

International conference on International Outreach and Coordination in National Accounts for Sustainable Growth and Development

Session 2 - International commitments and frameworks

Title: National Statistics Development Strategy (NSDS) and national accounts

Institution: OECD-PARIS21

Introduction: multiannual planning and NSDS

While a year is the natural working time frame – budgets are annual, many data on flows or trends refer to a year or part of a year – the need to plan the work of statistical production in the medium and long term is part and parcel of public statistics. National statistical activities are usually conducted as part of a transversal system of general government, in which setting objectives, adopting strategies, boosting capacities and formulating multiannual policies and programmes are complicated processes, which are incorporated in administrative provisions and practices and require the endorsement of a variety of parties in the form of formal regulatory acts.

The initiative of cutting the debt of the poorest countries and the adoption of the millennium objectives both revealed how impossible it was for the statistical systems to respond quickly to the demands which were made, and this prompted the main actors involved in the world to create PARIS21 - Partnership in Statistics for Development in the 21st Century – with two essential principles: national control of statistical development and a holistic (global) approach to public statistics. At the end of 2003 PARIS21 made a recommendation to all the national and international actors for each developing country to devise and adopt a National Statistics Development Strategy (NSDS) with a view to supporting the millennium development goals (MDGs) and policies to combat poverty. In February 2004 this recommendation was endorsed, and indeed made stronger, at the second international round table on "Results-based Management" in Marrakesh.

NSDS concept and national accounts

A National Statistics Development Strategy (NSDS) may be defined as a *coherent set of inter-related decisions taken by the national authorities concerning what will be done over the next 4-5 years in order to make available better statistics and better analyses of these statistics, thereby responding to the priority needs of national and international decision-makers and to those of civil society.*

While almost universal principles underlie both strategic management and public statistics, an NSDS is part of a specific national context and time frame. When it comes to the actual design of an NSDS, there are three separate phases:

- drawing up an overall diagnosis based on a detailed review of the situation and establishing general guidelines;
- selecting strategic objectives for results and products, together with capacity-building strategies which will make it possible to achieve the results and deliver the products;
- planning the actions which will be carried out until the end of the envisaged period, including monitoring and assessment.

National accounts naturally have a special place in public statistics as a whole, because they provide a transversal summary of all the information on the economy. The whole statistical system must respond to their needs with regard to standardisation of concepts and the timetable for the availability of information.

Diagnosis and national accounts

This phase should make it possible to provide answers to a number of questions:

- What are the national accounts data which are currently produced? How are they brought to the attention of users?
- Do these data meet the needs of national priority policies? Do they comply with national commitments to other outside institutions? Are users happy with what they get? Does the statistical institute do its job satisfactorily? Are staff happy with the conditions imposed on them?
- Is there room to improve the management, methods and procedures for compiling and disseminating the statistics?

The Data Quality Assessment Framework (DQAF) for the national accounts proposed by the IMF can serve as an evaluation grid. The resulting general diagnosis should make it possible to determine general guidelines which will be used in subsequent phases.

Strategies and national accounts

The aim during this phases is to make fundamental choices for the planning period which has been selected. In the case of accounts, and while not being exhaustive, specific choices may include:

- replacement of the current series of accounts with a new series;
- signing up (or not) to the Special Data Dissemination Standard during the period;
- status of the national accounts;
- additional data to be produced, including some sectoral accounts;
- time limits, methods and arrangements for dissemination, together with revision policy;
- needs in terms of economic statistics and linkage to other major data collection operations involving households and businesses;
- adoption of new account compilation tools, such as ERETES;
- specific quality policies for compiling the accounts;
- partnerships and programmes with other outside institutions, including the International Comparison Programme (ICP);
- etc.

Those involved in national accounts realise, more than anyone, that this phase needs careful juggling among the various fields of statistics, juggling between national and external financing and juggling of human resources. Many needs, voiced or unvoiced, will not be answered during the period in question.

Planning the implementation of the NSDS and national accounts

During the final phase of devising the NSDS the primary task is to incorporate in a realistic multiannual schedule the decisions of principle by adjusting the various ideas on implementation to national financing schedules and those of the development partners. The mechanism for monitoring and assessing implementation must be decided in line with current statistical provisions, or with forthcoming provisions which need to be planned.

For national accounts, as in other fields, the idea might be to set up a special monitoring and assessment system along the lines of a national accounts commission which is an integral part of the overall system. The national accounts DQAF can serve as a tool for assessing progress and deciding what specific actions to undertake, especially if the country has signed up to the GDDS (General Data Dissemination System).