# Third International Seminar on Early Warning and Business Cycle Indicators

## 17 – 19 November 2010
## Moscow, Russian Federation

## Communication and Dissemination for Short Term Statistics in Morocco: An Ongoing Evolving System

## High Commission of Planning Morocco

**MOROCCO KINGDOM**

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# I. Introduction

Analysing and monitoring the current economic situation are substantially dependent on synthetic and reliable information of short term available as soon as possible (quarterly or monthly).

The availability of the short term information is the outcome of a complex process going from collecting to dissemination, passing by, between others, the production and communication on the basis of the overall engagement of all economic activities actors. This process is generally available in all countries, however at spread effectiveness levels.   .

In the industrialised countries, acquirements in this field are significant as these countries were involved for a long-time in the economic development and they needed to apply growth models ensuring protection, prevention, tracking and sustainability conditions. By the way, their statistical system   are prowled, diversified but perfectible allowing suitable communication and dissemination facilitating any kind of data uses, in particular preventing crisis's like the current financial and economic crisis.

Unfortunately, these processes are still in gestation in developing countries, with all difficulties we can imagine in this field. Nevertheless, the practice is there, with its advantages and shortages, creating a dynamic which aims to implement an effective statistical system which will give responses to short term analysis and prompt policymakers' decision needs.

Within Morocco, there is a large coverage of the economic activities by short term indicators (monthly and quarterly), though that they aren't used by all users categories   due to the lack in communication. Even professionals can't always obtain data as they consider this act as favour and not a right for example due to the non popularization access to information.

One of the weak-links of the statistical chain is the absence of Statistical Information National Council (**CNIS**), today a project in progress at the government for approbation. This entity will establish the coordination, communication and dissemination rules in a legal manner and constraint different actors to work together with complementarities and optimal scales returns.

The  High Commission of  planning (HCP), as a public statistical office  in charge to collect, produce, handle and disseminate data, is the focal point  of the Moroccan national statistical system and have the legal responsibility to release the statistics available as soon as possible.
Statistics of the short term economic tendencies evaluation and analysis are gathered from several sources at national and local level. They cover the various aspects of the economic and financial activities as well as their inter connexions within the real sector, the fiscal and financial sectors and finally the foreign sector.

## II. Dissemination and communication policy

HCP dissemination policy aims to provide all categories of users with comprehensive, relevant and accurate data. The objectives of dissemination and related communications activities are to maximize the use of Statistics and to ensure their relevance by:
(1)Responding to user needs when developing and disseminating information, (2)increasing access to information by disseminating directly and through other organizations and (3) providing maximum access to information of broad interest, free of charge, while recovering the costs of providing specialized information and of sustaining an appropriate delivery infrastructure.

For each data release there is a need to effectively communicate the data to users and a requirement to make known the availability of the release. Indeed, a detailed calendar of all monthly and quarterly releases of the next year is announced in advance.
 High Commission of Planning (HTTP://www.hcp.ma) is the office's principal dissemination channel. The office also releases its information in other formats designed to suit the needs of particular users.
Various means of dissemination are used (media, internet, papers, electronic publications, etc). Dissemination can also take the form of micro data, a response to a special request, public speech, presentation or television or radio interview.

Firstly, background briefings accompanied by principal fingers are realised, finalised by expert staff and received general approval within the institution.  The following stage is to send these information notes to national press agency and put it on site web of the HCP, (www.hcp.ma) then to send data to IMF regarding the requirements of the SDDS. Morocco adhered to the special standard data dissemination of the International Monetary fund. This adhesion was done on the basis to reach a minimum of timeliness, reliability and quality required by the standard.

## III. What and when are the indicators disseminated?

HCP is aware, more and more, that the relevant analysis of the business tendency, the anticipations based on tools of short term such as the projection based on the availability of synthetic sub annual data allow, first of all, the follow-up and the apprehension of the economic tendencies. The phenomenon is crucial when it is question of gaining synthetic data reflecting a coherent framework of relations between various categories of aggregates.

This awareness, combined with some quantity of sub annual data used in disparate ways, resulted, in practice, in the adoption of a strategy of compilation of the QNA. The principle consists in selecting relevant indicators and consistent methodology, in a first stage, then progressively improving them to match  the qualitative and quantitative requirements.

On a short basis, a lack of availability of information still exists, especially when it concerns those which come from surveys like households consumer expenditures, wholesale and retail trade, etc. Meanwhile, there are many statistics which exist at the sources but unfortunately not usually communicated for various uses.

### III.1 Gross Domestic Product GDP

The economic growth is approximated quarterly at the level of the main sectors of economic activities. The overall quarterly GDP constitutes the aggregative index of economic evolution in the short term. It permits to know the possible turning points in case of recession or expansion and their rhythm of evolution. However, these indicators must be punctual, coherent, precise, reliable and reasonably detailed, in order to be useful for assessment, analysis and follow-up of the early economic events. Furthermore, by providing quarterly data relating to the macroeconomic aggregates within a coherent countable framework, the GDP and its components allow the analysis of the dynamic relations between these aggregates.

GDP data are published 90 days after the reference quarter, i.e. 30$^{th}$ march, 30$^{th}$ June, 30$^{th}$ September, and 30th December.

### III.2 Manufacturing, mining and energy Industrial production (IPI)

Industrial production index measures volume change in manufacturing, mining and energy sectors. This index contains all industrial firms employing more than 10 persons or doing a turnover greater than 100 millions dirham. It is released quarterly 75 days after the reference quarter.

HCP in undertaking revision of this index by replacing the base year 1998 with 2010, updating the sample of firms and products. Also, a monthly IPI index of these sectors is under development and will be in use soon as required by the SDDS.

### III.3 Manufacturing, mining and energy industrial production prices (IPPI)

Monthly Industrial production prices index is released the 16$^{th}$ day after the month or reference by section, industry and sub industry. The IPPI Basket is compounded of 301 products and 521 varieties whose the prices are gained from 200 firms.

HCP is undertaking the revision of the base year 1998 to replace it with 2010 and to improve sample and weighting structure.

### III.4 Foreign Trade Indices (FTI)

Three categories of quarterly indices are compiled to follow up movements of foreign transactions. Volume and value indices and average value index assimilated to price index.

Sample is compounded from 1100 of products for exports and 2700 products for imports. These indices are compiled by industries and sub industries of the national accounts classification and by use groups and products of the custom classification (harmonized system HS).

A reform in ongoing in this field to change base year to 2010 and to introduce calculations of chain linked indices.

### III.5 Wages Indices (WI)

Data sources to compile **WI** which is in progress work are those of the Social Security National fund for the private sector and of the Salaries National centre of the Economic and finance ministry. This index will be compiled quarterly disseminated by civilians grades and categories. Nevertheless, currently a an average wage index for the private sector covered by the CNSS is produced and disseminated only on SDDS site web 90 days after the reference quarter, i.e. 30$^{th}$ march, 30$^{th}$ June, 30$^{th}$ September, 30$^{th}$ December, and furnished to other users when requested.

### II.6 Business Confidence Survey (BCS)

quarterly **BCS** in manufacturing and construction which point out orders, tendencies and the projections of the next quarter. Survey results are published during the quarter following the quarter of reference. Themes approached go from production evolution to economic climate crossing raw materials provision, investment, prices, financing, orders and employment.

### III.7 Households Confidence Survey (HCS)

quarterly **HCS** to measure "the moral and the perception of the households about the economic situation and the purchasing power". Indicators are published 35 days after the reference period, i.e. 5<sup>th</sup> may, 5<sup>th</sup> august, 5<sup>th</sup> November and 5<sup>th</sup> February. Themes approached go from living standard past evolution to future evolution of the households financial situation crossing evolution prospects of living standard, evolution prospects off unemployment, current households financial situation, etc.

### III.8 Consumer Price Index (CPI)

The monthly **CPI** is used essentially as estimate of global inflation rate and to index contracts between different social and economic partners. Basket of products is compounded 478 articles and 1067 varieties of goods and services consumed. IPC is published the 15<sup>th</sup> day following the month of reference by 12 sections, 41 groups and 88 classes of products.

### III.9 Quarterly Conjuncture Reporting (QCR)

QCR contains a short term synthesis view, a description of significant tendancies in the international and national economies, by-sector analysis, economy financing etc. Diffusion is made for 750 managers in private and public sectors and on the internet HTTP://www.hcp.ma.

### III.10 Employment evolution

The labour survey is carried out the along the year and collecting data is done by direct interview. Computer-based system CAPI, used to collect responses, allows improving quality and reducing observation errors.

Quarterly preliminary data are released the 3<sup>rd</sup> February, 3<sup>rd</sup> may, 3<sup>rd</sup> august, 3<sup>rd</sup> November.

Quarterly comprehensive data are released 30<sup>th</sup> march, 30<sup>th</sup> June, 30<sup>th</sup> September, 30<sup>th</sup> December.

### III.11 Statistical Data base

SDB contains about 35.000 chronological series which begin from 1970. Statistical data covering many economical fields come from surveys and private and public administrative statistics.

Accessing to SDB is free from duty service and is done by **statistical counter section** of HCP.

### III.12 Statistical Benchmarks

Is a substantial monthly paper and electronic publication which contains many monthly reel, social, demographic, financial, fiscal statistics produced by HCP, other public Administrations, private sector, etc.. It is the more used document by various users.

### III.13 Questions and Responses Section.

It is a structure which is charged to reply to any request made by particulars, international organisations, researchers, managers, etc, at any moment.

### III.14 Financial sector

Analytical accounts of the central bank and other banks provide  lots of monthly indicators to measure the intensity of crisis in particular the movement of the credits allocated to the economy, the interests received and poured and interest rates.

Casablanca stock market has developed on 2002 two capitalization indices: MASI (Moroccan All Shares Index) which includes all securities of the share type listed on the Casablanca Stock Exchange, and MADEX (Moroccan Most Active Shares Index) which comprises most active listed securities in terms of liquidity.

### III.15 Fiscal sector

The government transactions statistics are given on monthly basis especially expenditure, revenue, investment, budgetary deficit by central government. These statistics form indicators used in the context of assessing the economic and financial crisis.

### III.16 External sector

Several aspects of the economic situation are in relation with the rest of the world and a battery of monthly external short term statistics is available to appreciate their impacting effects. Quarterly statistics of balance of payments like receipts of tourism and those of Moroccan residents out of country and merchandise trade (imports and exports) are released 90 days after the reference quarter i.e.30th march, 30th June, 30th September, and 30th December.

### IV. Ongoing work

The time of publication of the quarterly national accounts is three months after the quarter of reference. This time is still long, however it is the cost of a better quality of result due to nature of indicators used in their calculations which are generally more exhaustive within these deadlines. Flash GDP compiled using  partial or estimated information, with solid methodological support is in progress work. It would reduce the lead times, thus with applying frequent revisions that users couldn't generally understand, but it is necessary to know downturns and upturns in a time.

Data used for compiling  quarterly GDP come from several sub annual sources  in particular surveys which are operational, in particular the industrial production, which gives the index of industrial production, employment, economic tendency,  the price index of consumption and the index of price to the industrial production. These indicators will allow to compile the Composite index leading CLI to be used to detect turning points in the economic business.

Morocco hade taken a commitment with the international community in the statistical cooperation field and does not spare any effort to provide relevant information likely to contribute to face the economic crisis and financial following the example other countries of the international community. The subscription of Morocco to the special standard of data dissemination of the IMF is a good illustration

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