

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

Session 5 - Donor activities in the field (what went well, what needs to be improved).  
Sustainability

Title: New national accounts production strategy proposed by AFRISTAT for its member countries

Institution: AFRISTAT

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The national accounts comprise a macroeconomic database suitable for analysing and evaluating how an economy performs. The existence of such a database is a prerequisite for devising policies and making decisions which are informed and rational. Any delay in producing national accounts is thus a serious handicap when it comes to devising policies. It is thus essential to introduce a strategy to provide countries with effective tools so that they have regular, reliable and up-to-date national accounts. This is the thinking behind the actions of AFRISTAT<sup>1</sup> in the field of national accounts.

### **Implementing the SNA93 in the member countries of AFRISTAT<sup>2</sup>**

For some years AFRISTAT has been operating, sometimes with the help of partners, a programme for the overhaul of national accounts, the ultimate objective being to assist the member countries in the regular production of reliable national accounts based on the principles and methodology of the SNA93 and in accordance with harmonised methods which ensure the comparability of the member countries' macroeconomic data.

The main priorities underlying this work have been the harmonisation of nomenclatures and methods and the use of a common data processing tool.

This has allowed AFRISTAT to produce, using international classifications, harmonised nomenclatures of activities and products applicable throughout the member countries<sup>3</sup>. With regard to the harmonisation of methods, AFRISTAT has compiled for its member countries a methodological guide to using the SNA93. In order to boost data comparability, a common tool for the compilation of the national accounts has been proposed<sup>4</sup>. This tool includes a relational database, a management system, a methodological guide and other related functions.

In spite of the efforts devoted to helping the member countries to have reliable and up-to-date accounts which comply with the SNA93, delays in producing the data have continued to grow. These delays stem from difficulties of a structural, institutional and statistical kind.

To cope with this situation, and with the financial support of the French cooperation agency and the technical help of the French national statistical institute (INSEE), AFRISTAT launched in 2006 an initiative with the primary objective of examining and testing work methods to speed up the production of national accounts. This pilot scheme, which covered

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<sup>1</sup> Economic and Statistical Observatory of Sub-Saharan Africa: international organisation created in 1993 with the primary task of providing the member countries with the support needed to develop the strategies and strengthen the capacities of their national statistical systems.

<sup>2</sup> Benin, Burkina Faso, Burundi, Cameroon, Cape Verde, Chad, Central African Republic, Comoros, Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal and Togo.

<sup>3</sup> Nomenclature of activities of the member countries of AFRISTAT (NAEMA); nomenclature of products of the member countries of AFRISTAT (NOPEMA).

<sup>4</sup> ERETES system.

five countries (Cameroon, Burkina Faso, Guinea, Mali and Mauritania) typical of the various circumstances observed, was assessed at a seminar which was organised in Bamako in September 2007 and which was attended by all the member countries.

### **Some features of the strategy for the production of national accounts in the AFRISTAT member countries**

The conceptual and methodological approach was based on the implementation of the SNA93 in the AFRISTAT member countries. The assessment of what happened made it possible to attain an up-to-date view of the difficulties encountered during the introduction of the SNA93, to classify countries according to their progress and to propose solutions to be implemented.

The main thrust of the proposed method rests mainly on: (i) use of nomenclatures which are abridged and adapted to each country's economic circumstances; (ii) estimation of business data using relevant and available indicators; (iii) need to interpolate data for years which have not been evaluated.

Three approaches were considered feasible:

- Provide methodological resources to the relatively advanced countries to enable them to compile more regular provisional accounts.
- Define methods allowing the time lag to be made up:
  - either by skipping years for which the figures will be interpolated in order to compile the accounts of a recent year;
  - or by simply speeding up the production of the national accounts.
- Propose a streamlined methodology for a new implementation of the SNA93 in the case of countries which pledge to improve the production of the national accounts and whose statistical capacities are relatively inadequate.

Significant actions were undertaken during the year which the pilot phase lasted: using the ERETES system to compile provisional figures based on definitive accounts, skipping years to revive old abandoned series, interpolating intermediate years between old and new series, conversion to ERETES of accounts compiled using other methods, production of more than two years' national accounts in less than a year.

### **Institutional provisions for implementing the new strategy**

The first results of the actions undertaken during the pilot phase allowed AFRISTAT to define a new vision of technical help for its member countries. Given the never-ending difficulties (poor coordination of statistical activities, lack of resources, poor quality of basic data), the new support strategy which has been put forward to the member countries, especially in the field of national accounts, rests on two pillars.

The first step is to introduce a spirit of agreement between AFRISTAT and its member countries. It is essential to formalise relations between AFRISTAT and the member countries' national statistical institutes in order to improve the quality of basic information. This contractual approach should be reflected in commitments on both sides to provide the resources required to produce relevant results.

This contractual approach concerning the NSIs of the member countries should make it possible for the latter to organise support in a better way and to achieve better planning of

actions which would provide a higher profile for the partners' assistance. It would also allow the national accounts to fulfil their role as the pre-eminent decisive element in the national statistical system thanks to their interpretation of the basic data which are made available for the accounts.

The second step is to incorporate the compilation of the national accounts in the process of macroeconomic analysis. The quality of the national accounts is likely to be improved by the need to include enhanced capacities in terms of macroeconomic analysis as part of the work of compiling the accounts. This will be done on a regular basis at seminars on national accounts. These meetings will also provide a forum to take stock of progress in implementing the SNA93 and to exchange experiences.

The experience of implementing the SNA93 has shown that national accounts can be produced in a reasonable time with a minimum level of basic data, available work tools and potential knowhow. But this requires certain minimum conditions, including the availability of a stable team of eager national accounts experts, better collection of basic data and better organisation of certain types of surveys such as those on the informal sector, suitable organisation of the system of national accounts and a proper institutional environment. The fact is that the quality of national accounts depends not only on the available statistical set-up but also on the way in which the available resources are organised.