC) Revision 4. To date, **12** countries have returned the NAQ to the Secretariat and the UNSD, which is a slight improvement over the previous year, but still not as good as compared to the earlier years. With respect to the year of the data that were submitted, all **12** countries provided data for 2009. Further, of the **12** submissions, **eight (8)** also provided estimates for 2010. **Eight (8)** countries have therefore not yet submitted the 2010 NAQ; however, the Secretariat was able to update the regional database with 2009 data for a total of **16** countries through the use of the NAQs and other sources.

Table 1: Status of National Accounts Data Submission: 2006-2010

| NAQ SUBMISSION | | | | | No. of Outstanding NAQs | Total No. of Countries with Data (Including from other sources) | Remarks |
|------------------|---------------------------|---------------------------------------------|------------------------------------------------|----------------------|-------------------------|-----------------------------------------------------------------|---------|
| Year of Despatch | Year of Data ¹ | No. of Countries submitting NAQ by Deadline | No. of Countries' NAQs Received After Deadline | Total NAQs Submitted | | | |
| 2006 | 2005/2006 | 5 | 9 | 14 | 6 | 18 | |
| 2007 | 2006/2007 | 3 | 12 | 15 | 5 | 18 | |
| 2008 | 2007/2008 | 9 | 3 | 12 | 8 | 16 | |
| 2009 | 2008/2009 | 4 | 6 | 10 | 10 | 15 | |
| 2010 | 2009/2010 | 3 | 9 | 12 | 8 | 16 | |

3. MAIN CHALLENGES IN THE SUBMISSION OF 2009 DATA

The major challenge continues to be similar to that reported at the 35th SCCS, countries apparent inability to provide the complete set of the Minimum Required Data Set (MRDS) tables. Based on the 2009 and 2010 data provided in the 12 submissions received by the Secretariat, as seen in **Table 2**, most countries have not submitted the **Gross Domestic Product (GDP) by Expenditure in constant prices** and the **Rest of the World Account** tables, while the submissions of **Output, gross value added and fixed assets by industries** and the **National Aggregates** tables are low. On the other

¹ First year final data, second year preliminary data.

hand, more than 90 percent of the countries were able to provide 2009 data by Industry in constant and current prices and by Expenditure components in current prices.

Table 2: Data Gaps in the MRDS Submitted: 2009 and 2010

| Table Name | No of Countries Submitting Table | | |
|----------------------------------------------------------|----------------------------------|----------------------------|----------------------------|
| | 2010 (out of 8 countries) | 2009 (out of 12 countries) | 2008 (out of 10 countries) |
| | Preliminary | Actual | Actual |
| GDP by Expenditure in Constant Prices | 1 (13%) | 1 (8%) | 1 (10%) |
| Rest of the World Account | 0 (0%) | 2 (17%) | 2 (20%) |
| Output, Gross Value Added and Fixed Assets by Industries | 2 (25%) | 6 (50%) | 5 (50%) |
| National Aggregates | 4 (50%) | 9 (75%) | 6 (60%) |
| GDP by Expenditure in Current Prices | 4 (50%) | 11 (92%) | 8 (80%) |
| Value Added by Industries in Constant Prices | 7 (88%) | 11 (92%) | 8 (80%) |
| Value Added by Industries in Current Prices | 7 (88%) | 12 (100%) | 9 (90%) |

In summary, of the 12 countries submitting NAQ questionnaires, it was noted that none of the countries were able to submit **all seven** MRDS tables. Three (3) countries attempted six of the tables while seven (7) attempted to submit four or five tables, although in all cases there were tables that were somewhat incomplete.

With respect to the quality of the data provided in the questionnaires, some of the problems observed during verification were as a result of partial updates/revisions, missing data and discrepancies between totals and sum of the components.

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

4. DISSEMINATION OF NATIONAL ACCOUNTS STATISTICS

All available National Accounts data from Member States and Associate Members have been disseminated on the Secretariat's web site. The data include GDP by industry in current and constant prices, GDP by expenditure components in current prices and the national aggregates where available.

5. COMPILATION OF QUARTERLY GDP DATA

The Secretariat continued to collect and compile the quarterly GDP estimates produced and published by two Member States, Belize and Jamaica. Data up to first quarter 2011 were available for Jamaica and up to second quarter 2011 for Belize. In the case of Jamaica, data were available by Industry in current and constant prices, while for Belize, the data were available only in constant prices.

The Meeting will recall that some of the main challenges that were identified by countries in an assessment which was conducted by the Secretariat in 2010 relative to the production of these estimates were:

- Lack of expertise;
- Data collection issues;
- No system for estimation;
- Lack of capacity; and
- Human resource constraints.

The issue of the development of Quarterly National Accounts (QNA) was discussed at the second meeting of the Technical Working Group (TWG) on National Accounts/Short-term Indicators and International Trade in Services/Investment Statistics in April 2010 in Barbados where it was recognised that there was an urgent need for technical assistance in most countries. In February 2011, the Secretariat, with support from the

Ninth European Development Fund (9th EDF) Caribbean Integration Support Programme (CISP), convened a workshop in Antigua and Barbuda to provide training on the use of source data in the compilation of National Accounts concentrating on the priority areas identified by Member States, among which was the production of Quarterly GDP. Participants were introduced to the approaches to be taken when producing Quarterly GDP including possible data sources, benchmarking, seasonal adjustment and possible problematic areas such as the treatment of work in progress. The Secretariat recognises that this is an area that could benefit from additional capacity building and is therefore exploring the possibility of facilitating further training to address this issue.

6. OVERVIEW OF DEVELOPMENTAL WORK UNDERTAKEN IN NATIONAL ACCOUNTS STATISTICS

Developmental work in the area of national accounts continued in 2011 under the CISP. Activities that have been implemented included the following:

(i) Improvement in Basic Data Production

The Meeting will recall that the Secretariat had executed a project under the 9th EDF entitled ***Consultancy for the Improvement in the Basic Data Production in National Accounts*** the purpose of which was to provide support to Member States to improve the basic sources for data production which can be used to compile more complex national economics statistics. This project was completed at the end of March 2011.

Among the results achieved was a review and assessment of the framework for the production, operation and maintenance of business registers in Member States, identifying possible sources for improving the coverage and updating of the Business Register (BR). While the list of sources identified was not exhaustive, the Secretariat has started follow-up in this area through the development of metadata templates which will be circulated to countries for completion. An assessment of the basic data needed for the compilation of National Accounts was also conducted during the project. This

assessment was aimed at identifying areas where there were gaps with respect to the sources used in the compilation of GDP estimates and formulating a framework for the improvement of this area.

In addition, to the workshop in Antigua and Barbuda mentioned above, an earlier workshop was convened in The Bahamas in November 2010 to train relevant staff to efficiently and effectively update and maintain the BR database and to improve knowledge on the approaches to making available source data from administrative records and surveys in the compilation of National Accounts, including Supply and Use Tables (SUT). The Antigua and Barbuda workshop also focused on identifying data sources for the production of GDP by industry in current and constant prices, GDP by expenditure components in current and constant prices, the Rest of the World Account and the SUT. Based on the training provided, countries should now have the capacity to produce the Rest of the World account.

The final project report, incorporating a framework for the development of Statistical Business Registers across the Region and recommendations for the build up of source data for the compilation of national accounts, has been circulated to Member States and Associate Members for feedback/comments from the respective NSOs.

(ii) Technical Working Group (TWG) on National Accounts/Short-term Indicators and Trade in Services/Investment

Economic Survey Questionnaires

While the TWG did not convene any face-to-face meetings during the year, it was able to advance its agenda through the use of the National Accounts discussion forum on the Secretariat's Statistics Online Help Desk facility and other means. Through this forum, the TWG finalised the integrated Economic Survey questionnaire that is to be used for the collection and compilation of national accounts estimates, and drafted explanatory notes to accompany the questionnaire. The Secretariat was also able to initiate some dialogue on the finalisation of the industry-specific national accounts survey

questionnaires. To date, eight out of ten industry questionnaires have been submitted to the Secretariat by the TWG members responsible for the respective areas.

Statistical Business Register

The TWG continued to place emphasis on the development of Statistical Business Registers (SBRs) in the NSOs. Activities centred on advancing the work put in place under the Basic Data Production consultancy as well as earlier work undertaken by the Group. In this regard, a draft Business Register Manual has been prepared and will be circulated among the members for further discussion. The core fields for the SBR have been identified and a questionnaire to be used for updating the database has been developed.

Classifications

In the area of Classifications, a Classifications Sub-group currently comprising six members of the TWG has been established and the Terms of Reference of this sub-group have been drafted. The Meeting will recall that among the recommendations listed in the Barbados Action Plan, was a proposal that a regional classification structure for the Caribbean based on the International Standard Industrial Classification (ISIC) should be developed, taking into account the industrial structure of Member States and existent national adaptations of the ISIC. Further, the Meeting would recall a Classifications Workshop was convened in November 2009 in Trinidad and Tobago to address classification issues across all areas of economic statistics. Once activated, therefore, one of the first activities of the sub-group would be to conduct an assessment of the various versions of ISIC and other classifications being used by member countries with a view towards developing regional classifications.

Attachment Programme

With respect to Quarterly National Accounts and other areas of national accounts such as GDP by Expenditure in constant prices and short-term indicators, the TWG had proposed that the strengthening of capacity in the NSOs to produce these estimates and indicators could be achieved through South-South Cooperation/attachment programmes. Activities relative to the 2010 Round of Population and Housing Census

negatively affected the rolling out of this attachment programme in 2011, however, a draft template seeking information on the strengths and weaknesses in various statistical areas in the National Statistical Offices (NSOs) and the availability of relevant officers has been prepared by the Secretariat and disseminated to Member States and Associate Members for completion/feedback. A formal programme will be finalised and sent to countries for consideration once this information has been received.

(iii) Use of the Help-Desk Facility – Discussion Forum on National Accounts

As mentioned in the preceding section, the TWG on National Accounts has been using the National Accounts discussion forum on the Secretariat's online Help Desk facility as a means for advancing the development and improvement of national accounts statistics. However, efforts to engage users to make full use of the facility have not been met with much success. The Secretariat would like to encourage countries to take full advantage of the facility since it was developed primarily for their use, and to send feedback for its improvement, where necessary. It is also intended that the Help-Desk facility would provide support to producers of statistics with access to information, guidelines, documents, regional and international manuals and links to statistical sites and directing of queries to relevant resources.

7. OVERVIEW OF NATIONAL ACCOUNTS STATISTICS WORK PLAN FOR THE PERIOD 2011-2013

The Secretariat's 2011-2013 Work Programme in National Accounts will continue to focus on the improvement and harmonisation of these statistics. It is expected that the implementation of the CARICOM Economic Statistics Action Plan (CESAP) in National Accounts, which the Meeting will recall was developed under a 9th EDF consultancy and subsequently refined by the TWG at its April meeting last year, would guide the direction of the work over the course of the year. Both the Help Desk at the Secretariat and the TWG will play integral roles in the exchange of technical knowledge in the area.

Efforts will also be made as far as possible to continue work on the development and implementation of a strategy for the movement of the NSOs to the SNA 2008 in

collaboration with other agencies. In this regard, one of the early activities planned is the convening of a seminar, in collaboration with the Statistical Office of the European Union, Eurostat, on the Implementation of the System of National Accounts 2008 (2008 SNA). The seminar targets Heads of Statistical Offices and National Accounts and will be held in Belize during the period 31 October – 4 November 2011. The main objective of the seminar is to assist countries in 2008 SNA implementation which in turn would support sound macro-economic management and evidence-based policy formulation. The workshop would therefore focus on key principles and issues which include:

- A Strategic Approach for 2008 SNA Implementation – improvement of the Statistical Systems;
- Institutional issues, such as the legislative framework for the implementation of the 2008 SNA;
- Monitoring, Coordinating and Reporting;
- Quality Assurance Frameworks;
- Statistical Infrastructure requirements – capacity challenges with respect to staffing, staff -turnover; and
- The non-observed economy and the informal sector.

In our continued collaboration with the UNSD, the despatch of the 2011 NAQs is scheduled for **October/November 2011** with the deadline for submission of the completed questionnaires projected for end of **December 2011**. The Secretariat strongly urges countries to try to meet the deadline and to submit their completed questionnaires to **both** the Secretariat **and** the UNSD. These questionnaires should provide actual data for **2010**, preliminary estimates for **2011**, if these are available, and any updates/revisions to the data for the earlier years.

Other activities expected to be undertaken in 2011/2013 include:

- (i) Continuation of technical assistance to Member States to develop and improve basic data production in national accounts (possibly with support from the 10th EDF);
- (ii) Continued development of a Quality Assurance Framework and implementation of quality standards at the regional level and, by extension, in Member States;
- (iii) Preparation by the TWG and 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.

THIRTY-SIXTH MEETING OF THE STANDING COMMITTEE OF CARIBBEAN STATISTICIANS (36th SCCS)

5.1.1 Status Report on National Accounts - Data Submitted to the CARICOM Secretariat, Data Quality, Developmental Work, and Programme of Work 2012

| 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>2009: 12 Member States (MS) and 4 Associate Members (AM)</p> <p>2010: 6 Member States (MS), 2 AM</p> <p>Countries submitting National Accounts Questionnaire (NAQ):</p> <p>12 NAQs with 2009 data, of which 8 also contained Preliminary 2010 data.</p> <p>Actual 2009:</p> <p>8 Member States</p> | <ul style="list-style-type: none"> ▪ Web site: available 2007-2010 data for all Member States disseminated. | | <p>1 MS and 2 AM met the 31 March 2011 deadline for the submission of the 2010 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>4 or more tables: 6 MS and 4 AM.</p> <p>Lack of capacity to produce the full set of tables in the recommended MRDS.</p> | | |

ATTACHMENT I

| AREA OF STATISTICS | DATA PRODUCTION (Tables etc.) | DATA DISSEMINATED | DATA GAPS | BEST PRACTICES/ CHALLENGES | RESOURCES REQUIRED Technical Assistance Training Applied or Required | REMARKS |
|--------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------|
| | <p>(MS) and 4 Associate Members (AM)</p> <p>Preliminary 2010:</p> <p>6 Member States, 2 Associate Member</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 <p>Recommended Tables:</p> <p>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> | | |
| <p>- Quarterly</p> | <p>Q1 2011: 2 Member States Q2 2011: 1 Member</p> | <p>Data collected were disseminated on the Secretariat's web</p> | <p>All Member States other than Belize and</p> | | | <p>Preparation of Quarterly GDP tables was</p> |

ATTACHMENT I

| AREA OF STATISTICS | DATA PRODUCTION (Tables etc.) | DATA DISSEMINATED | DATA GAPS | BEST PRACTICES/ CHALLENGES | RESOURCES REQUIRED Technical Assistance Training Applied or Required | REMARKS |
|---------------------------|------------------------------------------|--------------------------|--------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | State | site. | Jamaica; however, these countries may not be producing QGDP. | | | discussed at a 9 th EDF funded training workshop in February 2001. Future developmental work in this area may be possible under an Attachment Programme being developed by the TWG. |