

7th Meeting of the Advisory Expert Group on National Accounts, 23-25 April 2012, New York

Agenda item : V

: The development of training material on the SNA

EUROSTAT'S ESSENTIAL SNA PROJECT

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"Essential SNA: Building the Basics" Handbook**I. Introduction**

1. The "Essential SNA" is a project that aims at a successful implementation of the System of National Accounts (SNA) in the Least Developed Countries, micro-states and other countries that have not yet implemented SNA. It also seeks to help those countries in adapting and improving their statistical systems. It is in line with the main framework provided by the Minimum Requirement Data Set (MRDS) developed by the ISWGNA and approved by the UN Statistical Commission during its March 2001 meeting. The work on the "Essential SNA" project is scheduled between March 2011 and February 2014

2. In this context, Eurostat developed the "Essential SNA: Building the Basics" handbook, which gives these countries the instruments to make an analysis of basic data when preparing national accounts statistics for the first time or improving the existing situation.

II. The handbook

3. The most recent 2011 edition of the handbook compared to its previous version contains improved and more complete descriptions of specific methodological aspects, e.g. information on volume measures useful for the implementation and development of the SNA. This version also incorporates opinions and recommendations from various stakeholders and users, all available at:

<http://circa.europa.eu/irc/dsis/snabuildingthebasics/info/data/website/index.html>

4. The handbook consists of seven chapters, each focusing on a key issue.

5. *Chapter I – System of national Accounts* offers a short introduction to the national accounts system, and in particular the 2008 SNA, stressing the importance for a country of national accounts. This chapter aims to provide arguments for implementing national accounts, providing Chief Statisticians with the tools for justifying the need to allocate human and financial resources to this activity.

6. *Chapter II -Building the SNA* presents the guidelines for drafting a national strategy for implementing the SNA and compiling national accounts, these can be adapted to the specific situation in each country.

7. *Chapter III -Basic concepts* outlines who the stakeholders in an economy are and how they are grouped; the kind of actions they undertake and how these are translated into national accounts indicators; the purpose of their actions and how the SNA describes and evaluates these actions to obtain the main aggregates. The main aggregates of the SNA are presented in the second section of the chapter and introduce users to the main results that national accounts provide.

8. *Chapter IV -Statistical infrastructure for national accounts* outlines the statistical bases needed for compiling national accounts, set out in 3 sections: the basis (business register and classifications), the statistical sources and the administrative data sources

9. *Chapter V: Administrative data sources*, presents in the first sections the administrative data and the advantages of their use for statistical purposes; in Section 2, the administrative sources are grouped into three main categories: data from the accounting system of non-financial units and financial units, data concerning government revenues and expenditures as well as international trade data and examples of how each of these administrative indicators are translated into national accounts concepts are provided.

10. *Chapter VI -Informal sector* provides general guidelines for identifying and assessing the informal sector, a phenomenon found in many developing countries. The first section presents a general overview of the non-observed economy and the place of the informal sector within it. Criteria for identifying the informal sector, measurement methods and the main sources used for estimating it are to be found in the second section.

11. *Chapter VII: Volume measures*, introduces the need for main methods used and data sources to compile price and volume measures in national accounts. Section 1 on price and volume measures explains the main conceptual issues, the basic and specific measurement methods, and the main source data. Section 2 provides a brief description of volume measures of the GDP components by production and expenditure approaches. The main recommendations and conclusions are presented in Section 3, via a tabular synthetic overview of the methods used for volume measures of the main national accounts indicators by activities.

12. The handbook includes a list of references to other manuals and documents providing guidance for users interested in further developing the topics covered by the handbook. The references can be found at the end of each chapter. Boxes 'To find out more...' complete the above-mentioned list of references, providing supplementary information.

13. The 2012 edition of the handbook will be available at the beginning of 2013. The update process will include maintenance and development of a wiki version of the handbook, and it will be translated into Spanish and French.

III. Workshops and coaching

14. Within the scope of the project, biannual weekly (sub-regional or national) workshops are organised between 2011 and 2013. The workshops aim at presenting comprehensive theoretical and practical issues for the implementation of the 2008 SNA in the developing countries. The participants receive detailed knowledge on various issues useful to meet the international requirements in the field of national accounts. The situation existing in each country is presented and discussed. As present, the following workshops took place:

- Belize, November 2011
- Coaching Field Test, Vanuatu, December 2011
- Addis Ababa, February 2012 (in partnership with UNECA)

15. In addition, once a year a weekly coaching is provided in 2011-2013. This consists of technical meetings to undertake a comprehensive field-test needs analysis with respect to the Handbook Essential SNA: Building the Basics in order to assess the specific requirements and prepare tailor-made tools and other materials that may be used in the country.

IV. Forum and discussion groups

16. The project website was developed with dedicated discussion forum, where once a month one methodological paper on different topics related to the handbook is uploaded. Users can discuss themes related to the handbook and to the monthly methodological papers.

17. At present, the discussion forums available are on the following themes:

- The 2008 SNA implementation strategy;
- Situation of the infrastructure necessary for national accounts compilation;
- Non-observed economy;
- Informal Sector and Gender Issues.

V. E-learning

18. An e-learning tool was created during 2011, with the main contents of the handbook. It was disseminated on CIRCA, on EUROSTAT website, and on other websites of Eurostat's partners.

19. The target group of the e-learning courses are statisticians, technicians, and others collaborators working in NSIs from Least Developed Countries, micro-states, other countries that have not implemented SNA and countries that are adapting and improving their statistical systems.