Template for a national statement of strategy for the development of a programme for the implementation of the 2008 SNA and supporting statistics

1. A key principle in mobilizing political and financial support for investment in statistics is developing strategic planning frameworks which could be used to connect national development objectives with a programme of work for statistical capacity-building. Strategic planning can be used for identifying the current strengths and weaknesses of statistical capacity to produce key economic indicators and basic source data, and in consulting users. This approach could also lay out a schedule of tasks to mitigate weaknesses.

2. Countries are encouraged to develop their implementation programmes for the 2008 SNA and supporting statistics within the framework of national strategies for the development of statistics (NSDS). A statement of strategy, taking into account the national and regional policy needs, is an important step to establish a road map for developing the required scope, detail and quality of national accounts needed for assessing economic progress. For this purpose it is proposed that countries establish a statement of strategy for the implementation of the 2008 SNA and supporting statistics at the national level and incorporate this statement of strategy in the review of their NSDS. The statement of strategy should aim to establish the set of actions to accomplish statistical and institutional goals for the sustainable improvement of the economic statistics programmes, while ensuring adherence to best practices in official statistics.

3. In developing the statement of strategy, consultations are needed, preferably in a national seminar, with all stakeholders, policy planners and other users including academia and the business community. Such a discussion is expected to help the national statistical office to prioritize the problem areas and ultimately write a plan for the improvement of the supporting statistics with a view to compile national accounts within the framework of the 2008 SNA.

4. The basic elements of a statement of strategy include a mandate, a mission statement, values, high level goals, specific goals and required activities. Table 1 provides an outline of a statement of strategy. For the purpose of an implementation programme for the 2008 SNA and supporting statistics, a statement of strategy could, for example, be: *The development of an economic statistics programme for compiling national accounts with the required scope and detail to meet data needs of policy makers in a global socio-economic environment.* The statement of strategy represents the overall objective for the successful implementation of the 2008 SNA to enable the evaluation of economic performance and the national and regional economic policy objectives.

5. The *mandate* for the statement of strategy is determined by national and regional policy objectives and underpinned by the regulatory and institutional framework through a statistical act and international statistical standards and classifications such as the United Nations Fundamental Principles of Official Statistics, 2008 SNA, BPM6, GFSM, ISIC Rev. 4, etc.

6. The *mission statement* describes the purpose, users, outputs, markets, philosophy and basic technology used to realize the strategy. In other words, what needs to be accomplished, for example*, The efficient and timely dissemination of high quality national accounts and supporting statistics.*

7.   The set of *values* needs to reflect the values and principles portrayed by the UN Fundamental Principles of Official Statistics to produce useful high-quality data that will have the confidence of users of statistics. Values include, for example, statistical professionalism, independence and integrity, excellent service to customers, respect and understanding for data suppliers, value for money, etc.

8.   ***High-level goals*** represent the overall accomplishments to be achieved. These goals aim to address important issues, which are identified. The goals should be creative and forward-looking by being specific, measurable, attainable, relevant and time-bound. High-level goals could include improvement in the scope, quality and timeliness of economic statistics, minimizing the burden on respondents, increasing the use of administrative data for statistical purposes, achieving greater efficiencies using best practices, raising public awareness and use of national accounts, etc.

9.   The ***specific goals*** describe the ultimate results that need to be accomplished for fulfilling the vision described in the statement of strategy. The specific goals for the 2008 SNA implementation programme could be: *To compile national accounts according to milestone two of the SNA implementation, comprising the minimum required data set and to develop a national central data hub for short term economic statistics to facilitate the early detection of changes in economic activity as reflected by the national accounts*.

10.   The ***required actions*** to be carried out are determined by mapping the results from an assessment of the adequacy of the national statistical production process of the national statistical system to support the implementation of the 2008 SNA and the source data needed to compile the national accounts statistics required to inform policy makers in accordance with the international statistical standards. These activities can be grouped in three categories:

    (a)   **Regulatory and institutional framework** – strengthening the functioning of NSS, its programming, management and performance,

    (b)   **Statistical infrastructure** – strengthening of use of standards (2008 SNA), classifications (ISIC Rev. 4), improving and maintaining scope and coverage of registers and frames, modernizing information management and information technology, and

    (c)   **Statistical operations** – strengthening of data collection, compilation, analysis and dissemination.

11.   The following paragraphs describe examples of the specific required actions that typically need to be carried out under each category.

A. Regulatory and institutional framework

- Modernisation and strengthening of the national regulatory and institutional framework for 2008 SNA and supporting statistics.

- Statement of strategy (by XXXX) with deliverables by XXXX
    - First draft of the statement of strategy to be prepared by XXX XXXX and the final draft by XX XXXX. Formulation of the implementation plan based on the statement of strategy and the implementation of the plan and change over to 2008 SNA by XX XXXX in xxx stages.

- Implementation plan reflected in the annual and medium-term work programme of NSO (by XX XXXX)
    - With a view to meet the time line set for the change over to 2008 SNA, components of the implementation plan should be included in the annual and medium-term work programme of the NSO.

- National technical coordination board/working group for statistical standards (data producers, data providers, policy users, academia)
    - To guide the process of changing over to the 2008 SNA in a transparent manner, it would be advisable to establish an Advisory Committee/coordination Board comprising representatives of all stakeholders of the statistical system namely, the data producers, data providers, policy users and academia/researchers.
    - To deal with the treatment of specific technical issues it would be useful to establish a working group comprising technical experts on the issues.

- Updated and new Memoranda of Understanding (MOUs) with data providers
    - Source data required for the compilation of national accounts are supplied by several agencies. From a practical standpoint, formally agreed mechanisms should be put in place to ensure that data are delivered at agreed periodicity and timeliness to meet the timetable for production of regular statistical outputs. However, at a broader level, also the quality of the data being supplied should be addressed. Agreeing to a MOU with each supplying organization is a good mechanism for managing data flows.
    - MOU is a legal document that outlines the terms and details of an agreement between agencies, including each party's requirements and responsibilities. An important benefit of these Memoranda of Understanding is early warning of changes to administrative procedures or statistical processes that could affect the quality of data used for the production of statistics. These agreements make cooperation with supplier organizations more predictable by consolidating all information about all decisions and processes in one document. The MOU can deal with the following issues:
        - Conditions for the supply of administrative data;
        - Timetable for the supply of data;
        - Confidentiality, integrity and security of data;
        - Consultation about new uses of administrative data;
        - Resolution of disputes;
        - Consultation before making changes that will affect the variables supplied;

- - Understanding statistical needs before making changes; and
  - Consultation before changing administrative forms.
- Senior management and statistical training – human development
  - Senior managers need to mobilize agency-wide support for the new and high-priority task of integration and ensuring contributions of the stakeholders. As part of building a strong system of management culture of values, norms and shared beliefs, senior management should manage labour relations, human resources, issues of recruitment of professionals, provision of training to all classes of staff, development of training material and a range of related issues.
  - The development of an understanding of the importance of statistical integration should be built into all relevant training activities. Staff responsible for compiling national accounts will need a sound understanding of issues regarding classifications, population coverage, and business registers that affect their ability to integrate statistics from different sources. Staff responsible for the operation of statistical surveys will need an understanding of how their data are used in the compilation of national accounts. Training courses should provide an understanding of how data issues affect the use of statistical outputs in the national accounts.
- Other as relevant – Establishing common vision with the Central Bank
  - Establishing a common vision with the national central bank on the respective roles of the NSO and central bank in the production of economic statistics may be helpful to address the financial resource issues for the implementation of the national accounts and supporting statistics.
  - National Statistical Office and the Central Bank should collectively make the case to Ministry of Finance/Treasury based on a common strategic approach.

B. Statistical infrastructure

The upgrading of statistical infrastructure

- 2008 SNA compliant
  - National statistical system should support basic data on all economic activities undertaken in the economy for exhaustive coverage of their contribution to the economy. Requisite quantity and price statistics should be available for valuation and recording of transactions in accordance with the 2008 SNA recommendation.
- Scope of 2008 SNA – minimum up to net lending/net borrowing for all institutional sectors
  - Minimum aspiration of the national statistical system should cover compilation of minimum required data sets as endorsed by the United Nations Statistical Commission (see Table 2 of the ISWGNA report to the 42nd session of the of the United Nations Statistical Commission, available at http://unstats.un.org/unsd/statcom/doc11/2011-6-NationalAccounts-E.pdf

- Scope of BPM6 – BOP and IIP

  - Scope and detail of the compilation of the balance of payment statistics should be in accordance with BPM6 of the IMF.

- Scope of GFSM 2001

  - Scope and detail of the compilation of the governance finance statistics should be in accordance with GFSM 2001 of the IMF

- Classification compliant – ISIC Rev 4 and CPC2

  - Classifications of the economic activities (ISIC Rev 4) and products (CPC 2) are the statistical infrastructure which is required to be implemented for collection, compilation and dissemination of economic statistics on an internationally comparable basis. Countries may have developed their own national classifications of economic activities and products to accommodate their national requirements but care should be taken to ensure that these are compatible with the international ones at three and higher digits.

- Harmonization of business registers.

  - The establishment of a comprehensive and up-to-date business register is essential for the full co-ordination of source data that use the same basic information about business units. Countries with a high proportion of small and micro enterprises complement the business register with non-overlapping area frames based on agricultural, economic and population censuses. The central frame, consisting of a business register and, where applicable, in combination with area frames, represents the backbone of the collection processes of source data that interface with businesses through direct profiling, surveys, feedbacks and use of administrative records.

  - Common universe for sampling and consistent classification of businesses promote consistency on collected data across surveys. As a result of a single business register, accuracy, consistency, and timeliness in producing statistics can be improved and the response burden reduced.

  - Unified business register is an effective way to ensure that units are selected and classified consistently across all statistical outputs.

  - For decentralized systems with multiple business registers, the objective should be the reconciliation of key differences in classification and the identification of gaps and overlaps across the various registers. Through such reconciliation, decentralized systems may be able to achieve many of the benefits of a single business register. In addition, since some business registers are based on comprehensive, but relatively dated census data, while others are based on more timely, but less comprehensive business register and tax data, reconciliation can improve the accuracy of both registers.

- Modernization of information management and information technology
  - For efficient functioning of the statistical production process use of modern information and communication technology (ICT) is required. The development of information technology resources requires long-term management support and commitment for change. It includes developing an ICT infrastructure and ICT strategies for the statistical system that becomes part of the integrated statistical production process.
- Others as relevant

Statistical compilation issues
- Periodicity
  - Quarterly GDP by production and expenditure
    - Quarterly GDP by production and expenditure approaches should be compiled both at current and constant prices with a time lag of one quarter.
  - Annual sector accounts
    - Sequence of accounts until net lending/borrowing for all institutional sectors should be compiled annually with a time lag of less than 12 months.
  - Annual SUT
  - Agreed set of minimum short-term statistics
    - The United Nations Statistical Commission at its 42nd session considered an international programme of work on short-term economic statistics as part of a coordinated statistical response to the economic and financial crisis. The Commission encouraged countries on a voluntary basis to initiate the creation of national central data hubs with a single access point in their national statistical system to enhance the accessibility of the nationally available short-term statistics and indicators based on a system-wide needs assessment.
    - Countries starting a programme of compilation of short-term indicators to meet their national requirements should align the selection of such indicators and its scope and coverage to the internationally agreed data template of short-term indicators available at http://unstats.un.org/unsd/nationalaccount/workshops/2010/moscow/AC223-S51Bk1.PDF
- Compiling chain volume measures
  - Constant price national accounts statistics based on a base year too distant in the past do not realistically depict the structural decomposition of the economy. The 2008 SNA recommends compiling the chain volume measures for this purpose. The more frequently weights are updated the more representative will the resulting price or volume series be. Annual chain volume measures result from compiling annual indices over two consecutive years each with updated weights.

C. Statistical operations

Staged upgrading of statistical operations

- 2008 SNA/BPM6/GFSM/MFSM and ISIC/CPC compliance adjustments to business and household surveys

    - The design and the content of the survey questionnaires need to be reviewed with a view to collect data in compliance with the concepts and definitions of new macro economic accounting standards and classifications.

- New benchmark year XXXX using SUT

    - Compilation of the supply-use table (SUT) besides being analytically useful for policy planning purposes also provides a powerful tool for validating the source data in a consistent manner. It would be useful if countries in the sub-region harmonise the benchmarking of their national accounts statistics using the supply-use framework.

- Harmonisation of quarterly and annual GDP.

    - Detailing sources and methods –metadata

        - Metadata are data that describe statistical data. Statistical metadata describe processes that collect, process and produce statistical data and indicate the data sources and tools that are instrumental in statistical production like statistical standards and classifications, business registers and frames, statistical methods, procedures and software. Due to the range of internal and external users, the metadata should include elements of management of quality related to the institutional environment, system, statistical production process and statistical outputs.

        - Metadata provide a mechanism for comparing national practices in the compilation of statistics. This may help and encourage countries to implement international standards and to adopt best practices in the compilation of particular statistics.

    - Autonomous measure of expenditure components

        - It is desirable to compile the estimates of the expenditure components of the GDP independently using survey and/or administrative data sources rather than deriving them residually.

    - Owner-occupied dwelling services (including second/vacation homes)

        - The production of housing services for their own final consumption by owner occupiers is included within the production boundary in national accounts; therefore it should be accounted for. Output of the housing services produced by owner occupiers is valued at the estimated rental that a tenant would pay for the same accommodation, taking into account factors such as location, neighbourhood amenities, etc. as well as the size and quality of the dwelling itself

- Capital stock and consumption of fixed capital, including government fixed capital

    - Estimates of capital stock is one of the key macro-economic aggregates required for informed policy use in terms of productivity analysis and for compiling the balance sheets. For compilation of the capital stock estimates basic data required are - the time series on investments, assets life (by type of assets) and the depreciation and retirement patterns of the assets in the economy.

- Inclusion of off-shore companies without physical presence

- Exhaustive measure of GDP

    - The first priority of countries should be to account for the contribution of all economic activities within the 2008 SNA production boundary to the GDP.

- Monthly and quarterly production and turnover surveys

    - For compilation of short-term indicators infra-annual inquiry (normally quarterly or monthly) are required to be conducted besides using data from administrative sources.

- Integration of BPM6 and 2008 SNA-related surveys

    - Some countries conduct separate surveys for collecting requisite data for compilation of the national accounts statistics and the balance of payments statistics. Given that the domains of statistical units are the same for both surveys, efficiency gains can be achieved by integrating these surveys.

- Backcasting

    - Revisions in the data may be affected either on account of (*a*) revisions arising from "normal" statistical procedures (for instance, availability of new information, change in the methodology, change in data source, change of base year); and (*b*) revisions in the form of the correction of errors that may occur in source data or in processing. Good practice demands that revisions should be carried back several years to yield consistent time series. Also, details of revisions should be documented and made available to users. The basic documentation should include identification in the statistical publications of data that are preliminary (or provisional) and revised data, identification of the sources of the revisions, and explanations of breaks in series when consistent series cannot be constructed.

- Harmonisation of prices methodology and surveys (CPI, PPI Export and Import Price Indexes)

- Harmonisation of household (and enterprise) surveys

    - Conducting a separate survey for each economic activity is very resource intensive. With a view to optimize resources and to minimise the response burden it would be desirable to integrate these surveys. For the integrated surveys the sample size should be sufficient enough to yield statistically efficient estimates of all characteristics under study.

- Harmonisation of labour force surveys

    - Household-based surveys that include a labour force component, generically called labour force surveys (LFS), are one of the most important and widespread statistical inquiries conducted in countries on a regular basis. The principal, and original, aim of LFS is to identify and measure the size and characteristics of the labour force, particularly employment and unemployment. Over time, the use and purposes of LFS have widened to incorporate more topics and to capture greater details about the labour force.

    - Countries in the regions stands to gain if the questionnaire design including the content, validation procedures of data collected and the software used for compilation of data are harmonized across countries.

- Harmonisation of informal sector surveys

    - Practices for collecting data on informal sector and informal employment varies between countries depending upon the development of its statistical system varying from a separate dedicated survey on the topic to using a module in the LFS. Given the principal aim of LFS and the conceptual coherence of informal sector and informal employment with the labour force framework, incorporating their measurement through LFS is a cost-effective strategy to improve the availability of data on these topics. There are, of course, several issues in terms of questionnaire design, including content, timing and placement of questions that need to be considered to ensure proper measurement of these topics.

- Services statistics (e.g. tourism statistics, international trade in services)

    - Transition of many economies from commodity production to the services production makes it imperative to capture exhaustively all services within the production boundary of the 2008 SNA including the international trade in services.

- Experimental institutional sector accounts

    - Attempts should be made to compile the sequence of institutional sector accounts based on the available information on a trial basis. This exercise would broadly be helpful in two ways: (i) it will help to identify the additional data required for the compilation on a more comprehensive basis, and (ii) it will help to understand the possible treatment of the conceptual issues.

- Dissemination (advance release calendar, revision policy, communication strategy)

    - The fact that statistics compiled by national statistical offices are collective goods implies that no users are privileged and that every citizen can have access to statistical data under equal terms. To ensure the dissemination of statistics to all users at the same time, the national statistical offices should develop and announce the issuance of an advance release calendar. The advance release calendar should be given sufficient publicity and should also be posted on the national statistical office website in the beginning of each year.

    - The revision of data released earlier is an essential part of country practices in respect of the compilation of statistics. Revision of estimates is an unavoidable

statistical activity in all countries, developed and developing. The production of revisions is a consequence of the trade-off between the timeliness of published data and their reliability, accuracy and comprehensiveness. The revisions affect both annual and infra-annual statistics but they are more significant for infra-annual data. There is a need for good practices with regard to data revisions to be followed by countries, as this will not only help the national users of the data but also promote international consistency.

- Data dissemination consists of distribution or transmission of statistical data to policymakers, the business community and other users. It is one of the most important activities of the national statistical office. Statistical authorities collect data using the legal authority derived from national statistical acts and regulations, which require that the data provided by the respondents be kept confidential. The dissemination strategy of the national statistical office should obviously meet the requirements of the legal/administrative regulations.

- Others as relevant

Table 1. Outline of a statement of strategy

<table>
<tr><td colspan="3" align="center">**Mandate**</td></tr>
<tr><td align="center">**Policy needs**</td><td align="center">**Legal Mandate**</td><td align="center">**International Standards**</td></tr>
<tr><td>Regional and national policy objectives</td><td>Statistics Act</td><td>UN Fundamental Principles of Official Statistics; Data Quality Assessment Framework (DQAF); 2008 SNA, BMP6, GFSM, ISIC Rev.4</td></tr>
</table>

<table>
<tr><td align="center">**Mission statement**</td></tr>
<tr><td>The efficient and timely dissemination of high quality national accounts and supporting economic statistics</td></tr>
</table>

<table>
<tr><td align="center">**Values**</td></tr>
<tr><td>

- Statistical professionalism
- Independence and integrity
- Excellent service to our customers
- Respect and understanding for our data suppliers
- Value for money

</td></tr>
</table>

<table>
<tr><td align="center">**High-level goals**</td></tr>
<tr><td>

- Improvement in the scope, quality and timeliness of economic statistics
- Minimising the burden on respondents
- Increasing the use of administrative data for statistical purposes
- Achieving greater efficiencies using best practices
- Raising public awareness and use of national accounts

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<table>
<tr><td align="center">**Specific goals**</td></tr>
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- Compile national accounts according to milestone two of the SNA implementation, comprising the minimum required data set
- Develop a national central data hub for short term economic statistics to facilitate the early detection of changes in economic activity

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<table>
<tr><td align="center">**Required activities**</td></tr>
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A. **Regulatory and institutional framework** – strengthening the functioning of NSS, its programming, management and performance

B. **Statistical infrastructure** – strengthening of use of standards (2008 SNA), classifications (ISIC Rev 4), registers and frames, modernizing information management and information technology

Statistical operations – strengthening of data collection, compilation, dissemination and analysis

</td></tr>
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Specific required actions
that need to be carried out under each category are described below:

A. Regulatory and institutional framework

- Modernisation and strengthening of the national regulatory and institutional framework for 2008 SNA and supporting statistics.
- Statement of strategy (by XXXX) with deliverables by XXXX
- Implementation plan reflected in annual and medium-term work programme of NSO (by XX XXXX)
- National technical coordination board/working group for statistical standards (data producers, data providers, policy users, academia)
- Updated and new memoranda of understandings (MOUs) with data providers
- Senior management and statistical training – human development
- Other as relevant

B. Statistical infrastructure

The upgrading of statistical infrastructure

- 2008 SNA compliant
- Scope 2008 SNA – minimum up to net lending/net borrowing
- Scope BPM6 – BOP and IIP
- Classification compliant – ISIC Rev4, CPC2,
- Harmonization of business registers
- Modernization of information management and information technology
- Others as relevant

Statistical compilation issues

- Periodicity
  - Quarterly GDP by production and expenditure
  - Annual sector accounts
  - Annual SUT
  - Agreed set of minimum short term statistics
- Other as relevant

C. Statistical Operations

Staged upgrading of statistical operations

- 2008 SNA/BPM6/GFSM/MFSM and ISIC/CPC compliance adjustments to business and household surveys
- New benchmark year XXXX using SUT
- Harmonisation of quarterly and annual GDP
  - Detailing sources and methods –metadata
  - Autonomous measure of expenditure components
  - Owner-occupied dwelling services (including second/vacation homes)
  - Capital stock and consumption of fixed capital, including government cons. of fixed capital

- Inclusion of off-shore companies without physical presence
- Exhaustive measure of GDP
- Monthly and quarterly production and turnover surveys
- Integration of BPM6 and 2008 SNA-related surveys
- Backcasting

- Harmonisation of prices methodology and surveys (CPI, PPI Export and Import Price Indexes)
- Harmonisation of household (and enterprise) surveys
- Harmonisation of Informal sector surveys
- Harmonisation of labour force surveys
- Use of administrative data (service agreements/ MOUs for formalising modalities)
- Services statistics (e.g. tourism statistics, international trade in services)
- (Experimental) institutional sector accounts
- Dissemination (advance release calendar, revision policy, communication strategy)
- Other as relevant