

**12th Meeting of the Advisory Expert Group on National Accounts,
27-29 November 2018, Luxembourg**

Agenda item: 7.a

ISWGNA Task Force on SNA Capacity Building

Introduction

1. The December 2017 Advisory Expert Group (AEG) to the System of National Accounts (SNA) reflected that the upcoming 2018 UN Statistical Commission (UNSC) meeting will mark 10 years since the adoption of the 2008 SNA as the guiding framework for economic statistics.
2. However, AEG noted the results of an Inter Secretariat Working Group on National Accounts (ISWGNA) stock take of country practices which found that 10 years on just 79 countries have implemented the 2008 SNA AEG also noted that this was occurring in an environment where considerable efforts were being devoted to statistical capacity development and where many resources to support statistical offices have been developed (for example there are currently around 50-60 handbooks, guidelines etc. on the compilation of national accounts).
3. Currently national accounts capacity development is typically based on an integrated economic statistics approach¹. This approach seeks to develop the suite of institutional arrangements and statistical infrastructure required to support an entire economic statistics system. This approach is suited for, and has been successful in, improving the national accounts of countries with more advanced statistical systems.
4. It is felt that a complimentary approach needs to be developed which targets the least developed states, island states and fragile states. An approach which recognizes that many of these states do not have the resources, or perhaps the institutional arrangements, required to implement the full integrated economic statistics approach. This complimentary approach would target specific components of this integrated statistics framework and attune them to the specific low resources environment of those states.
5. The AEG supported establishment of an Inter-Secretariat Working Group on the National Accounts (ISWGNA) Task Force to achieve these aims - ensuring no country is left behind. The TF is chaired by Michael Smedes (UNSD) and the current members are: Herman Smith (UNSD), Greg Legoff (IMF), Michael Stranger (IMF), John Verrinder (Eurostat), Veronika

¹ Reference to the ISWGNA SNA implementation program <https://unstats.un.org/unsd/statcom/doc10/BG-NationalAccounts2008.pdf> and UNSD guidance on developing a SNA implementation program <https://unstats.un.org/unsd/nationalaccount/docs/impPaper.pdf>.

Radermacher (Eurostat), James Whitworth (Eurostat), Barbro Hexeberg (World Bank), Eric Metreau (World Bank).

Objectives

6. The Task Force on SNA Capacity Building has been established by the ISWGNA to create a collaborative environment of trusted tools, methods, learning and partners for statistical capacity building in least developed, island, and fragile states to meet the minimum required standards² for National Accounts.

7. The specific objectives of the Task Force are:

- a. Create an inventory of tailored data sources, practices, methods, learning tools and technology in an innovative environment targeted towards the least developed, the island, and the fragile states;
- b. Develop, test and share new ways of working in capacity development. Using new technology and concepts of ‘just enough design’ or ‘iteration’ to increase the pace of national accounts capacity development and national accounts production;
- c. Encourage members of the taskforce to participate in joint capacity development programs in partnerships with countries and regional agencies specifically targeted regions of the world (while noting that the actual capacity building activities are outside of the remit of the taskforce and need to be run as separate projects).

Current Activities

8. The task team commenced with a stocktake of existing capacity building efforts and tools across the current members (UNSD, IMF, World Bank, Eurostat). Results of the stocktake unsurprisingly show that there is a wide range of activities occurring with a great many countries. And that each organisation has developed a set of resources (training materials, guidance notes, systems etc) to facilitate these capacity building efforts.

9. Members have agreed to expand the UNSD National Accounts knowledge database to include capacity development ‘tools’ beyond the current catalogue of handbooks. For example: catalogue of training materials; guidance notes; and IT tools. With in-principle support for making these tools easily discoverable and assessable via sharing as much content as possible.

10. This knowledge hub will be designed and structured with the ‘beginner’ target audience in mind i.e. set-up for those beginning the process of compiling the accounts, leading people through the process step by step. The aim is to ensure the content is as discoverable and assessable as possible.

² <https://unstats.un.org/unsd/statcom/doc11/2011-6-NationalAccounts-E.pdf>

11. The task team have commenced meeting regularly via teleconference. In addition to discussing the stocktake and development of the knowledge hub, members share information on new capacity building initiatives and developments. This provides an opportunity to improve coordination and collaboration between members.

Next Steps

12. The immediate focus will continue to be on designing and populating the knowledge hub. Once this has been progressed the task team will look to identify and fill gaps – with a particular focus on developing resources with support the least developed, the island, and the fragile states.

13. Recognising that many other institutions are also actively undertaking national accounts capacity building around the world, the Task Force intend to increase its membership to include regional organisations and national statistical offices who undertake such activities at the beginning of 2019.

Issues Discussions

14. AEG is requested to:

- to provide its opinion on global capacity building efforts and the work of the Task Force;
- to volunteer to provide any capacity building tools/resources for inclusion in the knowledge hub that they have developed
- to volunteer to join the Task Force, particularly if they are currently engaged in substantive capacity building initiatives

Appendix – Background Discussions

Preliminary discussions on potential approaches to capacity building for the target set of countries were held with ISWGNA members. Ideas surfaced in these discussions have been captured below and, while not explicitly part of the terms of reference, they serve as a starting point for the work of the Task Force.

Toolbox - A sizeable set of tools has already developed by the international community to assist with national accounts capacity development. These tools cover the broad spectrum of guidance notes, training material, compilation systems etc. There is considerable value in bringing these tools together to increase discoverability, accessibility, and use; and to identify gaps in the toolbox, particularly for the target set of countries.

Customization - Most of the existing tools have been developed as ‘one size fits all’, however it is generally accepted that a customized approach needs to be taken for capacity development in the target set of countries. This customization may be relevant to the accounts production process, the IT systems used, the minimum set of data required and so forth. Need to ensure that tools within the toolbox are applicable to the target set of countries, and should provide advice on which tools to use in which circumstances.

Innovation - In addition to the traditional set of tools we need to consider innovative ways of working and new approaches to capacity development targeted towards this set of countries. These new approaches include adopting practices/concepts such as ‘sprints’, ‘iteration’, ‘just enough design’ and so on. It also includes taking the opportunities offered by cloud computing to: share methods, tools and data; to work more effectively remotely; and to support regional cooperation between countries.

Big Data - For countries which don’t have the resources or the institutional settings to run a large survey program, big data potentially offers even more advantages than it does to countries with advanced statistical systems. The most concrete example here is the use of Earth Observations to measure things like crop production and building activity. We should be considering how advances in big data can be used in national accounts compilation in the target set of countries, instead of or in addition to more traditional approaches.

Coordination - Many agencies are active in supporting capacity development in the least developed, island and fragile states. We should investigate whether we can take a more coordinated and cooperative regional approach to capacity development. While noting that institutional settings don’t support complete flexibility for the organisations involved, there is sufficient potential and opportunity to warrant pursuing this.