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**REPORT OF THE WORKING GROUP ON NATIONAL ACCOUNTS OF THE
STATISTICAL CONFERENCE OF THE AMERICAS OF ECLAC***

* This report was prepared by Peru, the coordinating country of the Working Group on National Accounts.

CONTENTS

	<i>Page</i>
INTRODUCTION	3
A. NAME OF THE WORKING GROUP AND COORDINATOR	3
B. MEMBER COUNTRIES OF THE WORKING GROUP ON NATIONAL ACCOUNTS	3
1. Country participation in the activities of the working group.....	4
2. Role of the coordinator of the Working Group on National Accounts.....	5
3. Relations with international organizations	6
C. RESULTS OF THE 2009-2011 PROGRAMME OF WORK	6
1. International coordination	6
2. Development of methodology and standards in basic statistics and national accounts	9
3. Regional harmonization	9
4. Human resources development.....	10
D. PROGRAMME OF WORK 2012-2013	10
1. Description of objectives.....	10
2. Principal activities and outputs for the period 2012-2013.....	11
E. CONCLUSIONS	12
F. RECOMMENDATIONS	13

INTRODUCTION

At its third meeting in Santiago in June 2005, the Statistical Conference of the Americas of ECLAC decided to set up working groups to examine various statistical-economic topics with a view to establishing lines of activity and outputs, expanding on the priorities identified in the biennial programme of regional and international cooperation activities and supporting its execution. One of these groups was the Working Group on National Accounts. In addition, the countries that would head the working groups were identified, and at the fifth meeting of the Executive Committee in November 2005 in Mexico City, the terms of reference for the groups were laid down.

At the fifth meeting of the Statistical Conference of the Americas of ECLAC in Bogota in August 2009, Peru was assigned the role of coordinator of the Working Group on National Accounts in the region. Its task was to continue coordinating activities that would contribute to the implementation of the System of National Accounts in the region.

As technical secretariat of the working group, ECLAC has aided the Latin American and Caribbean countries in understanding and implementing the System of National Accounts, endeavouring to significantly improve the quality, coverage and timeliness of information in the region.

The goal of the Working Group on National Accounts is to help promote the development of the System of National Accounts in the region and greater integration between the production of basic economic statistics, national accounts and users, as well as to contribute to the implementation of the System of National Accounts 2008 (SNA 2008) in the region, to promote greater integration between the production of basic economic statistics, national accounts and their use.

At the working group's first technical meeting in Santiago in December 2009, the proposals for the 2009-2011 programme of work were discussed and defined, as was the project for strengthening the system of producing national account statistics. The programme's activities include improving the production of basic economic statistics and facilitating the adoption and implementation of the Luxembourg Recommendations, the general objective of which is to facilitate the implementation and dissemination of international standards in national accounting and economic statistics in developing countries.

A. NAME OF THE WORKING GROUP AND COORDINATOR

- Working Group on National Accounts
- Coordinating country: Peru

B. MEMBER COUNTRIES OF THE WORKING GROUP ON NATIONAL ACCOUNTS

- Brazil: Brazilian Institute of Geography and Statistics (IBGE)
- Chile: National Institute of Statistics (INE)
- Colombia: National Administrative Department of Statistics (DANE)
- Cuba: National Statistical Office (ONE)

- France: National Institute of Statistics and Economic Studies (INSEE)
- Mexico: National Institute of Statistics and Geography (INEGI)
- Peru (coordinating country): National Institute of Statistics and Informatics (INEI)
- United States: United States Census Bureau

1. Country participation in the activities of the working group

The member countries of the working group were deeply committed to the group's activities, but participation from the other countries of Latin America and the Caribbean was patchy and they did not respond quickly to requests for information in the form of questionnaires on SNA implementation in the region and horizontal cooperation. Country attendance at meetings was not high, either.

Fifteen countries, or 42% of the total, responded to the survey on horizontal cooperation conducted by the working group among Latin American and Caribbean countries, the aim of which was to compile information on and assess specific needs relating to basic statistics and national accounts. The findings were presented at the 2010 Latin American and Caribbean Seminar on National Accounts: Regional Implementation of the System of National Accounts 2008, held in Lima from 9 to 12 November 2010.

The member countries of the working group participated in important events, including:

(a) Fifth meeting of the Statistical Conference of the Americas of ECLAC, Bogota, 10-13 August 2009

Representatives of the following States members of ECLAC participated in the meeting: Argentina, Bahamas, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, France, Italy, Japan, Mexico, Panama, Paraguay, Peru, Plurinational State of Bolivia, Republic of Korea, Spain and United States. The meeting was also attended by representatives of United Nations programmes and bodies, specialized agencies, other intergovernmental organizations and representatives of the ECLAC secretariat.

(b) 2009 Latin American and Caribbean Seminar on National Accounts, held in Montevideo at the headquarters of the Central Bank of Uruguay, 19-21 October 2009

Participating in the seminar were Statistics Netherlands, the National Institute of Statistics and Censuses (INDEC) of Argentina, the Department of Statistics of the Bahamas, INE of the Plurinational State of Bolivia, IBGE of Brazil, INE of Chile, DANE of Colombia, ONE of Cuba, INSEE of France, INEGI of Mexico, Office of the Comptroller-General of the Republic of Panama, INEI of Peru, the Planning Programme of Puerto Rico, the Central Bureau of Statistics of Trinidad and Tobago, INE of Uruguay, the central banks of the Bolivarian Republic of Venezuela, Costa Rica, Dominican Republic, El Salvador, Guatemala, Nicaragua, Paraguay and Uruguay, experts in national accounts, the Inter-American Development Bank (IDB), the Central American Monetary Council (CAMC), the Caribbean Regional Technical Assistance Centre (CARTAC), the International Monetary Fund (IMF), the United Nations Statistics Division and ECLAC.

(c) First technical meeting of the Working Group on National Accounts, Santiago, 10 December 2009

The participants were INEI of Peru, INEGI of Mexico, DANE of Colombia, the Central Bank of Chile, INE of Chile, an international consultant and ECLAC.

- (d) **Coordination meeting for the regional commissions and the Inter-Secretariat Working Group on National Accounts (ISWGNA), New York, 18 February 2010**
- (e) **Forty-first session of the United Nations Statistical Commission, New York, 23-26 February 2010**
- (f) **Ninth meeting of the Executive Committee of the Statistical Conference of the Americas of ECLAC, Santiago, 20-22 April 2010**

Meeting participants: Argentina, Bahamas, Bolivarian Republic of Venezuela, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Spain, Uruguay and United States, along with representatives of the United Nations Secretariat, United Nations funds and programmes, specialized agencies, other intergovernmental organizations and ECLAC.

- (g) **2010 Latin American and Caribbean Seminar on National Accounts: Regional Implementation of the System of National Accounts 2008, Lima, 9-12 November 2010**

Participating in the seminar were INDEC and Banco de la Nación of Argentina, INE of the Plurinational State of Bolivia, IBGE of Brazil, INE of Chile, DANE of Colombia, the National Institute of Statistics and Censuses (INEC) of Costa Rica, ONE of Cuba, INSEE of France, the Haitian Institute of Statistics and Information Sciences, INEGI of Mexico, Central Bureau of Statistics of Curaçao, INEI of Peru, the central banks of the Bolivarian Republic of Venezuela, Chile, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay and Uruguay, an IDB specialist, the Secretary-General of the Andean Community, the IMF Statistics Department, the United Nations Statistics Division and ECLAC.

- (h) **Forty-second session of the United Nations Statistical Commission, New York, 22-25 February 2011**
- (i) **Tenth meeting of the Executive Committee of the Statistical Conference of the Americas of ECLAC, Havana, 6-8 April 2011**

Participants: Argentina, Bahamas, Bolivarian Republic of Venezuela, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, France, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Spain, Suriname, United States and Uruguay, together with representatives of United Nations bodies, specialized agencies, other intergovernmental organizations and ECLAC.

2. Role of the coordinator of the Working Group on National Accounts

As the coordinating country of the Working Group on National Accounts, Peru, through INEI, was responsible for coordinating activities designed to contribute to implementation of the SNA 2008 in the region.

INEI made available two of its technical bureaux to provide ongoing support for the working group's activities: the National Bureau of National Accounts assumed responsibility for drafting technical documentation and the Technical Office of Planning, Budget and Technical Cooperation was responsible for coordinating international technical cooperation and organizing courses and seminars on economic statistics and national accounts.

INEI also made part of its infrastructure available, as well as 60% of one professional staff member's time and 25% each of two managers' time.

Member countries of the working group communicated and coordinated with non-members via e-mail, videoconference and teleconference.

3. Relations with international organizations

The Statistical Conference of the Americas of ECLAC, INE and INSEE of France, the World Bank, INEGI and ECLAC delivered a KANGARÉ course in Aguascalientes, Mexico, from 17 to 28 May 2010.

IMF and the ANDESTAD statistical cooperation project between the European Union and the Andean Community provide ongoing support to the countries through technical cooperation consultancies.

INE of Spain and INEI of Peru coordinated to support the preparation of quarterly national accounts.

As part of the strategy for promoting institution-building in the national statistics systems of the region by improving national accounts statistics, and in order to optimize the production of sustainable, high-quality statistics supporting economic and social policy-making, the project for strengthening the system for producing national accounts statistics was prepared and submitted to IDB for financing, but was not approved.

During the 2010 Latin American and Caribbean Seminar on National Accounts: Regional Implementation of the System of National Accounts 2008, representatives of the United Nations Statistics Division, IDB, IMF and ECLAC reaffirmed their commitment to provide technical support and methodological guidance where needed to adopt the SNA 2008 recommendations.

C. RESULTS OF THE 2009-2011 PROGRAMME OF WORK

1. International coordination

- The coordinator of the group and ECLAC sent a questionnaire to the Latin American and Caribbean countries, to update and expand the diagnostic studies on progress in SNA implementation. ECLAC developed the management platform for the questionnaire in the region.
- At its first technical meeting, the member countries of the working group approved the 2009-2011 programme of work and the project for strengthening the system of producing national account statistics.
- The coordinator was in constant contact with the Chairman of the Statistical Conference of the Americas of ECLAC and the members of the working group, providing information on all activities undertaken.

- The coordinator prepared a horizontal cooperation survey. In cooperation with ECLAC, this was sent to the Latin American and Caribbean countries, in order to compile information on and assess the specific needs of the member countries of the working group and the region with regard to horizontal cooperation, basic statistics and national accounts. The purpose was to create synergies between countries for the SNA implementation process. The findings were presented at the 2010 Latin American and Caribbean Seminar on National Accounts: Regional Implementation of the System of National Accounts 2008.¹

(a) Survey findings

- Only 42% of countries responded to the horizontal cooperation survey.
- The information submitted was incomplete, as countries did not answer the question on financing.
- Some countries have made great strides in terms of basic statistics, especially in the preparation and adaptation of classifications of area of activity of the International Standard Industrial Classification of All Economic Activities (ISIC) Rev. 4; with regard to administrative registers, some countries have gained experience in preparing the directory of establishments.
- Countries are at different stages in their implementation of the SNA; countries that are changing or have changed the base year have made the most progress. As a result, there is little reciprocity between the topics requested and those offered; for example, topic 55 (Quarterly national accounts: Price and volume measures) is requested by 10 countries, but offered by none.
- Synergies could be created among the countries of Latin America and the Caribbean for the SNA implementation process, given the progress made by some countries in basic statistics and national accounts.

(b) Recommendations of the survey

- The countries of Latin America and the Caribbean need to respond more fully to requests for information on their needs for horizontal cooperation, in order to compile information on and assess specific needs relating to basic statistics and national accounts, and set up mechanisms to facilitate the sharing of information between countries.
- The countries need to budget for possible technical assistance and internships on horizontal cooperation.
- The Working Group on National Accounts suggests that countries request funds from international organizations to support horizontal cooperation.
- The report on horizontal cooperation based on the survey findings will be made available on the ECLAC website and will be circulated to all Latin American and Caribbean countries.
- Countries that have made more progress in the preparation of both basic statistics and national accounts will be able to advise other countries in the region and the relevant subregion.

¹ See the results and the conclusions of the survey [online] http://www.eclac.cl/deype/noticias/noticias/2/41522/S8_GTCNCEA_cooperacion-horizontal.pdf.

(c) Products of the survey

Completion of the survey resulted in the following products:

- Database holding details of the horizontal cooperation form submitted by 15 Latin American and Caribbean countries.
- IT application to use and update the database relating to the horizontal cooperation survey, which could be updated by ECLAC.



The application, together with a username and password, will be sent to the representatives of the Latin American and Caribbean countries. They will be able to validate the information entered and keep it up-to-date.

(d) Principal conclusions and recommendations of the seminar

The participants:

- Reaffirmed that the programme for implementing the SNA 2008 and basic statistics, adopted by the United Nations Statistical Commission, was the inclusive framework within which its national and regional SNA 2008 implementation programmes should be formulated, highlighting the need for the necessary steps to be taken so that the region could contribute to and participate in improving and adapting the SNA.
- Agreed to ask the Statistical Conference of the Americas of ECLAC to undertake high-level awareness-raising and relationship-building activities to explain the use of national accounts to data providers, formulators of public policy, academics—including incorporation into economics degree courses—and other users.
- Agreed to suggest to the Statistical Conference of the Americas of ECLAC that it encourage countries to use the self-diagnosis tool to assess their current statistical capacity and to prepare a vision document containing a roadmap for implementation of the SNA 2008 and basic statistics.

- Welcomed the initiative of the United Nations Statistics Division to set up a website dedicated to monitoring and supporting the programme for implementing the SNA 2008 and basic statistics, in addition to basic knowledge of economic statistics and macro-economic standards, and agreed to supply technical material on countries' practices for inclusion in the database.
- Took note of the activities of the 2011 round of the International Comparison Programme and expressed concern over the feasibility of adhering to the proposed schedule, given the lack of planning and the tight deadlines, and, in some cases, the shortage of human and financial resources in the national coordination teams which have already drawn up their budgets for 2011.
- With regard to the three technical working groups (on goods for processing, the informal sector and financial intermediation services indirectly measured (FISIM)), agreed to take the following action:
 - (i) the findings of the three technical working groups would be reviewed by experts so that they could be published as working documents;
 - (ii) a summary of each document would be sent to the Statistical Conference of the Americas of ECLAC for its consideration; and
 - (iii) the outstanding survey questionnaires on FISIM and goods for processing would be completed and submitted by 31 January 2011.
- Agreed to suggest to the Statistical Conference of the Americas of ECLAC that it set up a working group on a common treatment minimum data set, including high frequency indicators, on basic statistics to support the preparation of national accounts and the monitoring of economic trends, and to support the creation of two new wiki platforms to share documents and information on the following subjects:
 - (i) basic economic statistics;
 - (ii) the 2011 round of the International Comparison Programme in Latin America and the Caribbean.

2. Development of methodology and standards in basic statistics and national accounts

INEGI put together an inventory of international statistical standards, which is currently being updated and maintained.

3. Regional harmonization

- A Wiki platform was developed, which is now being used by three technical working groups to share methodologies.
- At its first technical meeting, the Working Group on National Accounts agreed that the coordinator would foster the drafting of a report on experiences in the harmonization of basic statistics at the subregional level, with support from ECLAC. DANE would prepare the report of countries of the Andean Community; INEGI would provide support for that relating to Central America; IBGE would be in charge of the MERCOSUR report; and ECLAC would prepare the report for the Caribbean countries.

- At the 2010 Latin American and Caribbean Seminar on National Accounts: Regional Implementation of the System of National Accounts 2008, each technical working group coordinator proposed a methodology for the following issues: financial intermediation services indirectly measured (FISIM), goods for processing and the informal sector.
- The Working Group on National Accounts fully supports the 2011 round of the International Comparison Programme, a regional project for harmonizing prices and national accounts.

4. Human resources development

- The Working Group on National Accounts approved the project for an advanced course on national accounts, the proposal for which IDB had declined to provide financing.
- The coordinator drew up a list of courses and seminars on national accounts and economic statistics run in 2010. These were offered by various subregional, regional and international organizations, such as the Centre for Latin American Monetary Studies (CEMLA), the International and Ibero-American Foundation of Administration and Public Policies (FIIAPP), the Spanish Agency for International Development Cooperation (AECID), the Latin American and Caribbean Institute for Economic and Social Planning (ILPES), the Inter-American Statistical Institute (IASI), INE of Spain and IMF.² A list was also drawn up of courses to be run in 2011.³
- IMF and ECLAC ran an intermediate course on quarterly national accounts in Brasilia from 8 to 19 March 2010.

D. PROGRAMME OF WORK 2012-2013

1. Description of objectives

(a) General objective

The general objective is to contribute to the implementation of the System of National Accounts 2008 (SNA 2008) in the countries of the region and to promote greater integration between the production of economic statistics, national accounts and users.

(b) Specific objectives

The specific objectives of this regional plan are: international coordination, the development of methodologies and standards for basic statistics and national accounts, and regional harmonization, with a view to contributing to SNA implementation and incorporating the new methodological recommendations for 2008.

² See the complete list of courses [online] http://www.ECLAC.org/ceaECLAC/actividades/Inventario_cursos_CN-2010.pdf.

³ See the complete list of courses [online] http://www.ECLAC.org/ceaECLAC/actividades/Inventario_cursos_CN-2011.pdf.

(i) Specific objective 1: International coordination

Coordinate the efforts of the international organizations that are working on developing and implementing the SNA. Diagnostic studies and inventories will therefore be updated and expanded with a view to furthering the preparation of strategic plans for monitoring SNA implementation in the region.

(ii) Specific objective 2: Development of methodologies and standards for basic statistics and national accounts

Raise awareness of the methodologies and best practices used in national accounts estimates in the region and of recommendations, manuals, classifications, norms and international standards that are useful for implementing the SNA in the region.

(iii) Specific objective 3: Regional harmonization

Promote the harmonization of methodologies, classifications, cycles and coverage used in relation to national accounts and basic statistics in the region through workshops, seminars and forums.

2. Principal activities and outputs for the period 2012-2013

(a) International coordination

(i) Activities

- Update and expand regional diagnostic studies.
In charge: ECLAC and coordinator.
- Organize the 2012 Latin American and Caribbean Seminar on National Accounts.
In charge: ECLAC and coordinator.
- Prepare a regional horizontal cooperation programme on national accounts.
In charge: coordinator.
- Centralize the mapping of regional activities based on subregional mapping.
In charge: coordinator, ECLAC, DANE and INEGI.

(ii) Outputs

- Up-to-date diagnostic study for at least 80% of the countries of the region, covering:
 - Basic statistics and indicators
 - Progress in SNA implementation
 - Human resources
- 2012 Latin American and Caribbean Seminar on National Accounts.
- Regional horizontal cooperation programme.
- Mapping of national accounts activities in the region.

(b) Development of methodologies and standards for basic statistics and national accounts

(i) Activities

- Promote the development of a virtual library to hold national, subregional and international documentation.
In charge: coordinator.
- Create discussion forums and networks of experts on specific technical issues of interest in the region.
In charge: ECLAC.
- Make available to the countries a compendium of standards and best practices in economic statistics and national accounts.
In charge: ECLAC and coordinator.

(ii) Outputs

- Virtual library up and running.
- Discussion forums and operational networks of experts.

(c) Regional harmonization

(i) Activities

- Draft a report on recent experiences in harmonization of basic statistics at the subregional level.
In charge: coordinator and members of the working group.

(ii) Outputs

- Report on the experiences in harmonizing basic statistics at the regional level.

E. CONCLUSIONS

- Work will continue on the horizontal cooperation programme for the development of basic economic statistics and the preparation of national accounts, and an advanced course on national accounts (including seeking funding), to better synchronize the SNA 2008 implementation process.
- In 2009 and 2010, the members of the working group and the regional commissions organized seminars and talks to familiarize policymakers, experts and users of national accounts with the SNA 2008 and to provide an opportunity for them to discuss the implementation strategy.
- Awareness will be raised of the methodologies and best practices used in national accounts estimates in the region and the recommendations, manuals, international classifications, norms and international standards that are useful for implementing the SNA in the region.
- Briefing papers are available on the courses and seminars on national accounts and economic statistics planned by various subregional, regional and international organizations.

- Ongoing efforts will be made to coordinate the activities of the programmes of work of the countries of the region relating to national accounts and basic economic statistics. The aim is to take advantage of synergies in training, methodology experiences and IT processes implemented in the preparation of base and current years.

F. RECOMMENDATIONS

- The horizontal cooperation programme and appropriate strategies for the gradual implementation of the SNA 2008 must be devised according to each country's level of development in basic statistics and its progress in national accounts.
- Strengthen the system of basic economic statistics in a sustainable manner, given that this is one of the obstacles facing the region in the preparation of national accounts and the incorporation of the recommendations of the SNA 2008.
- Promote regional action in favour of greater integration between basic economic statistics, national accounts and users that contributes to the implementation of the SNA 2008 in the region.
- Prepare mechanisms to coordinate the programmes of work of subregional organizations and countries, in order to take advantage of synergies, and also to improve coordination between regional and subregional experts of the member countries of the working group.
- Promote the sharing of experiences, technical research and methodological proposals between institutes in charge of preparing national accounts and basic statistics.
- Central banks responsible for compiling national accounts, as well as other institutions responsible for this or for compiling economic statistics, must be formally invited to participate in full in the activities of the working group, the Statistical Conference of the Americas of ECLAC and the Executive Committee.
- Active participation and close collaboration between national statistical offices and the central banks (especially when responsibilities for compiling economic statistics and preparing national accounts are shared between the two) are needed for SNA 2008 implementation in the region.