

ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

Committee on Statistics

First session
4-6 February 2009
Bangkok

**ASEAN regional cooperation on the enhancement of
the implementation of SNA 1993**

Corrigendum

The dates of the session *should read* as above.

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First session
15-17 December 2008
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**ASEAN regional cooperation on the enhancement of
the implementation of SNA 1993¹**

A Kick off Programme on SNA

1. ASEAN Heads of Statistical Offices Meeting (AHSOM 8) held in Cambodia in late 2007 agreed to establish an ASEAN SNA Forum to expedite the implementation of SNA framework, a recommendation by an inception workshop on SNA held in Bangkok in October 2007. AHSOM 8 also agreed on the workshop's other recommendations to initiate a catch up programme on SNA, set up a minimum standard/common target, and develop an ASEAN-help-ASEAN (AHA) mechanism on SNA. The workshop was funded by the IMF and the ASEAN-US Facility (USAID), with technical support from the IMF.

2. As a follow up, a study was initiated, as part of the kick off programme on regional cooperation on enhancement of the implementation of the SNA framework, endorsed by AHSOM 8 in 2007. The programme, funded by the ASEAN-US Facility, also involved a workshop on SNA. The study, carried out by Dr. Viet Vu, was meant to assess issues and status of the SNA implementation in AMS', to recommend a common target on SNA, a mechanism of the ASEAN SNA Forum and an AHA mechanism. The results and recommendations of the study were then discussed at the second workshop on SNA, held in October 2008 in Manila. The IMF dispatched its expert to the workshop. Also attended were representatives from the UNSIAP, ADB, and the Australian Bureau of Statistics (ABS). The ASEAN-US Facility funded the workshop and the participation of some AMS'; while the remainders participated at their country own cost.

¹ This document was contributed by Mr. Agus Sutanto, Head of the Statistics Unit, ASEAN Secretariat. It has been reproduced without formal editing. The views expressed are those of the authors and do not necessarily reflect the views of the United Nations.

Highlights of the Second SNA Workshop

3. Country presentation confirmed the differences in capacity and level of implementation of the SNA. A few countries has not finished milestone 1B, some have reached some aspects of milestones 3 and 4, and others are at milestones 2. The macroeconomic indicators produced by AMS varies, as some can only provide annual GDP by sector, some others have been able to provide annual GDP by sectors and expenditure categories, and some have been able to produce quarterly GDP and some other key macroeconomic indicators. Indicators on gross national savings, capital stocks, government finance accounts, and integrated accounts are among the least compiled.

4. Countries' implementation was driven more by demand rather than strictly governed by the SNA framework. This was apparent, for example, from the fact that many countries have compiled input-output (I-O) table but have not produced a supply and use table (SUT). One country has even compiled a Financial Social Accounting Matrix (FSAM), which presents inter-relations of the financial sectors and the real sectors and shows the distribution income across different economic actors; but has not compiled SUT as the basis. SUT is a basic requirement for ensuring consistency of data across different data sources and across economic agents, and hence consistency and quality of national accounts. Constructing SUT is naturally very tedious and resource demanding; and I-O table is even more sophisticated but is more appealing to users since it enables a structural and other economic analysis. I-O table, however, cannot replace the basic function of SUT in ensuring consistency since it has undergone extensive adjustments and do not reflect the actual data consistency relationships.

5. The above situation may reflect the inadequacy of the advocacy of the importance of SUT as a basic requirement for consistency of the national accounts. The fact that many aspects of SNA 1993 Framework have not been able to be compiled despite more than a decade of its implementation, may also indicate the inadequacy of advocacy and technical support. Recently, with more intense efforts from the concerned international bodies to communicate the SNA update framework (and ISIC), AMS' have taken greater part in the regional efforts to enhance the implementation of SNA (and ISIC).

6. A breakout session, set up to discuss objectives of regional cooperation on SNA, common targets, key elements of the SNA implementation, measures, as well as mechanism for the ASEAN-help-ASEAN programme and the Catch-up Programme, has come up with important decisions and recommendations. An overall objective and common target were formulated and adopted. The workshop agreed to recommend that ASEAN should have two sets of targets, one for Brunei Darussalam, Cambodia, Lao PDR and Myanmar (BCLM) and the other for the rests of AMS'. The workshop was also of the view that BCLM should get a special assistance, and that the issue on SNA and economic statistics development be elevated to a higher level of body, such as a Ministerial level.

7. The workshop discussed Drafts Terms of Reference of the ASEAN Advisory Group on SNA (AAGSNA) and Terms of reference of the SNA Compiler Group, and Work Programme for 2009, and agreed to provide their final comments and agreement by end of November 2008. The AAGSNA and the Compiler Group make up the ASEAN SNA Forum. Both the AAGSNA and Compiler Group shall carry out their activities through electronic discussion and roundtable discussion.

8. AAGSNA is envisioned as composing of experts in the field of SNA, including Balance of Payments, Government Finance Accounts, national accounts, and its satellite accounts. Members of AAGSNA are not limited to AMS'; in fact, involvement of individual experts and experts from international organizations and dialogue partner countries is very much encouraged. It is not required that all AMS' are represented because what matters is the individual capacity as an expert. Such memberships are important since the primary role of the AAGSNA is to serve as a think tank, to provide guidance, solution, recommendation, and help moderate the discussion in the Compiler Group. The workshop in particular agreed that although the issues to be discussed by the AAGSNA may range from the various issues on SNA to those on basic economic statistics, the AAGSNA should be restricted only to include SNA experts, not to loose its focus.

9. Concerning the SNA Forum, the workshop, in principle, agreed to have a regular meeting on SNA. The Compiler Forum is the instrument of the regional cooperation to implement the recommendation, study, and other measures recommended by the AAGSNA. The Compiler Forum Group comprised of SNA compilers, from all AMS'. Both AAGSNA and Compiler Forum shall carry out their activities through electronic discussion as well as roundtable discussion.

Conclusion and Recommendation

10. The need to have a regional cooperation on SNA is apparently supported by all participants and international organisations. It was also obvious that AMS' need to have a forum to discuss technical aspects of the SNA and its implementation problems. There is a common interest to address capacity building and lack of financial resources in order to enhance the implementation of SNA. There was a general agreement that a regular meeting/forum is important. Some countries are likely to commit own resources to carry out a regular meeting on SNA, but some others would still need facilitation.

11. The momentum is perfect because currently, the concerned international organizations are advocating for the promotion of the implementation of SNA and for closer partnership with regional bodies, in line with the 2008 Luxembourg Recommendations. With the ASEAN and other regional bodies are promoting the implementation of SNA, there should be a mechanism whereby concerned international organizations provide greater facilitation through the existing regional initiatives, in terms of technical support, greater access to new methodologies, international standards and recommendations, and through their involvement in the Regional Bodies' Advisory Group.

12. With the dependency of SNA implementation on the availability of basic economic data, countries need to develop a strategic planning on SNA and ensure that SNA implementation strategy be incorporated in the country national strategy for development of statistics.

Related Programme

13. A three-year programme under the EU-ASEAN Statistical Capacity Building Programme will soon commence in early 2009. Although the programme is focusing on international merchandise trade statistics (IMTS), statistics on international trade in services (SITS) and FDI statistics, funding is available for some activities on the health, education, and non-observed economy statistics, and to a limited degree for other non-priority statistics. With SNA has becoming an important priority, possibilities are open for some allowance to facilitate regional activities on SNA. It is very likely that AHSOM will advocate for such facilitation. It is also very likely that AHSOM 9 will endorse the recommendation by the Second Workshop on SNA, hence providing a basis for further implementation of the ASEAN SNA programme.

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