10 years of the 2008 SNA – Uganda’s Case

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Presentation Outline

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Introduction

- UNSD (together with UNECA), IMF, and other partner institutions have been spearheading the process of migrating to the 2008 SNA - training, technical assistance and general guidance and monitoring of the process.

- UNECA conducted assessments of member countries (Uganda inclusive) to determine the status of their National Accounts.

- **Action Plan to Implement the 2008 SNA** - Tool advocated by UNSD and UNECA. But came when UBOS was already implementing the 2008 SNA

- Emphasis scaled down to focus on data issues for fulfilment of other minimum requirements for the 2008 SNA.
2009/10 GDP rebasing process (Milestone 1) - beginning the 2008 SNA in Uganda - Rebasing used benchmark data from surveys and censuses collected using the 2008 SNA codes and classification nomenclature

Only milestone 1 and milestone 2 levels achieved so far.

By 2014, UBOS had already applied the concepts, methods and classifications of the 2008 NA - However, data issues impeded the production of milestone 3-6 levels of the 2008 SNA implementation

Some gaps existed in the GDP by expenditure due to data unavailability and/or classified information in the case of military hardware.
Implementation steps of SNA 2008 in Uganda:

- The Bureau has adopted and applied the 2008 SNA codes and classifications such as ISIC rev 4, CPC rev 2 and COICOP.
  - Economic survey/GDP based on ISIC Rev4,
  - the Supply and Use Tables on CPC 2, and
  - household survey 2009/10 on COICOP.

- Adopted the Supply and Use Tables framework for the benchmark estimates during rebasing.

- Expanded gross fixed capital formation to accommodate some of the new recommendation of 2008 SNA.
Implementation steps of SNA 2008 in Uganda...

- Made some activity specific methodological changes for the GDP by production in line with the 2008 SNA recommendations including distribution of FISIM to the industries that accrued it.

- With the improvements in the BOP compilation to follow the Balance of Payments Manual (BPM 6), we are able to partially achieve milestone 2.

- Increased use of administrative data, notably Value Added Tax (VAT) and Income Tax data to derive or obtain national accounts aggregates.
Implementation steps of SNA 2008 in Uganda

- Only milestone 1 and milestone 2 (partially) have been achieved by the Bureau. Milestone 3 to Milestone 6 are yet to be included in our national accounts system.

- With the support of UNSD, the Bureau has produced a maiden set of Environmental Satellite Accounts for Water, in plan are the energy and natural resources environmental accounts.

- Data availability and quality is still a challenge in the production of national accounts.
Key issues

- The SNA2008 requirements are so strict and this has forced the compilers to develop new systems and methods so as to meet the SNA requirements.

- Implementing SNA 2008 means undertaking detailed analysis of all the economic data available which in turn leads to better understanding of the economy.

- Implementing SNA2008 provides a framework for compiling comprehensive, consistent and flexible set of macroeconomic accounts.
Challenges...

- Fully adopting SNA2008 requires huge amounts of resources both human and financial. For SNA 2008 to be implemented, there are a number of recommended basic surveys e.g. Annual Agriculture Surveys (AAS), regular (at least every 5 years) economic surveys etc. that must be conducted. In Uganda, this continues to be a challenge.

- In implementing SNA2008, it is desired that all indices have the same base but currently most indices have different bases and are just re-referenced. This doesn’t however show the fundamental factors that are driving prices but rather rescaling of price.

- SNA 2008 requires data that is so much detailed. This has been overcome to some extent but is still a challenge. SNA2008 required extension of the products as can be seen in the sequence of accounts. This requires a lot of expertise that may not be readily available.

- Lack of data due to weaknesses in the National Statistical System is an impediment to the implementation of 2008 SNA. The National Statistical System is characterised by limited human, financial, and technical resources to collect and process the relevant data. The Bureau of Statistics is not able to conduct five yearly economic surveys due to financial constraints.
Challenges

- Inaccessibility of data especially military expenditure required for capitation of some categories of military hardware and research where applicable due to classified data issues.

- Inconsistency and incompleteness in the coverage of the economy

- The ever changing technologies. For example, a TV produced in 2010 is not the same TV produced in 2018. The technology embedded in these 2 different TVs are totally different and therefore, the price and value determining characteristics of these TVs are different. Technology issues extend to digital outputs such as outsourced information technology and related work, internet based retail trade, mobile money transactions etc..
Conclusion

- Continued support from partner agencies will be critical in furthering the implementation of the 2008 SNA with a shift to the support of the development of the National Statistical System (NSS).

- Training is critical in improving compilation of National Accounts.

- Despite the challenges, effort will be made to fully adopt and implement the coding and classifications systems of the 2008 SNA standard in the processing of the input data and National Accounts compilation processes. In addition, UBOS is progressively working towards achievement of firstly, the 2008 SNA required minimum datasets and then the desired datasets.

- The 2008 SNA implementation provide an exciting challenge and at the same time an opportunity for an in depth assessment of the national statistical system in order to provide for an improvement to feed into the 2008 SNA data requirements.