

# Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT)



# Current State and Key Aspects of Implementation of the 2008 SNA in the CIS Region

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### General Issues of 2008 SNA Implementation (1/2)



Currently, all CIS countries are implementing the 2008 SNA.

The priorities have been determined and the work on developing 2008 SNA indicators are under way.

Implementation of the 2008 SNA in the CIS countries is considered as a tool for general improvement of the quality and ensuring international comparability of statistical data, and requires significant efforts from National Statistical Offices (NSOs) and other agencies responsible for the production of macroeconomic statistics.

In conceptual terms, the changes proposed by 2008 SNA are acceptable for the CIS countries, but there are still many practical problems mainly related to availability of source data.

Cooperation of NSO with Central Banks (CB) and Ministries of Finance (MF) and coordination of their efforts on implementation of the new international standards is of particular importance in solving these problems.



## General Issues of Implementation of 2008 SNA



Implementation of the 2008 SNA in the CIS countries involves 2 main streams of work:

- 1. Development of methodological materials which describe the new elements of 2008 SNA and the methods for calculation of the new indicators or of individual elements of traditional indicators, and explanations of their impact on SNA core aggregates.
- 2. Ensuring the necessary primary data for the calculation of the new of 2008 SNA indicators, which implies harmonization of national accounts with other systems of macroeconomic statistics and strengthening of cooperation between NSS and relevant economic agencies.



#### **Current State of SNA in CIS Countries (1/7)**



Certain 2008 SNA recommendations are taken into account in GDP calculations of the following countries:

In 2014 – Ukraine (with revision back to 2000)

In 2015 – Armenia and Kazakhstan (with revision back to 2012 and 2011 respectively)

In 2016 – Belarus and Russia (with gradual revision back to 2010 and 2011 respectively)

2008 SNA is planned to be implemented:

In 2018 – in Moldova

By 2020 – in Azerbaijan, Tajikistan and Turkmenistan



#### **Current State of SNA in CIS Countries (2/7)**



The main recommendations of 2008 SNA implemented by the CIS countries and having impact on nominal GDP are:

- Output of Central Bank (in Armenia (-0.3%);
- R&D expenditures (in Armenia 0.2%, Belarus 0.6%);
- military expenditures;
- FISIM (in Armenia 0.4%, Belarus 0.9%);
- Imputed rent of owner occupied housing by user cost approach (in Armenia 5.9%, Belarus 1.7%);
- recording of import and export of goods for processing.

<sup>\*</sup>data for 2012



#### **Current State of SNA in CIS Countries (3/7)**



In the context of implementation of 2008 SNA, the following issues gain importance:

- development of financial account regularly developed in Kazakhstan, Russia and Ukraine; experiment calculations – in Kyrgyzstan;
- development of other changes in assets accounts not developed fully in any CIS country; on experimental basis – in Kazakhstan and Ukraine;
- development of balance sheet of assets and liabilities
   – on experimental basis
   in Kazakhstan; as related to produced assets in Belarus;



#### **Current State of SNA in CIS Countries (4/7)**



- development of satellite accounts :
  - accounts for health, education, science, environment, agriculture in Ukraine;
  - tourism account in Kazakhstan;
  - experimental calculations on health and environment protection accounts – in Kazakhstan;
- estimate of imputed rent by user cost approach in Azerbaijan, Armenia,
   Belarus, Russia; experimental calculations in Moldova;
- improvement of the estimated of net taxes on products at constant prices in Belarus;
- Estimate of GDP and its components at constant prices (double deflation in Armenia, Moldova, Turkmenistan);



#### **Current State of SNA in CIS Countries (5/7)**



- Measuring of non-observed economy (NOE):
  - estimation of illegal production, trade and use of drugs in Armenia;
  - estimation of prostitution in Kazakhstan;
  - experiment estimation of illegal trade and use of drugs,
     illegal production of alcohol and tobacco products in Azerbaijan;
  - experiment calculations of illegal production in Belarus;
  - improved calculations of NOE in Moldova and Turkmenistan;
- development of regional accounts (GRP by production method in all CIS countries, except for Armenia).



#### **Current State of SNA in CIS Countries – GRP (6/7)**



|              | Number of regions                             | annually | quarterly | monthly                              |
|--------------|---|----------|-----------|--------------------------------------|
| Azerbaijan   | 2, Baku and Nakhchivan<br>Autonomous Republic | +        | -         | Nakhchivan<br>Autonomous<br>Republic |
| Belarus      | 7   | +        | +         | +                                    |
| Kazakhstan   | 16 (14 regions and 2 cities)                  | +        | +         | -                                    |
| Kyrgyzstan   | 9   | +        | -         | -                                    |
| Moldova      | 5 economic development areas                  | +        | -         | -                                    |
| Russia       | 85  | +        | -         | -                                    |
| Tajikistan   | 3 regions, Dushanbe and 13 districts          | -        | +         | -                                    |
| Turkmenistan | 6   | +        | -         | -                                    |
| Uzbekistan   | 14 (13 regions and 1 city)                    | +        | -         | -                                    |
| Ukraine      | 25  | +        | -         | -                                    |



# Current State of SNA in CIS Countries – Experience in Harmonization of GFS and SNA Indicators (7/7)



"Linking GFS 2014 and 2008 SNA indicators with transition keys" – specific transition keys with a character of algorithms.

The algorithm development required a detailed comparative analysis of concepts, definitions and classifications of these systems of indicators.

The accomplished work is considered as an experiment which should be repeated when the implementation of GFS 2014 in the countries progresses and more complete implementation of 2008 SNA is in place.

Based on lessons learned, it can be noted that:

- transition tables from GFS to SNA allowed to establish procedures which are based on actual data;
- The key problem of filling-in the tables was less in methodological concepts and definitions, but rather the lack of the necessary primary information base;
- it is necessary to continue work in this area development of cooperation, implementation of 2008 SNA, refinement of some indicators, etc.





## Thank you for your attention!