

Manufacturing Statistics Country Practices – Botswana

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1. Introduction

The Central Statistics Office (CSO) is a Government Department within the Ministry of Finance and Development Planning. It is the apex body in the official statistical system of the country; hence most official statistical operations fall within the mandate of this office. The CSO operates within the legal framework of the Statistics Act (Cap 17:01) of the Laws of Botswana, which has broad but explicit terms and outlines the duties of the Department. The Statistics Act was promulgated in 1967 while the Census Act (Cap 17:02) dates back to 1904. It was through these Acts that CSO was established, for the primary purpose of collecting statistics (including censuses and sample surveys), as a unit within the Statistics and Planning Section of the Ministry of Finance and Development Planning. In 1968, CSO became an independent department.

The Government Statistician (GS) heads the Department and is administratively responsible to the Secretary for Economic And Financial Policy, who, in turn is responsible to the Permanent Secretary of the Ministry of Finance and Development Planning. Under the provisions of the Statistics Act, the Minister of Finance and Development Planning defines the policy through the Permanent Secretary. The GS is assisted by the Deputy Government Statistician.

2. CSO's Mandate

CSO is the principal data collecting, processing, disseminating and archiving agency responsible for coordinating, monitoring and supervising the National Statistical System. It thus has the statutory

mandate to produce and provide government, the private sector, parastatal organisations, international organisations, the civil society and the general public with statistical information for decision-making, policy formulation and planning as well as investment purposes. The statutory mandate also includes the responsibility of providing advisory and technical service to all users on statistical matters.

More specifically, the aims of the Central Statistics Office may be outlined as follows:

- To act as the nodal agency for planned development of the statistical system in the country.
- To lay down and maintain the norms and standards in the field of statistics, involving concepts and definitions, methodology of data collection, processing and analysis of data and dissemination of results.
- To provide an advisory service to Government and other users on all-statistical matters and related subjects.
- To provide regular and timely statistical information on the economic and social state of the country and its people.
- To provide statistical information on the socio-economic status of households and families in Botswana.
- To provide information on the population characteristics from time to time.
- To conduct the large scale national sample surveys for creating data base needed for studying the impact of specific problems for the benefit of different population groups in diverse socio-economic areas.
- To mobilize needed resources for production and provision of quality and timely statistical services.
- Dissemination of statistical information on various aspects through a number of regular or ad-hoc publications to Government, parastatals, SADC member countries and various other national and international organizations; and through seminars/workshops.
- To ensure that the work programme for the office reflects the needs of users and to encourage frequent communication with users in order to assess these needs.
- To expand the scope for statistical services as and when resources permit.

3. Organizational Structure

The Central Statistical Office discharges its mandate through its three major divisions, namely: (i) Economic Statistics, (ii) Social Statistics and (iii) Corporate Services. The divisions are made up of statistical units, some of which are seconded to and housed in user ministries. The Divisions are headed at the Chief Statistician level while Statistical Units are headed at the level of Principal Statistician.

4. Organization of Economic Statistics

The Economic Statistics division is responsible for the collection, compilation, analysis and dissemination of economic statistics, namely national accounts, industrial, trade, prices, transport, labour and Information and Communication Technology statistics. To make this responsibility manageable, the division is further divided into sub-divisions. The first division is made up of Transport and Industrial Statistics Units. The second division comprises Prices, Trade and ICT Statistics Units; while the third is composed of National Accounts and Labour Statistics Units.

Presently, there are many users of manufacturing statistics in Botswana. Some of which are government ministries and departments, civil society, researchers, business community, students, politicians, regional and international organizations and the general public

The CSO has established a formal relationship with its data users through User/Producer Committees. The committees are meant to maintain a continuous dialogue between CSO and data users in order to define a programme of operations, guide and advice the CSO on issues relating to data requirements. In addition to these committees, a National Statistical Advisory Council with membership from both the public and private sector has been formed to advise the CSO on statistical matters.

One other avenue for an effective relationship between the CSO and users of statistics is the semi-centralized nature of the CSO, where units are physically seconded to user ministries. These units are in daily contact with the major users and serve in various planning committees of those ministries. While this type of arrangement has its disadvantages, primarily from a professional stand point, it has been welcomed by user ministries as a very effective link between the CSO and users.

5. Data Sources And Compilation Methods For Manufacturing Statistics

5.1 Data Sources

In compiling manufacturing statistics, the CSO uses data collected mainly through economic surveys and administrative records where the unit of enumeration is the establishment. The CSO also for the first time conducted an economic census in 2006/7 fiscal year which also became one of the sources of manufacturing statistics. It will be conducted every five years.

In terms of economic surveys, the CSO undertakes monthly, quarterly and annual surveys to collect data used in the compilation of manufacturing statistics it produces. The different surveys are designed to have fully enumerated and sampled strata. Establishments employing 50 or more employees are all included in the sample while those employing less than 50 employees are extracted from the Business Register by strata and then stratified according to the ISIC division. A systematic random sample is then drawn from each ISIC division depending on the number of establishments in that particular ISIC division.

The collection program for most market activities consists of:

- **Quarterly surveys**
 - **Survey of Industrial Production** – collects quantities and values of manufactured commodities data for the purpose of compiling Industrial Production Index. It also collects employment and wages and salaries data.
 - **Survey of Recent Trends** – collects revenue/income/sales, inventories. It is the main source for the compilation of value added for the Manufacturing sector.
 - **Survey of Employment And Employees** – collects data on employees and their earnings. It is confined to the formal sector and is the main source for labour statistics

- **Annual Surveys**

- **Annual Economic Survey** – collects comprehensive revenue, expenditure, inventories, fixed assets and financial assets and liabilities data from sampled formal establishments and enterprises for the compilation of output, value added and gross fixed capital formation for Manufacturing.

- **Economic Census**

- **Census of Enterprises and Establishments** – this was carried out for the first time in 2006/7 fiscal year for the purpose of determining the structure of the economy, collecting benchmark data for economic statistics and for updating the Business Register. It has been integrated within the CSO inter-censal survey program and will be conducted every five years. In addition to general information about establishments and enterprises, the census collected data on operating characteristics, employment characteristics, revenue, expenditure, financial and investment details.

Use of Statistical Business Register

The CSO maintains the Business Register called the Enterprises and Establishments Register (EER) as a sampling frame for establishment based economic statistics surveys. The EER was originally populated using information provided by a number of bodies in both the government and private sector. Updating of the EER is done continuously using government records and information collected from businesses.

The CSO also dispatches a business review form to newly registered establishments to further update the EER. Returned mail (to detect closed businesses) and newspaper advertisements (to detect new enterprises) are monitored. The other CSO collection systems also report any new or ceased businesses that they identify.

The EER covers approximately 60,000 establishments and contains information on the company's name, location, telephone number, date of registration, type of activity, and employment size. Other variables

like turnover will be added in the database after the economic census has been completed.

Data Compilation Methods

Compilation is based on internationally recognized methodologies, namely the International Recommendations For Industrial Statistics, 1968 and 1993 System of National Accounts.

The International Standard Industrial Classification Revision 3 (ISIC) adapted to Botswana situation called the Botswana Standard Industrial Classification (BSIC) is used in the classification of activities while the Harmonized System (HS) is used to classify commodities. Plans are underway to adapt ISIC Rev. 4 and the Central Product Classification.

Manufacturing Statistics currently produced in Botswana include:

- General Industrial Statistics - number of establishments (geographic area, employment size & industry), employment(gender & citizenship), output, value added and gross fixed capital formation
- Commodity Production Statistics

The Index of Industrial Production is currently not compiled in Botswana and plans are underway to start producing it in the near future.

6. Data Dissemination

Economic Statistics produced by the Botswana CSO is disseminated through various channels. To meet user's needs the CSO has subscribed to the General Data Dissemination Standards.

Most of the statistical outputs are disseminated through regular (monthly, quarterly and annual) publications which are sold at subsidized prices to users. Dissemination is also done through seminars and the media (newspapers, radio, television, and website).

7. Constraints And Challenges

The CSO has several constraints and challenges in the collection and compilation of manufacturing statistics, some of which are underlined below:

- Low response for economic surveys
- Lack of coordinative machinery for administrative data
- lack of central depository stations for administrative data
- lack of skilled manpower in various fields of economic statistics

8. Way Forward

The Central Statistics Office intends to see the following:

- The centralization of economic statistics data collection to reduce respondent burden
- The development of a central database in CSO which will be linked to other databases in the government
- The harmonization of codes, concepts and definitions used in the databases linked to the CSO one
- Capacity building