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Title: Implementation of the SNA 1993 in Latin America and the Caribbean
Institution: Economic Commission for Latin America and the Caribbean

This document contains an analysis of the progress made in the implementation of the SNA 1993 in Latin America and the Caribbean (LAC) and some recommendations to strengthen this process.

The Latin American and Caribbean countries have made progress in different ways in implementing the System of National Accounts 1993 (SNA 1993), meaning that it is difficult to make intra and interregional comparisons and to complete a comprehensive assessment of the economic situation. See table (Annex A)

Since the SNA was adopted in 1993, ECLAC has accompanied and supported the Latin American and Caribbean countries in understanding and implementing the system, making efforts to ensure that they significantly improve quality, coverage and timeliness.

When compiling accounts, the SNA 1993 recommends preparing the supply and use balances at the most disaggregated level possible, suggesting that countries which are not able to work at five CPC digits (more than 1800 products) make it three digits (300 products). Very few of the LAC countries which have implemented the SNA 1993 work at such a detailed level, and only two countries report that they directly apply the CPC, as the majority use locally adapted versions. Regarding the classification of activities, the majority (13 countries) report that they use ISIC Rev. 3.

The availability and quality of basic statistics to compile goods and services accounts present serious challenges in most of the countries. In recent years there has been a trend towards favouring sectoral surveys over economic censuses due to the cost and ease of processing them. This indicates the need to have directories of production units which cover the entire universe of formal producers. The main instrument used to analyse the informal universe is the employment matrix, updated as required. Eight countries report that they include estimations of the informal sector when compiling the external trade flows. Regarding the *maquila* sector, eight countries (mainly Mexico and Central America) take it into account in export and import flows. Flows in free zones are quantified in ten countries, one of which does so in a partial way.

It is obviously not possible to rank the countries on the basis of the extent to which they have adopted the SNA 1993 solely with regard to the number of accounts and tables which have been prepared and compiled. ECLAC considers that it is necessary to assess the statistical, methodological and organisational issues in each country in order to establish the stage of development of the SNA 1993, in addition to analysing the problems it faces in the process of implementation.

Building national capacities which promote and support continuity in the implementation of the SNA 1993 has always been considered to be a priority activity. Adopting the first revision of the SNA 1993 is a new challenge for the countries in this region and demonstrates the need for greater efforts in the modernisation of national accounting systems.

The implementation of the SNA 1993 and the first revision of it will impose increased demands on the National Statistical Systems, aimed at conceptual, methodological and institutional modernisation of the

infrastructure of each system. The national statistical offices (and the central banks which run them) have the opportunity to strengthen their position relative to the relevant authorities and to gain the resources which are essential to reinforce the systems of basic economic and social statistics needed to compile national accounts and to improve the quality of the results.

During the last three years (2005-2007), together with the Canadian Statistical Office, ECLAC coordinated the International Comparison Programme (around 2005) in South America, the results of which were made available in December 2007 by the Project's International Office.

While the technical meetings which took place as part of the ICP enabled the quantitative and qualitative differences in the calculation of some variables in national accounts to be shown, it is clear that greater and more systematic efforts are needed to achieve further harmonisation of the specific methodologies used when compiling national accounts.

Moreover, it is necessary to create the conditions to enable the transfer of knowledge, experience and good practice in the field of statistics in general. In this respect, ECLAC can play an important role in horizontal cooperation between the more advanced countries in the region and those which need more technical support.

This concerns implementing a programme aimed at strengthening, stimulating and supporting the technical capacities of the Latin American and Caribbean countries. In this regard, among the activities that a project of this nature should cover the following can be highlighted:

- Translation into Spanish of the first revision of the SNA 1993; publication and distribution.
- Carrying out a comparative analysis of the main methodological differences between SNA 1993 and the first revision.
- Definition of the minimum topics of the SNA 1993 needed as a base line for the implementation of the first revision.
- Production of a handbook for implementation and compilation in accordance with the first revision.
- Training of the national accountants on two levels: firstly, a general and theoretical background to the first revision of the SNA 1993 aimed at new officials involved in compiling national accounts; and a second specific and practical level aimed at those responsible for summarising and analysing consistency in the results of national accounts.
- Organising meetings, training seminars and workshops to promote and spread the first revision of the SNA 1993
- Management and coordination of technical assistance missions to countries in this region aimed at evaluating and implementing the subjects highlighted by the first revision of the SNA 1993
- Management of a horizontal cooperation programme that would allow the exchange of specific measures and methodologies between national accountants in the region ; this is the most efficient way to achieve greater harmonisation and international comparison of the results presented by national accounts
- Institutional strengthening of national accounts teams.
- Promoting an improvement of the basic economic statistics of the countries through the advanced use of the SNA 1993 as part of its integration in systems of economic statistics, by means of advisory missions and direct cooperation with the staff in national offices.
- Supporting research in implementation of the SNA concepts, its satellite accounts and the methodological guideline

Annex A: Latin America and the Caribbean: Progress in implementing the SNA 1993 - 2007

Country and SNA version(s)	Global supply and demand	GDP per activity, current and/or constant prices	GDP expenditure, current and/or constant prices	Supply and use table	Goods and services account	Generation of income account	Allocation of primary income account	Secondary distribution of income account	Capital account	Financial accounts	Opening and closing balance sheets (for at least one institutional sector)
Anguilla 68	C	I	I	N	N	N	N	N	N	N	N
Antigua & Barbuda 68	C	I	I	N	N	N	N	N	N	N	N
Netherlands Antilles 93	C	I	C	C	C	C	C	C	C	N	N
Argentina 93	C	I	I	I	N	I	N	N	N	N	N
Aruba 68	C	N	I	N	N	N	N	N	N	N	N
Bahamas 93	C	I	I	N	N	N	N	N	N	N	N
Barbados 68	C	I	I	N	N	N	N	N	N	N	N
Belize 93	C	I	I	N	N	N	N	N	N	N	N
Bolivia 68	I	I	I	I	N	N	N	N	I	N	N
Brazil 93	I	I	I	I	I	I	I	I	I	N	N
Chile 93	I	I	I	I	I	I	I	I	I	I	N
Colombia 2000	I	I	I	I	I	I	I	I	I	N	N
Costa Rica 93	I	I	I	I	I	I	I	I	I	N	N
Cuba 93	I	I	I	C	C	C	C	C	PR	PR	N
Dominica 93	C	I	I	N	N	N	N	N	N	N	N
Ecuador 93	I	I	I	I	PR	PR	PR	PR	PR	N	N
El Salvador 68	I	I	I	C	N	N	N	N	C	C	N
Grenada 68	C	I	I	N	N	N	N	N	N	N	N
Guatemala 93	I	I	I	I	I	I	I	I	I	I	PR
Guyana 68	C	I	I	N	N	N	N	N	N	N	N
Haiti 68	I	I	I	N	N	N	N	N	N	N	N
Honduras 93	I	I	I	I	I	I	I	I	I	I	I
Jamaica 68	P	P	P	N	N	N	N	N	N	N	N
Mexico 93	I	I	I	I	I	I	I	I	I	I	N
Nicaragua 93	I	I	I	I	C	I	N	N	N	N	N
Panama 93	I	I	I	C	I	I	I	I	N	N	N
Paraguay 93	I	I	I	I	C	I	I	N	N	N	N
Peru	I	I	I	I	C	I	N	N	N	N	N
Dominican Republic 93	I	I	I	C	C	C	I	N	N	N	N
Saint Lucia 68	C	I	I	PR	N	N	N	N	N	N	N
St. Kitts & Nevis 68	C	I	I	N	N	N	N	N	N	N	N

Annex A: Latin America and the Caribbean: Progress in implementing the SNA 1993 - 2007

Country and SNA version(s)	Global supply and demand	GDP per activity, current and/or constant prices	GDP expenditure, current and/or constant prices	Supply and use table	Goods and services account	Generation of income account	Allocation of primary income account	Secondary distribution of income account	Capital account	Financial accounts	Opening and closing balance sheets (for at least one institutional sector)
St. Vincent & The Grenadines 68	C	I	I	N	N	N	N	N	N	N	N
Suriname 93	C	I	C	N	N	N	N	N	N	N	N
Trinidad & Tobago 93	I	I	I	PR	C	C	C	C	C	C	N
Uruguay 68 / 93	I	I	I	P	N	P	N	N	N	N	N
Venezuela 93	I	I	I	I	I	I	I	I	I	I	I

I: Published on the internet (and possibly also on paper)/**P:** Only published on paper/**C:** Compiled, not published/**PR:** Under preparation

N: Not prepared/ not reported or no information