

**THIRTY-SEVENTH MEETING OF
THE STANDING COMMITTEE OF
CARIBBEAN STATISTICIANS****RESTRICTED****SCCS/2012/37/4****St. George's, Grenada
29-31 October 2012****18 October 2012**

**STATUS REPORT ON NATIONAL ACCOUNTS - DATA SUBMITTED TO THE
CARICOM SECRETARIAT, DATA QUALITY, DEVELOPMENTAL WORK, AND
PROGRAMME OF WORK 2013/14****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 36th Meeting of the Standing Committee of Caribbean Statisticians (SCCS) in October 2011 to the present. 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 2012-2014 as it relates to National Accounts.

2. STATUS OF REGIONAL NATIONAL ACCOUNTS DATABASE

For the 2011 National Accounts data collection cycle, the United Nations National Accounts Questionnaires (NAQs) were dispatched to all 15 Member States and five (5) Associate Members during the first week of December 2011 with the deadline for submission set at 31 January 2012. The intention was to collect final data for the year **2010**, preliminary data for **2011** and any revisions/updates for the earlier years.

Table 1 presents a status of the submissions made by countries for the period 2006-2011. The number of submissions remains the same as with the last cycle, however, the number of countries meeting the deadline continues to fall. Only **two (2)** countries met the deadline, namely, Grenada and Bermuda. To date, **12** countries have returned completed NAQs to the Secretariat and the UNSD. With respect to the year of the data that were submitted, all **12** countries provided data for 2010. Further, of the **12** submissions, **seven (7)** also provided estimates for 2011. **Eight (8)** countries have therefore not yet submitted the 2011 NAQ; however, the regional database has been updated with 2010 data for a total of **16** countries: 14 through the use of the NAQs, including past submissions, and two (2) from other sources. Given the poor response to the deadline, the time line can once again be reconsidered by the SCCS.

Table 1: Status of National Accounts Data Submission: 2006-2011

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	
2011	2010/ 2011	2	10	12	8	16	

¹ First year final data, second year preliminary data.

3. MAIN CHALLENGES IN THE SUBMISSION OF 2010 DATA

The inability of countries to provide the complete set of the Minimum Required Data Set (MRDS) tables continues to be the main challenge. Based on the 2010 and 2011 data provided, 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 still low, compared to 2009, one additional country submitted the **Rest of the World Account** with 2010 data while an additional three (3) countries provided the **Output, gross value added and fixed assets by industries** table. Seventy-five per cent or more of the countries were able to provide 2010 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		
	2011 (out of 7 countries)	2010 (out of 12 countries)	2009 (out of 12 countries)
	Preliminary	Actual	Actual
GDP by Expenditure in Constant Prices	1 (14%)	1 (8%)	1 (8%)
Rest of the World Account	1 (14%)	3 (25%)	2 (17%)
Output, Gross Value Added and Fixed Assets by Industries	5 (71%)	9 (75%)	6 (50%)
National Aggregates	5 (71%)	9 (75%)	9 (75%)
GDP by Expenditure in Current Prices	6 (86%)	9 (75%)	11 (92%)
Value Added by Industries in Constant Prices	6 (86%)	11 (92%)	11 (92%)

Table Name	No of Countries Submitting Table		
	2011 (out of 7 countries)	2010 (out of 12 countries)	2009 (out of 12 countries)
	Preliminary	Actual	Actual
Value Added by Industries in Current Prices	7 (100%)	12 (100%)	12 (100%)

Of the 12 countries submitting NAQs, none of them was able to submit **all seven** MRDS tables. However, three (3) countries submitted, even though they were incomplete, six of the tables while seven (7) countries submitted four or five tables.

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 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.

The ninth edition of the CARICOM National Accounts Digest was also prepared and posted on the Secretariat's web site. This publication covers the period 2006 to 2011 where data were 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 the first quarter of 2012 were available for Jamaica and up to the third quarter of 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. These quarterly estimates are available on the Secretariat's web site.

6. OVERVIEW OF DEVELOPMENTAL WORK UNDERTAKEN IN NATIONAL ACCOUNTS STATISTICS

Developmental work in the area of national accounts continued in 2012 partially funded by the Ninth European Development Fund (EDF) under the Caribbean Integration Support Programme (CISP).

Activities that have been undertaken included the following:

Implementation of SNA 2008

Efforts continued on the development and implementation of a strategy for the movement of the National Statistical Offices (NSOs) to the 2008 System of National Accounts (SNA) in collaboration with other agencies. In this regard, a seminar was convened, 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 targeted Heads of Statistical Offices and National Accounts and was held in Belize during the period 31 October – 4 November 2011. The main objective of the seminar was to assist countries in 2008 SNA implementation which in turn would support sound macro-economic management and evidence-based policy formulation. One of the issues the workshop focused on was developing a strategic approach for the implementation of the 2008 SNA within the National Strategies for the Development of Statistics (NSDS) framework. Other issues discussed were institutional issues, such as

the legislative framework for the implementation of the 2008 SNA and statistical infrastructure requirements; monitoring, coordinating and reporting; Quality Assurance Frameworks; and the non-observed economy and the informal sector.

The major output from the seminar was an Implementation Plan which was drafted at the workshop and further refined by the Secretariat. This implementation plan incorporated the issues discussed and contains elements such as Development of an NSDS System which will facilitate the Implementation of the 2008 SNA, Organisation of the Statistical Office, Compilation of Data and Dissemination. Revised formats are dispatched quarterly to Member States and Associate Members seeking the status of implementation in their respective countries. To date, only two countries have provided feedback, Bermuda and St. Vincent and the Grenadines.

Workshop on National Accounts

The CARICOM Secretariat, in collaboration with the International Monetary Fund (IMF) and the Caribbean Regional Technical Assistance Centre (CARTAC), convened a Regional Workshop on National Accounts from 6-17 February 2012 in Paramaribo, Suriname. The purpose of the workshop was to provide further training on the methodology for compiling National Accounts statistics based on the 2008 SNA. This workshop formed part of the continued activities which supported the Regional Statistics Programme's overall developmental goal of improved and harmonised production of economic statistical data at the regional and national levels in CARICOM.

Economic Survey Questionnaires and Statistical Business Register Manual

The Meeting will recall that the Technical Working Group on National Accounts and Trade in Services (TWGNATIS) had developed a common integrated economic survey questionnaire and industry-specific national accounts survey questionnaires which were to be used for the collection and compilation of national accounts estimates in the Region. These questionnaires were further refined and had been placed on the agenda

of the Tenth Meeting of the Advisory Group on Statistics (AGS) for consideration in June 2012. Prior to the presentation at the AGS, the questionnaires had been circulated to countries for feedback/comments. Four countries provided feedback on the forms highlighting issues such as the length of the integrated form possibly having a negative impact on the already low response rates experienced and the perceived additional cost by businesses in having the forms completed especially in cases where an external accountant has to be employed to complete it and/or it has to be completed by various departments within the organisation. In addition, one office thought that the integrated survey questionnaire was redundant in their case since the information requested was being captured by other surveys which were designed to capture specific information from businesses and would therefore represent a duplication of effort and contribute to response fatigue.

A draft Statistical Business Register Manual was also placed on the AGS' agenda for consideration at its June 2012 meeting. The Secretariat continues to place emphasis on the development of Statistical Business Registers (SBRs) in the NSOs and in this regard, a draft Business Register Manual had been prepared by the TWGNATIS and circulated among its members and the NSOs for further discussion. Though only one country provided any feedback, the comments submitted were very comprehensive. The initial feedback is that, while the document has outlined a number of business register issues that is considered relevant to the Region, it was not a comprehensive manual that covered the guidelines and methodologies that ought to be followed for updating business registers. It was proposed that consideration be given to making a clear distinction between:

- The set of procedures and methodologies required for developing a Business Register in countries where **none** previously exists, and
- Those procedures and methodologies needed to guide the updating and maintenance of registers that are **already in existence**.

This was based on the fact that these activities are associated with distinctly different procedures and resource requirements which the draft manual did not fully address.

Other significant issues raised in the feedback included the need to identify the economic units that will be represented in the register and the need to decide on the scope and coverage of the register. In addition, it was felt that there was the need to standardize or harmonize concepts and definitions as well as the boundaries of sub-populations in the register. Hence there should be a *glossary of terms* including terms such as “establishment” “enterprise” “branch” “subsidiary” on which there is agreement. Similarly the boundaries set for variables that would be used in the stratification of the register database must also be agreed on (e.g. Employment ranges associated with “micro” “small” “medium” and “large” enterprises and/or the activity classification system (including version and conversion tables) that will be used to stratify economic units by Industry.

Given the poor response from countries, the AGS recommended that:

- countries consider the outputs of the TWGNATIS and further review same for possible adoption;
- countries examine the draft Business Register Manual and make improvements to the manual as required; and
- a discussion forum be established to facilitate discussions on the outputs of the TWGNATIS which will include the Directors/Chief Statisticians, members of the TWGNATIS and other experts.

Attachment Programme

Work continued on the development of an Attachment Programme to foster South-South Cooperation in the improvement of statistics in the Region. During the year, the Secretariat sought to obtain feedback from the National Statistical Offices (NSOs) on their strengths and weaknesses in various statistical areas and the availability of relevant officers to either conduct or participate in training attachments. Based on the

information submitted, priority areas will now be identified and the schedule formulated. On completion, the formal programme will be sent to countries for consideration.

The Secretariat also provided support to enable the attachment of an officer from the Trinidad and Tobago Central Statistics Office (CSO) to Grenada's CSO for one week during March 2012 to offer assistance in improving the development and maintenance of the business register in that country. This visit was funded by the 9th EDF under the CISP.

7. OVERVIEW OF NATIONAL ACCOUNTS STATISTICS WORK PLAN FOR THE PERIOD 2012-2014

In the area of National Accounts, the focus of the 2013-2014 Work Programme will continue to be on the improvement and harmonisation of these statistics. However, these activities will be undertaken within the framework of the implementation strategy for the movement of the NSOs to the SNA 2008. It is expected that 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 TWGNATIS in April 2010, would also guide the direction of the work over the course of the year. Both the Help Desk at the Secretariat and the TWGNATIS will play integral roles in the exchange of technical knowledge in the area.

Some of the activities expected to be conducted before the end of 2012 include the following:

ERETES Workshop

The Secretariat, in collaboration with CARTAC, will convene a CARICOM training workshop on the ERETES Software for National Accounts Compilation which will be held during the period 12-16 November 2012 in Kingston, Jamaica. The ERETES software, which is the intellectual property of France and the European Commission, and which is currently being used extensively in Africa, Asia and Latin America, was

developed in response to the need for a common tool for the computation of national accounts at the national, regional and international levels. The software, therefore, has been adapted relative to the 2008 SNA, and contains a database module which allows for the storage and subsequent transformation of economic data to critical outputs such as Supply and Use Tables (SUT) and Integrated Economic Accounts.

The main objective of this workshop is to introduce the ERETES system to the Region. The workshop will therefore provide a detailed demonstration of the software to CARICOM member countries with a view towards assisting in identifying their training needs relative to the system. At the end of the workshop, it is expected that countries will have a clearer overview of the system in order to effectively assess its potential for use in their respective offices.

Dispatch of 2012 NAQs

In its continued collaboration with the UNSD, the Secretariat will dispatch the 2012 NAQs in **October 2012** with the deadline for submission of the completed questionnaires projected for end of **January 2013**. The Secretariat strongly urges countries to try to submit their completed questionnaires to **both** the Secretariat **and** the UNSD before the deadline. These questionnaires should provide actual data for **2011**, preliminary estimates for **2012**, if these are available, and any updates/revisions to the data for the earlier years.

Other activities expected to be undertaken in 2012/2014 include:

(i) ***2008 SNA Implementation:***

The Secretariat plans to conduct a pilot initiative in Jamaica, in collaboration with the UNSD, on the approach towards implementing the 2008 SNA. This exercise was originally scheduled to take place during the same period as the ERETES Workshop in November 2012 but had to be postponed to 2013. The pilot will seek to assess and evaluate the issues faced by the Statistical Institute of Jamaica

(STATIN) relative to adopting the 2008 SNA, and thereafter, devise a country specific framework to improve the rate of adoption of the system. The findings will subsequently be discussed with a selected sub-group of countries in a meeting following the exercise.

- (ii) Continuation of technical assistance to Member States to develop and improve basic data production in national accounts with support from the 10th EDF;
- (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 UNSD in the joint administration of the NAQ to collect these statistics from all CARICOM Member States and Associate Members and the challenges experienced with specific reference to:
 - a) the timelines for the submission of the data;
 - b) the response to the completion of the MRDS, and
 - c) the preparation of quarterly GDP;
- (ii) **also consider** the developmental work being undertaken at the regional level to improve and harmonise national accounts statistics;
- (iii) **note** that a workshop will be convened in November 2012, in collaboration with CARTAC, on the use of the ERETES software for the compilation of national accounts;

- (iv) **also note** the pilot activity that is scheduled to be conducted in Jamaica in collaboration with the UNSD to advance the implementation of the SNA 2008 in the Region;

THIRTY-SEVENTH MEETING OF THE STANDING COMMITTEE OF CARIBBEAN STATISTICIANS (37th SCCS)

5.1.1 Status Report on National Accounts - Data Submitted to the CARICOM Secretariat, Data Quality, Developmental Work, and Programme of Work 2013

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>2010: 13 Member States (MS) and 3 Associate Members (AM)</p> <p>2011: 6 Member States (MS), 1 AM</p> <p>Countries submitting National Accounts Questionnaire (NAQ):</p>	<ul style="list-style-type: none"> ▪ Web site: available 2006-2011 data for all Member States disseminated. ▪ CARICOM National Accounts Digest 2006-2011 		<p>1 MS and 1 AM met the 31 January 2012 deadline for the submission of the 2011 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>		

AREA OF STATISTICS	DATA PRODUCTION (Tables etc.)	DATA DISSEMINATED	DATA GAPS	BEST PRACTICES/ CHALLENGES	RESOURCES REQUIRED Technical Assistance Training Applied or Required	REMARKS
	<p>12 NAQs with 2010 data, of which 7 also contained preliminary 2011 data.</p> <p>Actual 2010:</p> <p>9 Member States (MS) and 3 Associate Members (AM)</p> <p>Preliminary 2011:</p> <p>6 Member States, 1 Associate Member</p>			<p>4 or more tables: 7 MS and 3 AM.</p> <p>Lack of capacity to produce the full set of tables in the recommended 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 <p>Recommended Tables:</p>		

ATTACHMENT

AREA OF STATISTICS	DATA PRODUCTION (Tables etc.)	DATA DISSEMINATED	DATA GAPS	BEST PRACTICES/ CHALLENGES	RESOURCES REQUIRED Technical Assistance Training Applied or Required	REMARKS
				<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>Q3 2011: 1 Member States Q1 2012: 1 Member State</p>	<p>Data collected were disseminated on the Secretariat's web site.</p>	<p>All Member States other than Belize and Jamaica; however, the missing countries may not be producing QGDP.</p>			<p>Preparation of Quarterly GDP tables was discussed at a 9th EDF funded training workshop in February 2011 and again at a CARICOM/ CARTAC/IMF workshop in February 2012.</p>

ATTACHMENT

AREA OF STATISTICS	DATA PRODUCTION (Tables etc.)	DATA DISSEMINATED	DATA GAPS	BEST PRACTICES/ CHALLENGES	RESOURCES REQUIRED Technical Assistance Training Applied or Required	REMARKS
						Future developmental work in this area may be possible under an Attachment Programme being developed by the TWG.