Statistical Commission Forty-fourth session 26 February – 1 March 2013 Item 3(c) of the provisional agenda **National Accounts**  Background document Available in English only

Activities of the regional commissions on national accounts and economic statistics Prepared by UNSD in collaboration with the regional commissions

#### A. Introduction

1. The regional commissions continued to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the countries of their respective regions. Their activities are coordinated by the regional advisory bodies established for that purpose. Considerable progress has been made in developing programmes for the implementation of the 2008 SNA and supporting economic statistics.

2. The regional commissions, in collaboration with the United Nations Statistics Division (UNSD), will monitor the progress on the implementation of the 2008 SNA and supporting statistics according to the agreed timelines and set of actions to accomplish statistical and institutional goals for the sustainable improvement of the economic statistics programmes, while ensuring adherence to best practices in official statistics.

3. This report describes the activities of the United Nations regional commissions related to national accounts and economic statistics.

### **B** Economic Commission for Europe (ECE)

4. In 2012 the ECE continued to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the countries of the region. The work includes: (i) support to the countries of Eastern Europe Caucasus and Central Asia (EECCA) and South-East Europe (SEE) in the implementation of the 2008 SNA; (ii) contribution to the SNA research agenda through development of methodological guidance on emerging issues; and (iii) work to improve the quality and comparability of related economic statistics. The activities are coordinated by the regional advisory body – the Steering Group on National Accounts, whose Terms of reference were reviewed and renewed in November 2012 by The Conference of European Statisticians (CES) Bureau in order to reflect the new needs and priorities of national accounts work in the region.

#### Strategies of Implementation

#### **Regional Strategies**

5. The ECE countries vary significantly in terms of SNA implementation and challenges for their statistical systems. The ECE region includes the European Union (EU) members and part of the Organisation for Economic Cooperation and Development (OECD) countries, as well as the EECCA and SEE countries. The implementation of the 2008 SNA in the first two groups of countries is coordinated by Eurostat and OECD respectively. The main focus of the work of ECE is the implementation of the 2008 SNA in the EECCA (including Mongolia) and SEE region.

6. As a follow up to the workshop on Implementation Plans for the 2008 SNA, organized jointly with UNSD and European Free Trade Association (EFTA) in Kiev in December 2011, ECE developed an implementation plan template which aims to help countries to formulate structured national implementation plans in accordance with the three stages for the change over to the 2008 SNA identified by the Inter Secretariat Working Group on National Accounts

(ISWGNA). In March 2012, all 19 countries from the region submitted to ECE their implementation plans according to the provided template and they were uploaded to the ECE website devoted to the Implementation of the 2008 SNA.

7. The national implementation plans and the summary results of the survey were presented and discussed at a Special Session for Transition Economies, which was organized jointly with EFTA in May 2012 in conjunction with the meeting of the Group of Experts on National Accounts. The purpose was to identify key priorities and challenges for the region. The meeting agreed that ECE should (a) Continue its work to support countries in their implementation of 2008 SNA, (b) Strengthen coordination of activities with other regional and international organizations, and (c) Support a coordinated implementation of 2008 SNA and Balance of Payments Manual, 6th edition (BPM6) and the involvement of Central Banks and Ministries of Finance in the process. It was also agreed that a generic presentation on the challenges with the implementation of 2008 SNA should be developed for use by countries in their communication strategies.

8. In April 2012 ECE launched a website on 2008 SNA Implementation: <u>http://www.unece.org/stats/2008sna.html</u>. It also includes links to relevant material on the websites of ECE, UNSD, Eurostat, IMF, OECD and World Bank. To the extent possible all training material, guidelines and recommendations are presented both in English and in Russian.

9. In December 2012, ECE produced a set of regional recommendations for the 2008 SNA implementation based on the information collected through surveys and the feedback received at the Special Session for transition economies. The recommendations will be finalized in the beginning of 2013 with the help of the Steering Group on National Accounts. They outline activities, priorities and timeframes which countries should consider in the implementation process in order to strengthen the quality and international comparability of their national accounts statistics. Recommendations for the improvement of national accounts and related economic statistics have also been provided through the Global Assessments of National Statistical Systems, carried out in cooperation with Eurostat and EFTA, and through the United Nations Special Programme for the Economies of Central Asia (SPECA).

10. In 2013 ECE plans to carry out a number of follow-up activities with the EECCA and SEE countries in terms of regional workshops, technical assistance, methodological guidance and provision of training materials. In October 2013 ECE together with EFTA and other regional partners will organize a workshop on Implementation of the 2008 SNA and Linkages to the Government Finance Statistics for EECCA and SEE countries. The purpose of the workshop is to support the implementation of the SNA by strengthening the links between the compilers of national accounts and government finance statistics in the participating countries. It is expected that as a result of the discussion the participants will be able to identify common challenges and discuss priorities and plans to further improve statistics on the government sector.

### National Strategies

11. The 1993 SNA is not fully in place in the EECCA and SEE countries and the 2008 SNA changes will have to be dealt with while the national statistical offices (NSOs) are still implementing programmes on the outstanding issues from the 1993 SNA. Most of the countries

produce the minimum required data set recommended in the ISWGNA guidelines for monitoring the implementation of the 1993 SNA. GDP and its main components are compiled by all 19 countries in the region and, in general, they comply with the provisions of the 1993 SNA. All countries produce annual GDP by activity at current and constant prices. Expenditure data at current prices are published by all countries and 16 have series at constant price too. Quarterly accounts, gross national income and other primary balancing items for the total economy and rest of the world are published by 16 countries.

12. In early 2012 ECE collected information on the status of country implementation plans in accordance with a predetermined template, which followed the three stages for the change over to the 2008 SNA identified by the ISWGNA. According to the results the implementation of the 2008 SNA is already included in the overall strategic plan of the NSOs in 5 countries. Another 7 countries are currently adjusting their statistical strategies. At the same time work with the main outstanding issues of the 1993 SNA is on-going in almost all countries. However, these issues (improvement of quality, coverage, data sources and compilation practices) continue to be relevant with the 2008 SNA.

13. The development of more detailed action plans for the mid-term is the next step on which countries will focus. The task is already completed in 2 countries; another 11 will finalize it over the course of 2013. The countries have agreed that at this stage the main focus should be on issues affecting GDP and its main components. The work on integrated economic accounts and major indicators, such as GNI and saving, is also a high priority for the region. Many countries will work to strengthen the quality of integrated economic accounts in parallel with the improvements of the GDP estimates. The changes would be linked to the work on implementation of the BPM6. The timeframe for implementing the changes is 2014-2015.

14. In respect to the availability and quality of institutional sector accounts the countries in the region differ to a greater extent. Institutional sector accounts up to net lending are compiled by 14 countries, but few of them have addressed quality issues or the 2008 SNA recommendations in their statistical programmes. Only four countries publish estimates of financial accounts by institutional sector. The implementation of changes and/or introduction of the institutional sector accounts and other data systems are expected gradually after 2015.

15. The accomplishment of the statistical programmes for the 2008 SNA is highly challenged by the lack of human and financial resources. The effective cooperation with other institutions involved in collecting and producing relevant data is also seen as main prerequisite and challenge for the successful implementation of the 2008 SNA. Support by international organizations in terms of technical assistance, exchange of experience and best practice is needed to facilitate the process.

# Methodological work

16. The meeting of the Group of Experts on National Accounts (organised jointly with Eurostat and OECD) discussed in May 2012 issues related to the implementation of the 2008 SNA, which are of common interest to the ECE member countries: measuring of financial services; volume measurement of services; sub-sectoring of financial corporations; globalization and global manufacturing; household sector and unincorporated enterprises. The participants

encouraged an increased involvement of representatives of Central Banks and, when relevant, of Ministries of Finance in the work of the Group of Experts on National Accounts to ensure a coordinated approach to the implementation of the major macroeconomic standards. The next meeting of the Group of Experts in 2014 will continue the discussion of topics stemming from the 2008 SNA such as: revision adjustments; measurement of financial services, including insurance and pensions; expanded accounts for the household sector including non-profit institutions serving households (NPISH); globalization and national accounts, etc.

The Task Force on Global Production (TFGP) was established by the CES to follow up 17. on issues identified in the research agenda of the Guide on the Impact of Globalization on National Accounts (published in January 2012). The Task Force is established jointly with OECD, Eurostat, IMF, WTO and UNSD. Its objectives are to address conceptual issues arising from the 2008 SNA and BPM6 in relation to global production as well as to provide practical guidance on implementation aspects. In 2012 the TFGP developed a detailed outline report presenting an overview of the chapters to be covered in the final report. The outline report together with a more detailed presentation of the main research issues was presented and discussed at various international for ssuch as the meeting of the Group of Experts on National Accounts, the OECD Working Party on National Accounts, the Advisory Expert Group on National Accounts and the IMF Committee on Balance of Payments Statistics. The draft chapters of the TFGP report will be available in spring 2013 for country consultation. A special meeting of the Group of Experts on National Accounts will take place on 3-4 April 2013 to review the draft report on global production and provide recommendations for its finalization. The TFGP will submit an issues paper on the main issues which may affect the interpretation of the 2008 SNA, including recommendations on the typology, classification and recording of the various types of global production arrangements, for consideration by the AEG.

#### Other Related Work in Economic Statistics

18. ECE promotes the implementation of internationally agreed standards and good practices in other areas of economic statistics, including business registers, short-term economic statistics and price indices. In May 2012, the Group of Experts on Consumer Price Indices, organized in cooperation with the ILO, discussed the upcoming Manual on Residential Property Price Indices, new data collection methods, scanner data, quality adjustments and improved calculation methods.

19. The CES Task Force on Statistical Business Registers is working to develop methodological guidance for setting up and maintaining statistical business registers. The task force is expected to submit its final report to the CES plenary session in 2014. The Group of Experts on Business Registers, organized jointly with Eurostat and OECD, will discuss the draft recommendations in September 2013 before wider consultation and submission to the Conference of European Statisticians.

20. In 2011-2012, ECE conducted a capacity building programme on economic statistics in Central Asia and Eastern European Countries with the financial support of the World Bank. In addition to national accounts, the programme included a number of regional training workshops on short-term economic statistics, seasonal adjustment and consumer price indices. In total, 150 experts from 26 countries participated in the programme. In spring 2013 a workshop on

International Classification, organized jointly with UNSD will discuss implementation challenges for ISIC Rev4 and CPC Ver.2 in the countries of the region.

## **B.** Economic Commission for Africa (ECA)

21. The ECA continued working along with other Pan-African Institutions, Regional Economic Communities (REC), and other Development Partners to support the implementation of the 2008 SNA and other internationally agreed standards in economic statistics in the member States on the African continent. The work includes: (i) to develop and carry out the African Strategy and Implementation Action Plan to support member States with the implementation of the 2008 SNA; (ii) to support the formulation of national programmes for the implementation of the 2008 SNA; (ii) to support the formulation of national programmes for the implementation of the 2008 SNA at the national level; (iii) to contribute to the development and promotion of the application of the SNA compilation software ERETES; (iv) to disseminate and apply the international recommended methodologies and to share and exchange country experience in measuring informal sector activity and improve the exhaustiveness of GDP; and (v) to provide technical advice and assistance on the use of national accounts and economic statistics in policy analysis and formulation for sustainable development and mainstreaming gender in macroeconomic accounting and policy making.

## Strategies for the implementation of the 2008 SNA

## Regional Strategy

22. The results of the survey on the implementation of the 2008 SNA conducted in Africa demonstrated that on one hand, the continent is still in a rather early stage of the development of national accounts and that the national accounting systems are not harmonised between countries yet. There are limited human, financial, and technical resources as well as weak statistical infrastructure in many countries. The problems with the implementation of SNA are not restricted to the national statistical offices alone, but involve the entire national statistical system. On the other hand African countries in general recognize that the SNA is providing a fundamental statistical framework for a comprehensive and integrated set of macroeconomic statistics to compile harmonized national statistics required for economic, financial, and social integration in Africa. In addition, growing globalization and foreign direct investment also require comparable and reliable statistics for adequate policy and decision making. These demands call for a common regional project for all the African countries to work together on the implementation of the 2008 SNA.

23. The African Implementation Plan for the 2008 System of National Accounts (SNA) was endorsed and adopted by the third session of the Statistical Commission of Africa (StatCom-Africa III) at the beginning of 2012. The African Implementation Plan has been developed by the African Group on National Accounts (AGNA) in the past two years. It shows the commitment of the African statistical community to adopt and apply one of the most important international standards and systems in official statistics, the 2008 SNA, as the first pillar of the "Strategy for the Harmonization of Statistics in Africa" (SHaSA) in support of regional integration for a prosperous and united Africa. In order to carry out the project, the StatCom-Africa III urged pan-African institutions, regional economic communities, and member States to take ownership of the African Implementation Plan and for all African countries to work together to implement the 2008 SNA; urged African countries to allocate, and development partners to mobilize, necessary funds to support the implementation of the five-year Regional Programme as laid out in the African Implementation Plan.

24. To push forward and speed up the implementation of the African Strategy in supporting the member States in Africa to change over to the 2008 SNA, a special session of the African Group on National Accounts (AGNA) Meeting on the African Strategy for the Implementation of the 2008 System of National Accounts (2008 SNA) was held in Addis Ababa, Ethiopia on 11-13 February 2013. Representatives of the Pan-African Institutions, i.e. the African Development Bank (AfDB), African Union Commission (AUC), and ECA, a selected group of countries (Cameroon, Cote d'Ivoire, Ghana, Morocco, Nigeria, Senegal, South Africa, Tunisia, Zambia), Regional Economic Communities (RECs) (COMESA, EAC, ECCAS, ECOWAS), and AFRISTAT attended the meeting.

25. The meeting reviewed the progresses achieved; prioritized the activities in the Action Plan for the African Strategy; and discussed on how to mobilize financial resources for the execution of the activities and the roles played by different stakeholders. Recognizing that the importance and urgency for development partners, pan-African institutions, RECs, AFRISTAT, and member States to work together; and for the AGNA to take leadership to coordinate and synchronize the joint efforts for the implementation of the 2008 SNA on the continent, the meeting decided that: A Task Force, comprising the Pan-African Institutions, RECs, and member States, to finalize the Action Plan (i.e. the Project Document) on the prioritized 21 activities will be set up by the end of February 2013; a joint Secretariat of Project by ECA, AfDB, and AUC will be established by April 2013; and a donor round-table meeting will be organized by the Secretariat in June 2013 to solicit and mobilize financial resources for the African Strategy.

26. The whole programme of the African Strategy will be carried out in a phased approach. Activities prioritized and identified to be carried out in Phase I include the following: to conduct a further and in-depth assessment on national accounts status and capacity and constraints in production of national accounts statistics; to establish and/or strengthen governance structures for the implementation of the African Strategy at the continental, sub-regional, and national levels; to create an African national accountants network and set up a team of continental advisors in national accounts; to prepare advocacy materials and tools and organize advocacy activities; to mobilize resources for the continental project and increase national resources and involve the development partners for funding of national accounts at national level; to launch technical assistance for countries lagging behind; to make an inventory and provide guidance of administrative data sources required for national accounts compilation; to promote the utilization of modern and country - adapted IT tools; and to explore the available monitoring and evaluation of tools and best practices and to develop a standard framework for monitoring, evaluation, and reporting of the implementation of the 2008 SNA at various levels.

### National Strategies

27. To increase statistical capacity building, to alleviate the difficulties faced by countries, and to assist the countries with developing a programme for the implementation of the 2008 SNA and supporting statistics, a sub-regional seminar on Developing a Programme for the

Implementation of the 2008 SNA and Supporting Statistics for Southern African Countries was organized in Pretoria, South Africa in October 2012 jointly by the United Nations Statistics Division (UNSD), ECA, the African Development Bank (AfDB), the Southern African Development Community (SADC) and the Southern African Custom Union (SACU). The seminar was attended by participants from Botswana, Malawi, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

28. At the seminar, countries were encouraged to establish a statement of strategy at the national level as the first step and to incorporate this statement of strategy in the review of their national strategies for the development of statistics (NSDS). By taking into account the national and regional policy needs, a statement of strategy would be an important step to establish a roadmap for developing the required scope, detail, and quality of national accounts needed for assessing economic progress. The basic elements of a statement of strategy included a mandate, a mission statement, values, high level goals, specific goals and required activities. These activities could be grouped in three categories: (a) regulatory and institutional framework – strengthening the functioning of NSS, its programming, management and performance; (b) statistical infrastructure – strengthening of use of standards (2008 SNA), classifications (ISIC Rev 4), registers and frames; and (c) statistical operations – strengthening of data collection, compilation, dissemination and analysis.

29. A follow-up is scheduled in February 2013 based on the preparation of the first drafts of the national statements of strategy for the change over to the 2008 SNA. In the near future, similar sub-regional workshops/seminars will be organized by UNSD, ECA, and other regional and sub-regional partners in the North African and the Southern African countries (such as in ECOWAS and COMESA). This approach will lead to country commitments to drafting national implementation programmes for the 2008 SNA in a phased changeover to the 2008 SNA starting in 2014 which warrant action at the country level coordinated by the national statistical offices and other stakeholders in the national statistical system. To make it a success, it requires continued engagement by all international and regional organizations with the individual countries. Therefore, it should be part of the African Strategy and Implementation Plan.

### Methodological work

30. To apply ICT technology to modernize the national accounts compilation process, ECA works closely with member States and partners to introduce and to further develop national accounts compilation software ERETES. At the beginning of 2012, a study tour was organized to bring national accounts experts from a group of countries to Mauritius to observe the application of ERETES in daily data processing and operation. As a follow-up to the conclusions and recommendations of the ECA Workshop on ERETES, the ETETES technical team sponsored by Eurostat and the French statistical office (INSEE) completed an additional module to facilitate countries to regularly produce data required for the International Comparison Programme (ICP).

31. ERETES has been considered as a computer tool to harmonize the production of the national accounts on the continent by the African Union Commission (AUC). This was reiterated by the Sixth Meeting of Directors General of African National Statistical Offices. To share country experience and practice in the compilation of the Supply Use Tables (SUT), one of the outputs of ERETES, a handbook on SUT was compiled with the contributions by a group of

national account experts on the Continent. At ECA, after necessary technical preparation was made, including obtaining both technical expertise and accompanying database software, a team was set up with both inside and outside staff and technical experts who are ready to be deployed to assist member States that are willing to adopt ERETES in their countries. A training workshop on ERETES and SUT will be organized in the Western Africa jointly with ECOWAS and AUC for 15 ECOWAS member States in April 2013.

32. The proper measurement of informal sector activity and incorporating its contribution to GDP is an important part of the 2008 SNA implementation. An expert group and consultative meeting was held in Yaoundé, Cameroon in April 2012 on informal sector statistics. The meeting was organized by ECA in collaboration with ILO and AfDB to bring together a strong international resource person team together with senior managers of national accounts and senior managers in charge of designing and administering survey programmes for labour and economic statistics from member States. The purpose of the meeting was to review and learn from experience and practice inside and outside of the region and to identify the most appropriate methodologies and procedures for the participating countries to apply in their work plans and for the implementation of the coming UN Development Account Inter-Regional Project on Informal Sector led by ECA.

#### Other Related Work in Economic Statistics

33. Both the data and techniques of economic statistics and national accounts have been used for policy analysis and formulation. ECA has been making a significant progress at this front along with other partners and the member States. In support of the Programme of Work on Broader Measures to Complement Gross Domestic Product (GDP Plus) proposed by the Rio+20, ECA has been working closely with its member States to develop a set of reference indicators to assess the economic, social and environmental performance of their economies for integrated policy making. The set of reference indicators was developed on the basis of the international statistical standards including the 2008 SNA and the latest version of the System of Environmental-Economic Accounting (the 2012 SEEA), particularly on the capital and asset accounts. A questionnaire based on this set of sustainable development indicators was sent to 15 pilot countries for collecting data to be used in the Sustainable Development Report on Africa (SDRA). A series of training workshops will be organized for technical capacity building. The first of such workshops was organized in Addis Ababa in December 2012.

34. In addition, for capturing the contribution of women made to the society and economy, ECA is assisting its member States to undertake time-use studies and compile Satellite Accounts of Household Production by providing technical assistance. In applying the concepts of satellite accounts for household production and applying time-use survey data to compile them, A *Guidebook for Mainstreaming Gender Perspectives into National Accounts, Policies and Budget* is currently under revision and finalization. Since the 1995 Beijing Declaration and Platform for Action (BPfA) recommended that countries undertake time-use surveys (TUS) to quantify unpaid work, at least 39 surveys have been conducted in Africa. Among them, quite a number of countries will continue to apply the data collected from time use surveys to construct the satellite account on household production. Training workshops and technical assistance missions are organized and undertaken.

#### C. <u>Economic Commission for Latin America and the Caribbean</u> (ECLAC)

35. During 2012, activities in National Accounts and Economic Statistics carried out by the Statistics Division at UN-ECLAC have largely followed the programme of work of the 2011 Round of the International Comparison Program (2011 ICP). Thirty-seven countries from the region are actually participating in the programme, seventeen from Latin America and twenty from the Caribbean. In this framework, during 2012 three meetings were organized for price data validation, national accounts and special survey issues for Caribbean countries, while two meetings were organized for Latin America countries. Seven technical assistance missions were delivered to Caribbean countries on prices and national accounts, and seventeen were finalized for Latin American countries. The activities will continue for the next year, as the final data will be officially released in December 2013 at both the regional and global level.

36. The traditional annual meeting on National Accounts organized by ECLAC for Latin America countries in November 2012 went back to its original format, after the meeting in 2011 was mainly dedicated to the 2011 ICP. The sessions were mainly dedicated to discussing the implementation of the 2008 SNA and the status of basic economic statistics in the region, with particular focus on prices, household and labour surveys, establishment surveys, exhaustiveness and volume indicators. Special sessions were also dedicated to users' perspectives, as well as countries' experiences in the 2008 SNA implementation. A complete day of the meeting was dedicated to the definition of a regional action plan for the 2008 SNA implementation and the discussion of the role and future work of the Working Group of National Accounts established by the Statistical Conference of the Americas (SCA).

37. The activities of the new working group established by the SCA on international classifications have continued during 2012 with the organization of a sub-regional workshop for Latin American countries, while the activities on environmental statistics have mainly developed following three main lines: the development of environmental-water accounts for selected countries in the region, the overall strengthening of environmental statistics (with funds from the Inter American Development Bank), and environmental protection expenditure statistics (with funds from a UN Development Account). The Latin America project on KLEMS has continued its activities under the co-ordination of the UN-ECLAC in eight member countries of the region.

38. Technical assistance missions have been provided through advisory services directly by UN-ECLAC staff to three member countries in the area of National Accounts and eleven countries in the areas of price statistics. The Statistics Division has also provided technical support in a number of initiatives organized by other agencies in the region, with a view to giving impetus to the development of satellite accounts in a number of areas (i.e. health, social economy, unpaid work) and increasing capacity in selected economic statistics areas of work (i.e. statistics on the service sector and international trade in services).

39. Activities during 2013 will continue being finalized to the development of national accounts, prices, satellite accounts, environmental statistics, classifications, and statistics on international trade in services. The ICP 2011 will continue to have high priority in the programme of work, as well as on the organization of the next 2013 Seminar on National Accounts and the finalization, hopefully by the end of the first quarter of 2013, of the Spanish translation of the 2008 SNA.

40. The SNA implementation survey recently carried out – based on a UNSD questionnaire – has shown that in Latin America countries, although substantial improvement have been made in the last few years, the road to the full implementation of the new recommendations is still long, especially considering the advances that are needed in terms of basic data availability and their overall quality.

41. The analysis of the replies during the 2012 UN-ECLAC Seminar on National Accounts, and the discussion that followed, has confirmed that the development of a strategy should be based on four steps: (1) assessment (based on the replies of the UNSD questionnaire); (2) identification of commonalities in terms of challenges, on which regular activities of the UN-ECLAC Statistics Division should be based (i.e. exhaustiveness of the accounts, estimation of stock of capital, allocation of FISIM etc.) and identification of clusters of countries and sub-regions with common implementation problems; (3) support in the development of national strategies in pilot countries for each cluster identified in step (3); and (4) horizontal cooperation aimed at helping non-pilot countries in delineating and implementing the national strategy.

42. The strategy model described above has been recently tested in Uruguay, where a national action plan has been signed by all major data producers in the country and the UN-ECLAC, identifying steps and timetable for the development of basic statistics, the strengthening of the national statistical system, and the implementation of the 2008 SNA.

43. In cooperation with UNSD and CARICOM, a national and a regional meeting have been organized in Jamaica recently, identified as one of the pilot countries in the Caribbean. The purpose of these meetings was to identify the main issues for a national implementation programme, identify main gaps and challenges at national and sub-regional levels, establish links with data providers and stakeholders, and identify actions and timetable for future activities. Additional and similar sub-regional interventions are planned for the near future in Brazil and other potential pilot countries in South and Central America and the Caribbean in order to give impetus to the implementation programme in the region, following the actions described above.

44. A project proposal for the development and concrete implementation of the national action plans (step 3 of the strategy) and the realization of horizontal cooperation (step 4) in the countries of the region has been developed and recently submitted for approval in the framework of the 9th Tranche of the UN Development Account programme for the period 2014-2015.

# D. Economic and Social Commission for Asia and the Pacific (ESCAP)

### Economic statistics and national accounts

45. In 2012, the Steering Group for the Regional Programme on Economic Statistics in Asia-Pacific developed a comprehensive implementation plan for member States in the region to develop the capacity for producing a core set of economic statistics in line with current international standards. The regional goal and the contents of the core set were adopted by the Committee on Statistics at its second session in 2010 and subsequently endorsed by the Regional Commission in 2011 as a guide for setting the scope and prioritizing capacity-building activities for economic statistics. While the scope for the core set is broader than the national accounts, implementation of the 2008 SNA is an essential component towards achieving the overall goal of the Regional Programme.

46. The Committee on Statistics endorsed the Implementation Plan for the Regional Programme on Economic Statistics at it third session in December 2012. The Implementation Plan was developed through close consultations with members of the Programme's Steering Group, which is chaired by Australia and Philippines and includes membership by eleven other national governments as well as by Asian Development Bank (ADB), Association of Southeast Asian Nations (ASEAN), Eurostat, FAO's Regional Office for Asia, ILO, IMF, and the Secretariat for the Pacific Community (SPC).

47. In 2013, ESCAP will continue to facilitate the work of the Steering Group. ESCAP is also engaged in promoting greater awareness of the regional core set and its importance for defining the scope for capacity development and linking with the agreed international standards and guidelines for economic statistics. Regular monitoring of progress, including the implementation of the 2008 SNA, is an important part of the Implementation Plan. An initial assessment, organized in the first quarter of 2013, was designed to establish a baseline screening of capacities of the statistical systems in each country. The results of the capacity screening will be shared with all of the relevant partners as a foundation for effective coordination and prioritization of activities in Asia-Pacific. More in-depth assessments of individual statistical systems may follow, with assistance, by request, from ESCAP and other partners.

48. The Steering Group identified the existence of an effective national strategic plan for statistics as a fundamental requirement prior to investing in other developments such as strengthening components of the statistical infrastructure (e.g. business registers or quality assurance frameworks) and human resources skills (e.g. national accounts training). Therefore, developing and improving the national strategic plans for improving economic statistics is expected to be an important component of activities in 2013. Whereas many countries in Asia-Pacific are already implementing plans designed with guidance from the National Strategies for Development of Statistics (NSDS) approach of Paris-21, many others still lack sufficient strategic planning. Also, in 2013, ESCAP will continue to provide training courses on national accounts and related statistics through the Statistical Institute for Asia and the Pacific (SIAP)

### Training

49. During the calendar year 2012, the SIAP integrated SNA and other topics of basic economic statistics, agricultural statistics and environment statistics in the training syllabus of the 4-month<sup>1</sup> and 2-month<sup>2</sup> SIAP/JICA group training courses. In addition, SIAP conducted four training courses focusing on the 2008 SNA. About 160 statisticians from 36 countries in the ESCAP region participated in these courses.

<sup>&</sup>lt;sup>1</sup> Third Group Training Course in Production and Development of Official Statistics (PDOS) - Module – II, (08 October to 09 November 2012), Chiba Japan

<sup>&</sup>lt;sup>2</sup> Integrated Economic Statistics, including SNA, for Central Asian Countries (23rd January to 23 March 2012), Chiba Japan

50. Two of the 2008 SNA-focused courses were 2-month internet-based e-learning courses designed for junior-level government statisticians engaged in national accounts compilation and use of economic statistics or performing tasks relating to compilation of national accounts. The instructor-guided e-learning courses provided a fairly comprehensive overview of the 2008 SNA as a framework for macroeconomic statistics. Two others were 5-day advance level courses designed for experienced middle level officials to strengthen capacity to implement the recommendations of 2008 SNA and improve the quality and coverage of national accounts statistics.

51. Training contents have been updated on the basis of the latest recommendations, using international manuals and handbooks on the respective subjects as references. Experts from ADB, ESCAP, FAO, IMF and UNSD served as resource persons in the various courses.

52. SIAP will offer the basic e-learning course on SNA on a regular basis—both as a guided course and as self-learning training. It will develop training modules for advanced topics on SNA and offer at least one regional course. Course development will be done in collaboration with NSOs and international organizations pursuing related initiatives. SIAP also intends to design and co-organise short-duration regional and sub-regional courses on economic statistics relating to the production of the regional core set of economic statistics pursuit by Asian and Pacific countries.

### E. Economic and Social Commission for Western Asia (ESCWA)

53. The normative and operational work at ESCWA on economic statistics aims to strengthen the statistical capacity of member countries for the compilation of national accounts and economic statistics including short-term economic statistics, such as, price statistics, industry, trade and energy statistics.

#### Regional and national strategies on 2008 implementation

54. A technical cooperation project on the 2008 SNA implementation is being implemented in 2012 to 2013 in four pilot countries. Due to the diversity of the national accounts systems and different levels of implementation among countries in the region, the implementation of the plan at the national level was started in four pilot countries, which are regarded as representative of the status of national accounts compilation and implementation in the entire ESCWA region. Technical advisory missions to the four pilot countries will be conducted for the assessment and tailoring of a national strategic action plan that best fits each country's specific needs and a regional workshop will then be organized to share the experience, knowledge and implementation techniques of the four pilot countries with the rest of the region. The outcome of the regional workshop will provide material that will be documented into a guidance manual for the ESCWA region on the implementation of the 2008 SNA.

55. Two missions have already been conducted in 2012 to two of the pilot countries, where, after evaluation of the current status of the national accounts system of each country, focus was directed towards improving the existing statistical infrastructure and treating the major gaps and deficiencies in the sourcing and compilation of data. The missions tackled specific issues in each

of the two countries and recommended a national roadmap to be followed while attempting to build a national strategic action plan for the implementation of the 2008 SNA.

56. By 2012, ESCWA also overcame an important challenge for the implementation of the 2008 SNA in the Arab region by providing an Arabic version of the 2008 National Accounts System as a joint output by the Central Statistical Office of Kuwait and ESCWA, and which is now being reviewed and prepared for publication. A preliminary version of the translation is available on the UNSD website at:

http://unstats.un.org/unsd/nationalaccount/docs/SNA2008ArabicPrelim.pdf. ESCWA also developed an English-Arabic glossary on national accounts terms and definitions, and on other areas of economic statistics<sup>3</sup>.

57. To overcome the lack of short-term economic indicators and their metadata in the ESCWA region, ESCWA planned an EGM on National Accounts and short-term economic statistics for June 2013 and a study on "Priority short-term economic statistics for the Arab region"; this was based on the general framework developed by the United Nations with a view to providing the needed information to analyze the economic cycle, monitor economic performance and forecast the repercussions of financial crises and economic shocks.<sup>4</sup> In addition, a project on "Short Term Economic Statistics" was submitted to the United Nations Development Account to enhance the regional capacities of National Statistical Offices in this specific area and in the overall field of Economic Statistics and National Accounts.

58. Within the same framework, the International Comparison Programme in its 2011 round continues to play a crucial regional role in the involvement of Western Asia national accounts experts in training and experience-sharing activities, and building capacity in the field of national accounts compilation, specifically from the expenditure side. Thus, under the framework of the 2011 round of the International Comparison Programme, a regional meeting for the National Accounts experts of ESCWA member countries was held on the fringe of the 5th ICP regional workshop in March 2012 followed by a separate training dedicated solely to the ICP national accounts activities in July 2012. The training focused on guiding the countries on improving the sources and methods used for compiling the GDP expenditure weights and provided a general assessment of the exhaustiveness and quality assurance questionnaires which the countries were asked to complete.

59. The Statistics Division at ESCWA took initiatives to secure extra budgetary funds to carry out proposed additional projects and activities for the improvement of data sources of national accounts statistics, its compilation, the transition to the 2008 SNA and the improvement of short term economic statistics indicators, which forms a major part of the overall work plan. Moreover, ESCWA is planning to take part in the Development Account Project on "Interregional Cooperation on the use of Data on Informal Sector and Related Information to Achieve Exhaustiveness of National Accounts" led by UNECA, to enhance exhaustiveness of GDP and improve the coverage and comparability of national accounts.

<sup>&</sup>lt;sup>3</sup> <u>www.escwa-stat.org</u> <sup>4</sup> E/ESCWA/SD/2012/IG.1/CRP.3.

#### Methodological work

60. ESCWA published a study in 2011 of available data sources for national accounts estimates in member countries.<sup>5</sup> It was based on a survey conducted by the Commission, about the extent of the implementation of the 1993 SNA, the methodologies used for estimation and the statistical coverage and quality of economic statistics required for the compilation of national accounts. In addition, a parliamentary report on the progress made in economic statistics was presented to the tenth session of the ESCWA Statistical Committee for discussion and recommendations by the committee <sup>6</sup>

#### Other Related Work in Economic Statistics

61. ESCWA has cooperated with a number of international and regional organizations on capacity-building activities in the area of industrial statistics. Those activities include the collection and dissemination of data, raising awareness of modern standards and techniques and training officials from national statistical offices on relevant issues. ESCWA and the Arab Industrial Development and Mining Organization jointly publish a biannual bulletin on industrial statistics for all Arab countries to promote that important area of the field. Recently, ESCWA, UNSD, the United Nations Industrial Development Organization and the League of Arab States collaborated in organizing two activities on the latest classifications including ISIC Rev. 4 and CPC ver. 2, and the use of business registers as a sampling frame for economic surveys. Furthermore, work on industrial production indices is anticipated with respect to short-term and early warning indicators.

62. As for the statistics of international trade, ESCWA continued working with main partners from UNSD, the World Trade Organization (WTO), AITRS and others to build capacity in the region in SITS. With the introduction of MSITS 2010, it became necessary for the region to implement the recommendations in view of the increasing number of revisions of related classifications and standards, such as the extended balance of payments services classification. Priority issues for ESCWA include assisting member countries in establishing national working groups to coordinate collection and dissemination of SITS, conducting regular surveys of foreign direct investment and Foreign Affiliates Statistics and assisting in hands-on training on the compilation of SITS using the forthcoming guide. In addition, ESCWA assisted in the translation of the most relevant classifications into Arabic, in response to the delay in disseminating the official Arabic version. Recent examples include the MSITS 2010 and related questionnaires.

63. ESCWA is currently implementing a capacity-building project for the compilation of energy statistics, energy balances and accounts in coordination with regional and international organizations such as UNSD, MEDSTAT, the International Energy Agency (IEA), the Organizations of Arab Petroleum Exporting Countries (OAPEC)<sup>7</sup>. Within the scope of that project, ESCWA convened an expert group meeting, organized study visits and technical

<sup>&</sup>lt;sup>5</sup> ESCWA, *Study on Economic Statistics in the ESCWA Region: Sources and Methods* (E/ESCWA/SD/2011/10), available from: www.escwa.un.org/information/pubaction.asp?PubID=1158.

<sup>&</sup>lt;sup>6</sup>Progress Achieved in the Field of Statistics since the Ninth Session of the Statistical Committee; Economic Statistics, Including Energy And Environment Statistics. *E/ESCWA/SD/2012/IG.1/5(Part III)*) (<u>http://css.escwa.org.lb/sd/1986/17e.doc</u> *E/ESCWA/SD/2012/IG.1/5(Part III)*) (<u>http://css.escwa.org.lb/sd/1986/17e.doc</u>

<sup>&</sup>lt;sup>7</sup> <u>http://web.escwa.un.org/esab/</u>

assistance missions, undertook an in-depth needs assessment for four member countries to evaluate energy data availability and internal data flows, and prepared a manual on estimating energy consumption in the transport sector in the Arab region. A workshop on energy statistics and balances will be hosted by the National Bureau of Statistics in the United Arab Emirates in February 2013, in coordination with IEA and UNSD.