
Implementing 2008 SNA in Practice: The Jamaica Experience

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Outline of Presentation

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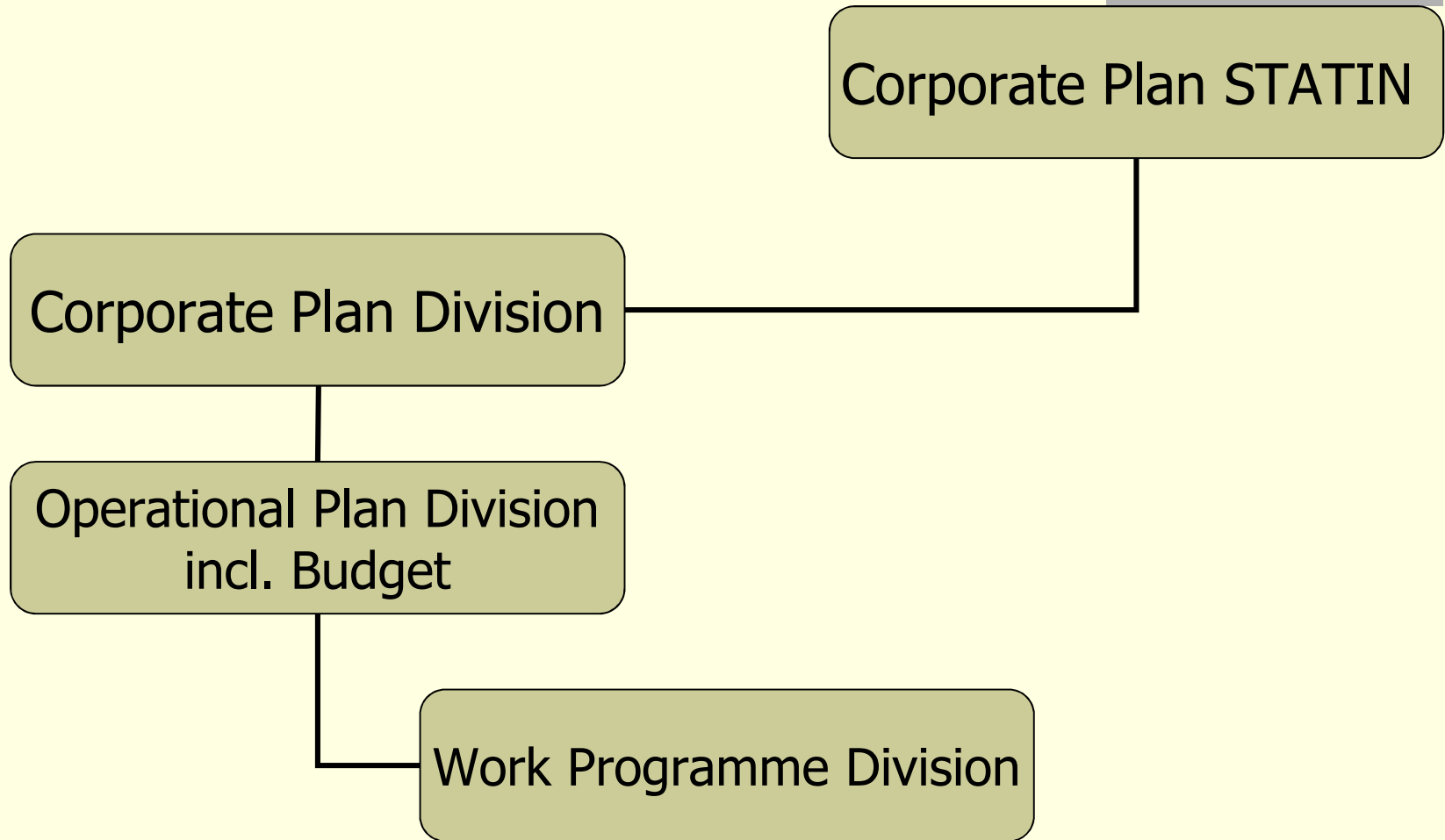
Introduction

- Statistical Institute of Jamaica (STATIN) is committed to implement the SNA 2008 up to milestone 2 by 2016.
- This is reflected in the three year Corporate Plan of the Statistical Institute of Jamaica and is therefore included in the organization's budget
- The Corporate Plan shows the activities for fiscal years:
 - 2014/2015
 - 2015/2016
 - 2016/2017

Introduction cont'd

- The Corporate Plan of the Economic Accounting Division shows the areas of responsibility of the Division
- The Operational Plan of the Division reflects the activities related to year one of the Corporate Plan, i.e. fiscal year 2014/2015
- The Division's Work Programme reflects activities for calendar year 2014 and is guided by the Operational Plan 2014/2015

Introduction cont'd



Introduction cont'd

The first phase is scheduled for completion in 2016 and will cover:

- Milestone 2 of the 2008 implementation
 - Milestone 1 - GDP by Industry and Expenditure in current and constant
 - Milestone 2 - GNI from Total Economy and Balance of Payments

Current status of National Accounts

- Annual national accounts estimates prepared using the production, income and expenditure approaches
- Quarterly national accounts estimates prepared using the production approach
- Estimated at current and constant prices

Current status of National Accounts

- Consolidated Accounts of the nation
 - GDP by expenditure and income
 - Generation and use of disposable income
 - Capital account
 - Rest of the world account
 - GDP by expenditure at constant prices
- Value added by industry
- Supply and Use Table
- Input Output Table
- Tourism Satellite Account

Current status of National Accounts cont'd

- Currently not included
 - Institutional sector accounts
 - Financial account
 - Other changes in assets account
 - Balance Sheet

Requirements for Implementation

- A Statement of Strategy was developed which focused on the following areas:
 - Regulatory & Institutional Framework
 - Statistical Infrastructure requirements
 - Statistical Operations that will be required for implementation

Implementation Strategy for SNA 2008

Regulatory & Institutional Framework

- Jamaica has a decentralised statistics system
- No coordination at the national level and no common standards throughout the system
- The **Statistics Act** presently governs the operations of STATIN – not the entire statistics system

Implementation Strategy for SNA 2008

Regulatory & Institutional Framework

- Statistics Act is being amended to incorporate the establishment of a National Statistics System (NSS) & Statistical Commission
- In short term however, STATIN is pursuing improvement in the coordination among data producers, providers and users through advisory committees, memorandums of understanding, service level agreements, etc. with stakeholders

Implementation Strategy for SNA 2008

Regulatory & Institutional Framework

- STATIN recently signed MOU with Passport Immigration and Citizenship Agency (PICA) and will shortly be signing with the Central Bank and the Tax Administration Jamaica

Implementation Strategy for SNA 2008

Statistical Infrastructure requirements

SNA 2008 requires that the national accounts convert to the ISIC Rev 4

- Ensure that common concepts and definitions are used across the agencies.
- Review of Business Register – ensure that the business register is comprehensive
- Use common sample design in the establishment surveys
- Other supporting statistics e.g. PVI, PPI, Trade indices

Implementation Strategy for SNA 2008

Organization Statistical Operation

Ensure that the national accounts is SNA 2008 Compliant.

- This will involve changes in compilation of some estimates mainly in Finance & Insurance Services
- Improvement in the estimation of Government to include imputation of pensions
- Provision of additional accounts such as the institutional accounts
- Introduction of quarterly GDP by expenditure

Implementation Strategy for SNA 2008

Organization Statistical Operation

Improvements needed

- Expansion of PPI to Services industries (currently produce Mining and Manufacture PPI)
- Development of Production Volume Index
- Rebasing of CPI
- Revision of the classification systems
 - Adaptation of ISIC Rev 4 to the JIC
 - Classify government consumption by Classification of Functions of Government (COFOG)

Implementation Strategy for SNA 2008

Organization Statistical Operation

Improvements needed (cont'd)

- Trade unit value indices
- Revision of annual national Income questionnaires
- Respondent fatigue affecting business surveys
- Improvement in the estimation of capital stock and consumption of fixed capital, including government

Status of implementation

Internal working groups have been established and work is ongoing:

- to revise the Jamaica Industrial Classification (JIC) based on the ISIC revision 4
 - a first draft of the JIC has been completed and is being reviewed
 - currently being used however subject to change with any amendments from the review team
- to revise the SITC end use classification to the National Accounts end use classification using

Status of implementation cont'd

the Classification by Broad Economic Category (BEC) – United Nations

- Meetings were held with major research institutions to determine type of research and development (R&D) activities and how they are undertaken

Status of implementation cont'd

Ongoing work on the SUT 2011 which will be one of the major tools through which the 2008 SNA will be implemented

- the SUT table will provide the benchmark estimates for 2011 for all product groups
- detailed break out of intermediate consumption by use

Status of implementation cont'd

- Ongoing work on the SUT 2011 cont'd
 - incorporate data required for the System of Environmental Accounting (SEEA)
 - provide detailed break out required for the Tourism Satellite Account (TSA)
 - Plans are in place to conduct a business census to improve the business register.

Status of implementation cont'd

- Quarterly GDP by Expenditure
 - Agreement has been finalized with the Central Bank to fund programme for 3 years
 - Developmental work started in May 2014

Status of implementation cont'd

- Developmental work has started on the Production Volume Index (PVI)
- Developmental work has started on the Agriculture Producer Price Index
- Discussion has started with the Central Bank with the aim of identifying a reference rate to be used in the calculation of FISIM

Next Steps

- Continue to participate in internal working groups to revise the JIC and the SITC end use classification
- A final JIC structure and conversion tables is scheduled for completion in Quarter 3, 2014

Next Steps cont'd

- Continue work on the SUT 2011
 - Input structure to be completed by September 2014
 - Balancing is scheduled to start in October 2014 and end December 2015
 - Benchmark estimates for 2011 included in 2015 Annual Report to be released in July 2016

Next Steps cont'd

- Continue work on the compilation of Quarterly GDP by expenditure
 - series from Q1-2007 to Q3-2015 scheduled for release to major stakeholders in December 2015
 - series from Q1-2007 to Q1-2016 scheduled for public release in June 2016
- Start preparation of Government Institutional Accounts in September 2014

Next Steps cont'd

- Allocate that part of FISIM apportioned to intermediate consumption to user industries and finalize reference rate
- Improvement in the estimation of capital stock and consumption of fixed capital, including government
- Continue work on PPI and PVI
- Revise annual national income questionnaires to be in line with 2008 SNA by October 2014

Next Steps cont'd

Exhaustive measure of GDP

- Informal sector survey scheduled to start in September 2014
 - Agreement with Inter-American Dev't Bank
 - One of the outcomes is to identify informality by industry
 - We already capture part of the informal sector in some estimates however there is a need to allocate between formal and informal by industries.

Next Steps cont'd

Exhaustive measure of GDP cont'd

- Household Expenditure Survey to be undertaken in 2016
 - developmental work is ongoing as it relates to item selection, sample design, questionnaire design
 - process will be enhanced by use of eDaCS which will reduce data processing time

Challenges

- Break out of income and expenditure for activities of subsidiaries that are included in enterprise consolidated financial statements
- Large volume of work due to all programs running concurrently coupled with human resource constraints
- Need to source funding from local and multinational partners for field work aspect of the HES
- Household Expenditure Survey (HES). Data from the 2016 HES will not be available for 2008 SNA implementation



■ THANK YOU