

**Report to the Second Joint Session of the Committee of Directors General of National
Statistics Offices and the Statistical Commission for Africa**

**African Project on the Implementation of the
2008 System of National Accounts (2008 SNA)**

Secretariat

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ACRONYMS

AfDB	African Development Bank Group
AFRISTAT	Observatoire Economique et Statistique d'Afrique Subsaharienne
AGNA	African Group on National Accounts
AMU	Arab Maghreb Union
ANNA	African Network of National Accountants
ASSD	Africa Symposium on Statistical Development
AUC	African Union Commission
CSC	Continental Steering Committee of the African Project on the 2008 SNA
CoDG	Committee of Directors-General of National Statistics Offices
COMESA	Common Market for Eastern and Southern Africa
DG	Director General
ECA	United Nations Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
GDP	Gross Domestic Product
IMF	International Monetary Fund
INSEE	National Statistics Office of France
NSDS	National Strategy for the Development of Statistics
NSOs	National Statistical Offices
NSS	National Statistical Systems
OECD	Organization for Economic Co-operation and Development
PAS	Pan-African Statistics Programme
PIP	Project Implementation Plan
ProDoc	Project Document
RECs	Regional Economic Communities
SADC	Southern Africa Development Community
SAM	Social Accounting Matrix
SEEA	System of Economic-Environmental Accounting
SDGs	Sustainable Development Goals
SHaSA	Strategy for the Harmonization of Statistics in Africa
SNA	System of National Accounts
StatCom-Africa	Statistical Commission for Africa
SUT	Supply & Use Table
TiVA	Trade in Value-Added
UNSD	United Nations Statistics Division
WB	World Bank
WTO	World Trade Organization

I. Introduction

In Africa, quality, timely, and comparable economic statistics are critical for the continent's regional integration, economic structural transformation, and sustainable development agenda. In this regard, the implementation of the 2008 SNA provides an opportunity to improve the quality, timeliness, consistency, and harmonization of economic statistics and national accounts in Africa to support the continental development agenda by monitoring and reporting several Sustainable Development Goals (SDGs), either via indicators that are produced as part of national accounts, or by using GDP as a denominator.

The African Project on the Implementation of the 2008 SNA was developed by the African Group on National Accounts (AGNA) under the umbrella of the Statistical Commission for Africa (StatCom-Africa). The overall objective of the African Project on the 2008 SNA is to improve the quality and availability of national accounts and related economic statistics in support of good economic governance, economic structural transformation, regional integration, and sustainable development in Africa. This objective is to be achieved by addressing the problems and issues faced by African Statistical Systems (ASS) through project designs and interventions.

The implementation of the 2008 SNA in Africa is recognized as the first pillar of the Strategy for the Harmonization of Statistics in Africa (SHaSA). The Project has successfully brought together Member States, Regional Economic Communities (RECs), pan-African Institutions (AfDB, AUC and ECA), Afristat and regional, international organizations and development partners to work together. The project was officially launched in January 2014, with a Phase I in 2014-2015 followed by a Phase II in 2016-2018. Phase I of the project was carried out with activities organized based on six pillars. Namely: (i) country plans and actions; (ii) technical assistance; (iii) institutional strengthening; (iv) compiling technical documents; (v) advocacy campaign; and (vi) coordination, monitoring, evaluation, and reporting.

The goal of Phase II is to support sound macroeconomic policy formulation and evidence-based decision making through sustained and quality compilation and reporting of national accounts based on the 2008 SNA, the target is that by the end of the project all Member States will adopt the 2008 SNA. To facilitate the implementation of Phase II, the Project Document (ProDoc) for Phase II has developed by the AGNA and endorsed by the Ninth Session of the CoDGs. Six expected accomplishments (EA) of Phase II of the project are the following:

- i. EA1: Increased support for 2008 SNA implementation at the national, regional, and international level
- ii. EA2: Institutional capacities strengthened
- iii. EA3: Technical capacities strengthened
- iv. EA4: Technical operational guidebooks compiled
- v. EA5: Developed national accounts in Member States in accordance with 2008 SNA
- vi. EA6: Continuity and sustainability of the implementation of the 2008 SNA

II. Summary of the Progress and Achievements of Phase I of the Project

The progress and achievements of Phase I (carried out in 2014-15) can be summarized along the six pillars as follows:

- i. National action plans and follow-up actions: As of May 2016, 32 African countries reported to have developed national action plans to implement the 2008 SNA, while 10 countries are currently in the process of formulating national actions. Moreover, 16 countries reported that they are taking follow-up actions to implement the 2008 SNA, including identifying source data, developing questionnaires for administrative data collection, updating business registers, revising classifications of products and activities, conducting related economic censuses and surveys, and compiling and rebasing of GDP among others.
- ii. Technical assistance: Supporting agencies (i.e. the related international and regional agencies and development partners) were providing technical assistance and training workshops on specific 2008 SNA topics, including quarterly GDP, rebasing of GDP, government accounts, macroeconomic forecasting and back-casting series, classification of activities and products, SUT, and IT Tools for national accounts compilation.
- iii. Institutional strengthening: The regular CSC and AGNA meetings contributed to the institutional strengthening by bringing together the key stakeholders in national accounts on the Continent to oversee and advise on the implementation of the project. Similarly, Regional statistical meetings of the Directors General of National Statistical Offices organized by RECs facilitated the effective and timely dissemination and implementation of the conclusions and recommendations of the CSC and AGNA.
- iv. Technical documents: The AGNA Group led by ECA has prepared two operational guidebooks, i.e. on administrative data and supply and use table respectively. Several expert group meetings were organized in which good experience and practices by countries were compiled and exchanged. The drafts of the two operational guidebooks are currently being formatted, edited, and finalized.
- v. Advocacy campaign: advocacy materials such as posters, brochures, pamphlets were developed. The quarterly AGNA Account were issued and widely circulated. A partner roundtable meeting with donors on the Project was held by the Pan-African institutions. Sessions on economic statistics and national accounts were programmed in the agendas in the meetings of the Heads of the States and conferences of the ministers by the AUC and ECA.
- vi. Coordination, monitoring, evaluation and reporting: the forums of the regular CSC and AGNA meetings also played the roles for coordination, monitoring, evaluation, and reporting for the project. The Secretariat of the project, acted by the ECA, conducted regularly assessment surveys and compiled and disseminated the reports on the overall progress of the project. To facilitate the transition to Phase II of the project, a Mid-Term Evaluation was conducted and a Project Progress Report was prepared. At the same time, the Project Document for Phase II was timely developed and updated. Both documents were reviewed and endorsed by the CSC, AGNA, and the last CoDGs.

III. Review of Phase II of the African Project on the 2008 SNA (Year 1)

The review of Phase II is presented by the six Expected Accomplishments as listed in the above introduction section.

EA1: Increased support for the implementation of the 2008 SNA at the national, regional, and international level

Output 1.1: Formulating national action plans and taking follow-up actions

A national action plan helps to set forth the vision, strategy, and requirements for implementing the 2008 SNA. It is a critical planning and resource mobilization tool by encompassing a timetable and budget table. In formulating action plans, countries are taking into consideration national and regional policy priorities to determine the scope and detail of the national accounts required for policy formulation and decision making. The national action plan is aligned with and is supplementary to the National Strategies for the Development of Statistics (NSDS).

In support of the efforts of countries, a technical document, the “Minimum-Required Components of an Action Plan on the Implementation of the 2008 SNA” was developed by the AGNA in April 2015. The technical document serves as an operational guide for formulating a national action plan and incorporating technical targets.

According to the survey on the “Current Status and Needs Assessment for the Implementation of the 2008 SNA in Africa” updated in May 2016, among the 48 countries that responded to the questionnaire:

- 32 countries reported that they have formulated national actions plans for implementing the 2008 SNA. The 32 countries with national action plans are: Algeria, Benin, Burkina Faso, Burundi, Cabo Verde, Cameroon, Congo, Côte d'Ivoire, Democratic Republic of Congo, Djibouti, Egypt, Ethiopia, Gabon, Gambia, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Morocco, Niger, Nigeria, Sao Tomé and Príncipe, Senegal, Seychelles, Sierra Leone, South Sudan, Sudan, Tanzania, Tunisia, and Zimbabwe.
- 10 countries reported that they are currently in the process of formulating national action plans. The 10 countries are: Angola, Botswana, Ghana, Lesotho, Malawi, Mozambique, Swaziland, Uganda, Togo, and Zambia.
- Five countries reported having no action plan and have expressed their need for technical assistance to develop their action plans. The 5 countries are: Central African Republic, Chad, Comoros, Equatorial Guinea and Liberia.

Furthermore, 16 countries reported that they are taking follow-up actions to implement the 2008 SNA, these follow up actions include: identifying source data, developing questionnaires for administrative data collection, updating business registers, revising classifications of products and activities, conducting related economic census and surveys, compiling and rebasing of GDP. The 16 countries taking follow-up actions are: Cameroon, Egypt, Ethiopia, Kenya, Lesotho,

Mauritius, Morocco, Nigeria, Uganda, Senegal, South Africa, South Sudan, Swaziland, Tanzania, Zambia, and Zimbabwe.

ECA has been supporting countries to formulate and finalize their national action plans through correspondence. The consultation process includes an email exchange in which: (i) countries email their draft action plan to ECA, (ii) ECA reviews and provides comments and suggestions for strengthening the action plan, (iii) countries make the requisite revisions, and (iv) ECA conducts a final review and approval. The review process ensures that the final national action plan includes the following key components: (i) country context, (ii) outline of the objectives and expected outcomes, (iii) the activities, (iv) resource requirements, and (v) the organization and process required to produce a defined set of national accounts and aggregates corresponding to a set milestone of the 2008 SNA. The action plans of the following countries have been reviewed and finalized: Cote d'Ivoire, Republic of Congo, Niger, Seychelles, and South Sudan.

Output 1.2: Scaling-up the advocacy campaign

An advocacy campaign is launched to convey the importance of statistics within the context of development and, in particular of the necessity for developing countries to have good statistical systems to support sound macroeconomic policy formulation and evidence-based decision making. The target audience for the advocacy campaign includes Heads of State and Government, members of Parliament, Ministers of Finance, Planning and Economy, Governors of Central banks, Civil Society and Development Partners.

In the area of advocacy, several activities have been carried-out. For example, the Secretariat at ECA has developed a number of advocacy materials for an effective advocacy campaign, including a project brochure, posters, and website. The website, which is updated regularly, contains all project related contents, activities and documents to share information and enhance transparency. The project brochure and posters have been widely disseminated at various major meetings, conferences, and gatherings.

The AGNA Account Newsletter has been issued and circulated on a quarterly basis to inform and update project stakeholders, regional and international organizations, and development partners on national accounts activities taking place in Africa; a useful tool not only for information sharing but also for advocacy.

The Executive Secretary (ES) of ECA has been a champion in advocating the importance of economic statistics and national accounts to the Heads of States and Presidents of the nations. In his latest address to the African Union Summit held in Kigali, Rwanda in July 2016, on “Financing Africa,” by demonstrating on how to measure the actual size of Africa’s economy, the ES was able to dispel some of the misconceptions while highlight the importance of formulating socioeconomic policies based on quality economic statistics and national accounts data in order to strengthen investment opportunities and to meet the Africa’s development financing needs from domestic and external resources.

As a result of the advocacy campaign as well as the efforts of the advocacy campaign itself, the 11th Africa Symposium for Statistical Development (ASSD), held in November 2015, decided

that the next five ASSDs will focus on economic statistics and in particular national accounts (2016-2020); similarly, the theme for African Statistics Day 2016 to be celebrated on 18 November 2016 will be: “Strengthening economic statistics for regional integration, structural transformation, and sustainable development”; as well as the theme of this 2nd joint StatCom and CoDGs meeting is also on economic statistics.

EA2: Institutional capacities strengthened

The institutional strengthening component of the project is to develop and strengthen coordination structures and systems for data collection, compilation, processing, analysis and dissemination; and to establish the African Network of National Accountants (ANNA).

At the regional level, the regular activities of the AGNA and the CSC have contributed to strengthening the institutional capacities of Member States, through the decisions and recommendations adopted in the field of national accounts. Since its inception, the AGNA has met on an annual basis to develop a framework for the implementation of the 2008 SNA, including developing the African strategy for the implementation of the 2008 SNA, strengthening institutional and technical capacities, and strengthening operational systems for the production and dissemination of national accounts. In more recent years, the membership of AGNA has extended to all the African countries, and meetings of the AGNA have brought together the Heads of National Accounts of African countries, pan-African institutions, regional and international organizations, and development partners to discuss and coordinate their actions to avoid duplication and facilitate the effectively and timely implementation of the 2008 SNA in Africa. AGNA plays an important role in monitoring and evaluating the successful implementation of the 2008 SNA by Member States.

More are needed to be done at the country level to support NSOs to establish or strengthen governance and coordination structures for national accounts; organize national user-and-producer’s workshops; establish and strengthen regional and sub-regional governance and coordination structures for the implementation of the project.

Efforts are made for AGNA members, agencies and development partners to work to strengthen the institutional capacities of Member States through technical assistance missions, workshops and training programs on methodological issues, compilation practices, and use of IT tools.

Training institutions are called to actively participate in research on national accounts and related issues, with the aim of developing training modules, while being flexible in the modality of training to meet the demand of countries.

EA3: Technical capacities strengthened

The technical assistance component is to strengthen the technical capacity of NSOs and the capacity and infrastructure of national statistical systems.

In the area of technical assistance, a “Supply and Demand Matrix of Technical Assistance for the Implementation of the 2008 SNA in Africa” has been developed, endorsed, and adopted by the

AGNA in April 2016. The Supply and Demand Matrix matches the training, technical, and financial needs of countries with supporting institutions committed to providing the needed assistance. Member States can contact supporting institutions, including AFRISTAT, ECOWAS, IMF, World Bank, AfDB, and AUC. Accordingly, Project stakeholders, have carried out trainings, workshops and TA missions addressing technical areas, such as: concepts, definitions, and classifications of the 2008 SNA, collection and processing of sources data, supply and use table (SUT), quarterly GDP, the System of Environmental-Economic Accounting, and application of ERETES for the compilation of national accounts.

- AFRISTAT has conducted technical assistance missions on rebasing of GDP, classifications, improving the quality of national accounts, Supply and Use Table and Table of Integrated Economic Accounts, ERETES, to the following countries: Djibouti, Guinea, Mauritania, and Senegal.
- The IMF through its regional technical centers in Africa (AFRITAC) has conducted 37 technical assistance missions in 23 countries and 4 training workshops in the areas of quarterly GDP, SUTs, concepts, definitions, and classifications of 2008 SNA during 2016 to the following countries: Angola, Benin (3), Chad, Congo, Democratic Republic of (2), Congo (4), Gambia (2), Ghana, Guinea (2), Guinea Bissau (2), Kenya, Liberia (2), Madagascar, Malawi, Mozambique, Mauritania, Niger, Senegal, Seychelles, Sierra Leone, Swaziland (3), Tanzania including Zanzibar (3), Togo, and Uganda.
- The World Bank has conducted technical assistance missions for updating economic accounts through its Africa Region Statistical Team to countries including Gabon and Equatorial Guinea.
- INSEE has conducted trainings on the ERETES IT Tool for national accounts compilation and TA missions on ERETES and provisional accounts to the following countries: Benin, Cameroon (2), Ghana, Guinea Bissau, Senegal (2), and Tunisia. INSEE in collaboration with AFRITAC West conducted training on ERETES for 10 countries in the region. Group of ERETES Experts formed to provide training to Member States upon request.
- AUC jointly with Eurostat has developed and launched the Pan-African Statistics Programme (PAS) with the aim of supporting Africa's regional integration agenda by strengthening the African Statistical System (ASS) and improving the quality and availability of statistics for policy formulation and decision making. The PAS Programme has identified the implementation of the 2008 SNA as its first pillar. "Training for Trainers" workshop on National Action Plans was held in April 2016. Workshop on the implementation of the 2008 SNA was in July 2016. Planning to conduct and analyse user opinion survey on ERETES in December 2016.
- AfDB has organized training workshops on GDP compilation practices, Supply and Use Tables, and business registers in the framework of the 2008 SNA for COMESA, SADC, and ECOWAS countries in March 2016. TA missions to support countries with the NADABAS national accounts compilation system to the following countries: Botswana, Namibia, and Zimbabwe.

- ECA has conducted TA mission to revise the current time series of GDP and to launch a new base year in accordance with the 2008 SNA to countries including Guinea and Mauritania.

EA4: Technical operational guidebooks compiled

To further develop the statistical capacities of NSOs, a set of technical documents (guidebooks, manuals and handbooks) have been identified as important to serve as operational guides in the compilation of national accounts. The technical documents are expected to lay out clear and specific procedures and methods on how to apply and implement the 2008 SNA in Member States, in line with African countries' experiences and best practices.

Efforts have been made to develop appropriate methodological and technical documents by AFRISTAT, AfDB, ECA and UNSD.

In Africa, the informal sector is a major source of employment and income; and thus, a significant share in GDP. Informal sector statistics are essential for policy formulation and analysis, including poverty reduction, labor force and employment, and economic and social development. However, properly measuring the size and contribution of informal sector and informal employment has been challenging for data collection and compilation in official statistics. In this regard, ECA is working to develop a guidebook on *Accounting for Informal Sector in National Accounts*. An Expert Group Meeting on the subject was organized in January 2016 for capacity building and share experiences. Operational guidebook on Accounting for Informal Sector in National Accounts is being developed, in which it highlights 20 case studies from African countries on informal sector surveys and methodologies to incorporate the informal sector in national accounts, to harmonize methodology, and facilitating cross-country data comparisons in Africa.

EA5: Developed national accounts in Member States in accordance with 2008 SNA

The 2008 SNA introduces changes which have a wide reaching impact in the statistical system. The NSOs should take the opportunity to review and strengthen the overall quality and scope of source data for national accounts.

To strengthen the capacity of countries to compile their national accounts, an ERETES team has been established by INSEE, AFRISTAT, and AUC. The ERETES team will be working to support countries to implement ERETES for national accounts compilation and strengthening South-South cooperation. The team is composed of African experts possessing: (i) in-depth knowledge of ERETES, (ii) availability to conduct TA missions to support countries, and (iii) ability to train both French and English speaking African countries. Upon the request of countries, the experts will travel to countries to conduct trainings on ERETES, as part of the PAS Programme of AUC and Eurostat.

ECA in collaboration with the World Bank, OECD, and WTO are developing a sub-project on compilation of Supply and Use Tables (SUTs) with the resulting data to help integrate African countries into the global Trade in Value-Added (TiVA) Database. The sub-project will support countries to utilize administrative data and incorporate the informal sector into national accounts,

in order to produce SUTs. SUTs are an important coordinating framework for economic statistics and are essential for cross-checking the consistency of GDP in order to improve macroeconomic statistics. In the first phase, 10 pilot countries will receive technical support to produce and improve their SUTs.

EA6: Continuity and sustainability of the implementation of the 2008 SNA

The coordination, monitoring, evaluation and reporting mechanism is critical for the successful and timely implementation of the 2008 SNA in Africa. The meeting of the CSC is part of the monitoring, evaluation, and reporting process to examine project achievements and provide recommendations for any appropriate corrective measures to be taken based on the progress and other project reports available.

In the area of coordination, monitoring, evaluation and reports, several important milestones have been achieved. The Secretariat has updated the reports on the “Current Status and Needs Assessment for the Implementation of the 2008 SNA in Africa” and “Assistance Provisions for the Implementation of the 2008 System of National Accounts In Africa.” By doing so, project stakeholder can better coordinate and align their work in the area of national accounts in Africa; thus, avoiding gaps and minimizing duplication. The reports are widely circulated among stakeholders and presented during meetings of the CSC and AGNA.

The Secretariat also supports in organizing meetings of the CSC and AGNA. The latest AGNA Meeting on “Scaling-up support for the African Project the Implementation of the 2008 SNA” was held in April 2016 and attended by representatives from 45 African countries, RECs, research and training institutions, as well as international and regional organizations and development partners, including INSEE France, IMF, World Bank, OECD, and UNSD. It helps to establish a supporting system so that there is a port of call when countries face difficulties and need technical support, in terms of training and technical missions. The “The Matrix for Technical Assistance” provides an effective tool for filling in the gaps and avoiding duplications and overlapping and promoting collaboration and cooperation among project stakeholders.

The 5th Meeting of the CSC for the African Project on the 2008 SNA was held on 31 October - 1 November 2016 in Tunis, Tunisia. The 5th CSC reviewed the progress of the African Project on the 2008 SNA, provided guidance on issues arising from the project, and advised on the way forward. In particular, on the way forward, a Project Implementation Plan (PIP) for Phase II was developed for the upcoming year. The PIP is based on six pillars, and clearly outlines the activities to be undertaken and identifies leading and supporting institutions for each activity and provide the needed guidance to Member States.

IV. The Way Forward

Accordingly, as committed and endorsed by the CSC, AGNA and CoDGs:

- Member States and all key stakeholders are called to continue their efforts as laid out in the Project Implementation Plan (PIP) for carry out Phase II of the African Common Project for the 2008 SNA, including:

- Member States to finalize their national action plans, and submit them to ECA for review;
 - Member States to submit a formal request through the DGs of NSOs to AUC for technical support for the formulation of national action plans;
 - Member States to adopt modern IT tools for national accounts compilation;
 - AUC and RECs to continue supporting Member States to finalize and launch their national action plans for the implementation of the 2008 SNA and scale-up the advocacy campaign;
- International, regional, and sub-regional agencies and development partners to continue strong support and active participation in the African Common Project for the 2008 SNA in order to strengthen institutional and technical capacity in Member States; and in doing so, to utilize the “Supply and Demand Matrix for Technical Assistance” to minimize duplication and avoid gaps.

The Joint Session of StatCom-Africa/Co-DGs is invited to express its views on:

1. The progress of African Project on the 2008 SNA as in Phase I and the first year in Phase II;
2. The six expected accomplishments and activities outlined by the Project Document for Phase II;
3. The current timeline of the Project, which proposes the implementation of the 2008 SNA in Africa by 2018;
4. Strategies for scaling-up resource mobilization efforts for the implementation of Phase II.

Annex 1: The “Conclusions and Recommendations” of the First StatCom/CoDGs on National Accounts

The First Joint Session of the African Union Committee of Directors General of National Statistics Offices and the Economic Commission for Africa Statistical Commission for Africa

8-12 December 2015
Tunis, Tunisia

Conclusions and Recommendations

National Accounts

- *Requests* the pan-African institutions to include the committed activities in the Project Implementation Plan (PIP) and resources to support implementation into their work programmes, especially incorporating the capacity-building component into the ICP programme;
- *Calls upon* the regional economic communities (RECs) to include the committed activities in the PIP into their Regional Strategy for Statistical Development (RSSD), to lead their member States to set targets for achieving the milestones for the adoption of the 2008 SNA;
- *Urges* countries to (a) include SNA 2008 implementation plans into the National Strategy for the Development of Statistics (NSDS); (b) submit completed UNSD self-assessment questionnaires to the secretariat, as a tool for developing the country implementation plans; (c) request technical assistance.
