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**PROGRESS IN IMPLEMENTING
THE SYSTEM OF NATIONAL ACCOUNTS 1993 (1993 SNA)
IN LATIN AMERICA AND THE CARIBBEAN, 2001**

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INTRODUCTION

As in the case of previous reports, this report on the status of countries' progress in implementing the 1993 SNA has been produced on the basis of various types of information collected for this purpose. The publications disseminated, or the advance versions of the latter, as well as direct contact with those responsible for projects in the different countries were the sources most often used in preparing this new version.

The survey conducted to gather information on the development of basic statistics in various countries of the region is also a reference for some of the evaluations made with regard to classifiers, basic statistics and the coverage of economic surveys which provide a basis for the task of estimating and preparing the national accounts.

With regard to natural resource accounts, the situation remains as described in previous reports. The actual conditions in the countries of the region have not yet been sufficiently evaluated to be able to make an estimate for the balance sheet accounts. The efforts are continuing for enhancing the accounts for production flows, consumption and investment.

The presentation of previous versions has been maintained, with the addition of a brief description of some countries' publications. In those cases where there are as yet no final outputs, there is a report on the degree of progress achieved in the projects carried out by various countries, while reviewing the dates scheduled for publication of the results of the work underway.

SUMMARY OF THE CURRENT SITUATION BY COUNTRY

Since the previous report, submitted at the beginning of 2000, on progress in 1993 SNA implementation programmes, various countries have published their new series of national accounts, incorporating to varying degrees the recommendations included in the latest revision. In fact, there are three types of results: (a) the publication of new base years and the corresponding new series in accordance with the 1993 SNA, especially the series of institutional sector accounts; (b) updating of the series, especially with regard to the selection of a new base year, but essentially continuing to apply the 1968 SNA, and without tackling institutional sector accounts; and finally, (c) publication of exploratory studies with a view to beginning implementation of SNA 1993 at a later stage.

Another group of countries is in the process of conducting base year studies that will lead to full or partial implementation of the 1993 SNA. There has been progress in this area, although in most cases the scheduled dates of completion and publication of results have been put back.

1.1 New Publications

In the light of the review of the new material disseminated, the countries have been placed in three clearly differentiated groups:

1. Presentation of the base year and recurrent publication of series of national accounts that follow the recommendations of the 1993 SNA.
2. Development of a new base year, based on the production and goods and services accounts, but without following the central framework of the 1993 SNA.
3. Lastly, the countries that have updated previous publications without setting a new base year.

1.1.1. Countries that have published a base year and annual recurrent series according to the 1993 SNA

Analysis of the information available shows that by August 2001 only three countries had managed to implement the 1993 SNA with coverage of the data areas of the central framework: Brazil, Colombia and Mexico. In these cases, a significant effort has been made to elaborate the framework according to the new manual, but in some aspects more extensive compilation processes are still required in order to achieve full implementation. These cases nevertheless represented the most advanced efforts in the region.

1.1.1.1. Brazil

Brazil's publications present a series of production accounts and goods and services accounts for the period 1990-1999^a. Production matrices have been prepared at basic prices and absorption matrices at purchasers' prices, covering groupings of industries in 43 branches and 80 groups of products.

The value added quadrant contains details of the factor payments, with an indication of mixed income for producer households, but presenting the gross operating surplus, without a depreciation estimate, for producers organized as public or private corporations. Employment by type of industry is also included in this quadrant.

There is a supply and use table based initially on the production matrix at basic prices, complemented by the following vectors: imports of goods and services, import duties, taxes on goods and services and distribution margins. The total is thus obtained for supply at purchasers' prices, and compared with the intermediate absorption matrix and the final demand vectors, which are also valued at purchasers' prices.

The charts are drawn up at current prices and prices of the previous year, but there is not yet a series at constant prices with a fixed reference base year.

^a The National Accounts Department of the Brazilian Geographical and Statistical Institute (IBGE) is continuing to update on a regular basis the time series of national accounts, covering all of the data areas referred to here.

The IBGE recently circulated the 2000 edition of the national accounts of Brazil, which is in two volumes. Volume 1 contains tables of resources and use of goods and services for the period 1995-1999, which complements the series published in 1997 for the period 1990-1996. In this publication, the figures for 1995, 1996 and 1997 are definitive, for 1998 semi-definitive, and for 1999 a preliminary estimate. In Volume 2, institutional sector accounts are presented for the first time. The following sectors are distinguished: financial corporations, non-financial corporations, public administration and households. The accounts for the rest of the world are also presented as a counterpart to the national economy. The institutional sector accounts are presented in a series as of 1995: definitive figures for the period 1995-1997, semi-definitive for 1998 and preliminary for 1999.

The sequence only extends as far as accumulation accounts, and additional studies have been scheduled for the preparation of financial transaction accounts, including balance sheet accounts, so that full implementation of the 1993 SNA will be achieved. Activities are also being programmed for setting a new base year.

1.1.1.2. Colombia

The new series has 1994 as the base year, and results have been published for the period 1994-1997.^b The publication does not cover financial accounts, and the net loan is based only on the sequence of current and capital accounts. These accounts have incorporated most of the proposals of the 1993 SNA, and a significant effort has been made to prepare separate accounts for households and non-financial corporations. The sequence begins with the production account by institutional sectors, which corresponds to the breakdown of the production accounts and of the supply and use of goods and services accounts in the different industries.

The set of tables provides extensive information on production, the generation of primary income and internal demand. The production matrices are included, broken down into 59 groups of activities and 60 groups of commodities, and for each industry market and non-market output is also specified, subdividing the latter into output for own final use and other non-market output. The valuation is at basic prices. With regard to the absorption matrices, the intermediate consumption transactions are shown at purchasers' prices, complemented by the transactions involving value added for each of the 59 industries considered. In the details for added value, mixed income is included as compensation for unpaid work as well as remuneration received by employed workers. Primary income generation calculated by industry has been transposed to the institutional sector accounts, which tends to imply that the respective cross-referenced tables are available.

Supply and use tables have been drawn up for the 60 groups of products, starting with the production matrix at basic prices to which are added the vectors for distribution margins and for taxes on goods and services. The vectors of imports of goods and services and

^b The Synthesis and National Accounts Department of DANE includes in its regular work programme the updating of the series of national accounts, covering all the areas mentioned. It is also preparing accounts from the year 1990 onward.

their respective import duties are also calculated, which are used to obtain the supply valued at purchasers' prices. The intermediate absorption matrix is complemented by the final demand matrix which shows details of final consumption expenditure for households, for the government, GFCF and exports as the destination of goods and services supplied during the period. The tables are presented according to three pricing systems: at current prices, constant 1994 prices and prices of the previous year. There are no complementary tables on occupation or employment.

The reduced format of the central framework is used, as included in the 1993 SNA. There are, however, complementary tables providing greater detail for some sectors. Government is divided into three subsectors: central government, local government and social security. The financial sector is divided into the central bank, other deposit societies, other financial institutions, financial auxiliaries and securities and pension funds. For non-financial corporations, the accounts are broken down for public and private. Finally, the presentation is completed with the accounts for households and separate accounts for the non-profit institutions serving households.

1.1.1.3. Mexico

In the case of Mexico a new series of national accounts has been developed for the period 1988-1997, which follows the central framework of the 1993 SNA entirely for the flow accounts, that is, it includes the financial transaction accounts, but not the balance sheet accounts.

The publications do not indicate if changes have been made in the production and goods and services accounts, as there are no production matrices and absorption matrices which link industries and commodities from the point of view of supply and demand of goods and services. The supply and use tables are presented at a fairly aggregate level but considering only vectors of production and intermediate consumption. In the added value details the mixed income has not been separated from the operating surplus, so that there is no evaluation of primary income received for non-wage employment. For complementary information, tables of occupation are presented for waged work only.

Market and non-market production are not calculated separately, nor is the latter separated into own final use and other non-market production.

The central framework of the 1993 SNA is apparent in its full extent in the institutional sector accounts, although there is no greater detail of transactions by subsector. The concept of mixed income appears in the households sector without there being any link with the generation of primary income, which is calculated in the accounts for industry production.

1.1.1.4. Chile

At the end of August 2001 the national accounts of Chile were disseminated with the new base year of 1996. The publication was disseminated through the Web page of the Central Bank of Chile, and contains the set of accounts for goods and services and for institutional sectors in accordance with the 1993 SNA.

With regard to goods and services, the input-output tables are presented with details of 74 industries and 74 groups of products, which is the scale of the production and intermediate absorption tables. Production is presented at basic prices, complemented with the respective vectors of taxes on products, non-deductible VAT and the distribution margins to make up the vector for national supply at purchasers' prices to which is added the respective vector of supply for imported products valued c.i.f. in order to obtain the total supply.

The intermediate absorption matrix is presented using the three valuation methods: at purchasers' prices, at producers' prices and at basic prices, as are the vectors which make up the final demand: final consumption of households and NPISHs, final consumption of government, GFCF, changes in inventories, and exports of goods and services. The added value quadrant, which complements the intermediate absorption matrix, contains remunerations, fixed capital consumption, indirect taxes, subsidies, mixed income and the operating surplus generated in each of the 74 industries. No additional information is provided on employment or occupation by industry.

The cross-classification table of industries and institutional sectors is presented with the respective data for production, intermediate consumption and added value. This presentation is the transition from the accounts for industries to the integrated economic accounts for institutional sectors.

As for the institutional sector accounts, the table of integrated economic accounts is presented, which distinguishes non-financial corporations, financial corporations, households, NPISHs, government and the rest of the world. The set of accounts covers all flow accounts, including financial flows. Saving is calculated from the perspective of the accounts for production, distribution and accumulation of capital, which are compared with the financial accumulation accounts in order to obtain the level of saving of each of the agents in relation to its transactions in goods and services and income distribution, as well as operations involving financial assets and liabilities.

The time series of national accounts has been scheduled for dissemination in the first quarter of 2002, probably in March.

1.1.2. New base year and updating of the series

This section includes the countries which have defined a new base year, but have not followed the new guidelines of the 1993 SNA with regard to production accounts, accounts for goods and services by industry or institutional sector accounts.

1.1.2.1. Peru

A new input-output table has been published for the economy of Peru for 1994, establishing the reference framework for the new base year for the series of production accounts for 1991-1999. The input-output table only covers a breakdown of the absorption matrix, without presenting the respective production matrix. The value added details include the payment of remunerations, fixed capital consumption, production taxes, other taxes, and the net operating surplus. Mixed income has not been estimated, but complementary information is included on occupation, dividing the employed population into wage earners and non-wage earners.

The supply and use table offers a breakdown of the supply into national and imported, indicating the respective components of valuation at basic prices, taxes on goods and services and distribution margins according to the three presentations used in the publication: basic prices, producers' prices and purchasers' prices. The absorption matrix also presents the details of intermediate demand in its three valuations, and final demand records the expenditure of households, the government, GFCF and exports.

The follow-up series is produced solely in global terms, as the supply and use tables do not show details of supply at the level of goods and services or for the elements of internal expenditure or external demand. As for the follow-up to activities, the production account is presented with a partial breakdown of intermediate consumption and gross production, and, as a complement, the income generation account is presented with disaggregation of the net aggregate value.

The current tasks have a twofold objective: on the one hand series are being calculated for the accounts disseminated to complete the period 1979-2000, and on the other hand, the ERETES model has begun to be used for preparation in integrated form of accounts by industry and by institutional sector. This last effort will make it possible to apply the central framework of the 1993 SNA as far as current accounts are concerned.

1.1.2.2. Argentina

In the case of Argentina, the series published covers the period 1993-1997 and is limited to production accounts. No further details are given concerning supply and demand, except for overall identity tables. No production or absorption matrices are provided, nor are there matrices for added value by industry which list the components of primary

income generation. Nor are there final demand matrices which characterize the vectors of consumption for households or government. Investment structure is broken down only into main areas: machinery, construction and others.

There are no tables for supply and use of goods and services, and no breakdown of global supply into imported and internal, and for the latter there is no information for value at basic prices, taxes on goods and services or the trade margins affecting global supply at producers' prices. Complementary information is given on the margins, but they are not linked to goods flows, but rather to the types of intermediaries and aggregate product groups.

The complementary tables show details of value added which include mixed income as part of the generation of primary income of the accounts for production by industry. A table of waged and non-waged employment has also been produced.

An input-output matrix for 1997 is at the finalization stage.

The current accounts have not yet been published for any of the institutional sectors indicated in the central framework of the 1993 SNA.

1.1.2.3. El Salvador

The Central Reserve Bank of El Salvador has published the New System of National Accounts, which sets a new base year and fully applies the 1968 System of National Accounts, Rev.3. The base year of the new series is 1990. The goods and services accounts are presented in quite a detailed manner, as the publication covers 45 groupings of activities and 45 groups of products, although there is some level of coverage for 80 groups of products.

The system of supply and use matrices includes the following tables: the production matrix presented at producers' prices, and the intermediate absorption and final demand matrices at purchaser's prices.

The supply and use table includes the matrices for intermediate absorption and for final demand of goods and services. The supply matrix is added, which is based on the vector of gross production at producers' prices of goods and services, and is presented at producers' prices which include taxes on goods and services. The trade margins are discounted, and presented as a constituent vector of the supply of goods and services at purchasers' prices. The supply is completed by adding the vector of imports of goods and services c.i.f. and the respective vectors of import duties and other taxes on imports which apply to different groups of goods and services.

The added value matrix shows details of remuneration, indirect taxes net of subsidies and the gross operating surplus for 45 groups of industries. Fixed capital consumption is not calculated, and as SNA Rev.3 is being used, the concept of mixed income is not taken

into account as compensation for non-wage labour. Nor is there an occupation or employment matrix to complement the added value matrix.

With regard to institutional sector accounts, integrated economic accounts (according to the 1968 version) have been developed, considering the following types of sectors: non-financial corporations, which are subdivided into public and private; households, which include non-profit institutions serving households and sole proprietorships; financial corporations separated into securities and financial institutions other than securities; government; and the rest of the world. The accounts produced correspond to Rev.3, that is: production, income and outlay, and accumulation. The saving calculated is gross saving, as fixed capital consumption is not distinguished.

Financial transaction accounts have not been prepared.

With regard to classifiers, ISIC Rev.2 is the reference for the classifier of activities, and also for products, as there is a single classification: Nomenclature of National Accounts (NCN), and the customs statistics are converted to NCN as a cross classification was developed between the HS, ISIC and NCN.

Non-deductible VAT was introduced in the series of accounts as a constituent vector of supply at purchasers' prices.

1.1.3. Updating of publications

1.1.3.1. Bolivia

Bolivia published a series of national accounts for the period 1998-1992^c which included some of the proposals of Revision 4, in the context of Latin America. Instead of the central framework of the 1993 SNA, Bolivia drew up integrated economic accounts according to the 1968 version, which were complemented with a fairly well-developed system of accounts for production of industries and supply and use of goods and services.

The system of goods and services accounts included production and absorption matrices at purchasers' prices, on a scale of 35 groups of industries and 35 product groupings. The value added quadrant covered remuneration to wage earners, taxes less subsidies and the gross operating surplus.

Two valuation methods were used: constant 1990 prices and current prices.

The institutional sector accounts dealt separately with the financial sector and government, and non-financial corporations were presented together with households.

^c An updated version of this publication was disseminated in 1999 and work on maintaining the series is continuing.

This last main sector was divided into two parts: public enterprises, and other corporations and households. Financial transaction accounts were not included.

1.1.3.2. Chile

In May 2001, the Central Bank of Chile disseminated in its web page the most recent version of the Yearbook of National Accounts 1999, which still has 1986 as the reference year. This publication contains an updated series of accounts, incorporating the production accounts for 26 groups of industries, supply and use tables broken down into 13 groups of goods and services, and with no details of value added for groups of industries, but only at the level of the economy as a whole. No production or absorption matrix is presented, and there is only an indication of gross production at basic prices in the supply precuadrant, with details of 13 groups of goods and services. The vector of imports c.i.f. of goods and services is added, and there is no estimate of mixed income. More detail is provided for investment, by the type of accumulation: machinery and equipment, construction and other capital goods. The vectors for exports and imports c.i.f. are also shown, broken down into 26 groups of goods, a presentation, which is also available for the vector of household final consumption.

The production accounts and the supply and use tables are presented at constant 1986 prices and at current prices for each year.

With regard to institutional sector accounts, the presentation used is according to the SNA Rev.3, which did not include the presentation of production accounts by institutional sector. Income and expenditure accounts for the agents, for accumulation and for financial transactions are included.

The institutional sectors consist of financial corporations, government and the rest of the world, complemented by a large sector referred to as the rest of the economy which includes non-financial corporations, households, and NPISHs.

As mentioned in section 1.1.1.4, the Central Bank of Chile has made a commitment to publish the series of accounts for the first quarter of 2002 in accordance with the 1993 SNA, and using the new base year recently published: 1996.

1.2. **Countries which have developed pilot experiments**

1.2.1 Dominican Republic

The accounts were prepared using 1992 as the base year, and the central framework of the 1993 SNA was mainly applied, although there has been no official announcement of this new base year. Nor are there any series based on the 1992 presentation, and the official publication of national accounts continues to use the base year 1970.

1.2.2 Panama

As in the case of the Dominican Republic, Panama has conducted a preparatory pilot study for 1992. However it does not follow the central framework of the 1993 SNA for the reference year. At present, accounts are being prepared with the new base year 1996, including goods and services accounts and institutional sector accounts.

Panama is continuing to disseminate its national accounts in accordance with the 1968 version of SNA, while simultaneously moving forward with the programme for implementing the 1993 SNA.

1.3. Status report on current projects

In general, all the countries which had planned to publish results during 2000 were obliged to revise their schedules of activities and to postpone until 2001 the first publications resulting from their programmes for updating the base years and series of national accounts.

1.3.1 Honduras

As previously mentioned, Honduras has begun a programme for strengthening basic statistics and has recently completed the process of a Survey of Family Budgets that is designed also to update the CPI basket. There is already a project underway for implementing the 1993 SNA which will take place over a period of four years, starting in July 2000. The ISIC Rev.3 will be used as a reference for the Nomenclature of Economic Activities of Honduras (NAEH), whereas the CPC will be the basis for the Nomenclature of Products of Honduras (NPH). It is planned to include 52 groupings of activities and 172 groups of products, although a level of work with 132 activities and 450 products has been scheduled. The three recommended valuations will be used: basic, producers' and purchasers' prices. Taxes and subsidies on products, and VAT will be compiled. On the import side, the c.i.f. valuation and the duties and other taxes on imports will be covered.

Work is scheduled for the preparation of tables on supply and use of goods and services, as well as production accounts by industry and by institutional sector. The year 1997 is being processed in accordance with the instructions in the 1993 SNA.

1.3.2 Paraguay

The programme of activities includes the development of a series of goods and services accounts for the period 1991-1997, using 1994 as the base year. Matrices will be constructed for supply and use at current and constant prices.

In the second phase, the institutional sector accounts will be prepared, and it is planned to present the sequence of accounts for government, the financial sector, a group of significant enterprises and the rest of the economy.

Lastly, a study of occupation and employment was also needed, with a level of detail equivalent to 3-digit ISIC, to assist with estimating remunerations for the production accounts of industries.

1.3.3 Venezuela

A project for implementation of the 1993 SNA is continuing, and will culminate with the dissemination of results at the end of the first four months of 2002. Tables for supply and use of goods and services have been added and also institutional sector accounts with the sequence of accounts except for the balance sheet accounts.

SUMMARY OF PROGRESS AND RESULTS IN 2001

So far, the countries that have published results complying with the criterion adopted in Aguascalientes in November 1999 are Brazil, Chile, Colombia, El Salvador and Mexico. They have thus already published new official figures in accordance with the concepts, definitions, classifications and orientations of the 1993 SNA.

1.1 Classifiers

With regard to the development of production accounts and accounts for supply and use of goods and services, ISIC Rev.3 and CPC have been the international classifications used as a basis for classifying economic activities and products, respectively. As indicated in previous reports, the majority of the countries have adapted the classifications to the local production conditions characteristic of each country.

There is still an imbalance in the detail of description of the activities producing goods in relation to those for services, which is also reflected in the lower level of detail for products in the case of services as compared to those for goods. While accounts and tables for goods supply and use are compiled to four or five digits of ISIC or CPC, in most cases those for services are only taken to one or two digits.

The development of the cross-classification of industries and institutional sectors has been difficult for all the countries, although it is a necessary condition for presenting production accounts by institutional sector in total harmony with the production accounts and supply and use tables by industry,. With regard to developing integrated accounts, especially for households and non-financial corporations, there have been problems concerning the availability of individual information, from surveys or administrative records, which is representative and reliable.

As there is no support database for integrated accounts for non-financial corporations, the preparation of financial accounts is a process of greater complexity and a less powerful tool for economic analysis. For this reason, few countries have planned to include financial accounts or fund flow accounts in their publications. In general, the sequence of accounts covered is only from production, passing via generation and use of income, to capital accumulation.

1.2 Progress in drawing up 1993 SNA accounts

1.2.1 Production accounts and supply and use matrices

A number of countries in the region have supply and use tables, or will have them within a short time. There is a substantial difference however in relation to the previous exercises in preparing input-output tables, as part of the follow-up, in the framework of the 1993 SNA, is the methodical construction of the set of tables for each year of compilation. In this new arrangement, the countries have made considerable efforts to incorporate the new tools available to process and manage the basic data bases, which make it possible to have this level of detail by maintaining the levels of confidence and timeliness of the results.

According to the 1993 SNA, the set of tables that actually ensures consistency of the balances of supply and use of goods and services are the production, absorption and final demand matrices. The supply and use table that is to be published involves presenting the matrix of production at basic prices which is complemented with the vector of taxes on goods and services, the vector of distribution margins and the vector of non-deductible VAT, thus obtaining the valuation of the supply of goods and services at purchasers' prices. This presentation of supply at purchasers' prices has to be collated with use, which is presented with the details provided by an intermediate absorption matrix, which may also show imports in a matrix form. The final demand could contain at least the vectors at purchasers' prices for consumption of households, exports, gross fixed capital formation, changes in inventories and expenditure for final government consumption.

With regard to value added matrices, the traditional components for the different industries are needed, and it is equally important to introduce the concept of mixed income when the value added is generated by households participating in production. It is also suggested that efforts be made to evaluate the surplus separately from the allocation for fixed capital consumption. Various countries do not make this distinction and show only the gross surplus in their tables.

Among the countries, which present their official estimates of national accounts in a manner compatible with the 1993 SNA, Brazil, Chile and Colombia provide their data in the recommended formats, including the respective production, absorption and value added matrices. Although they publish series complying with the new guidelines, however, none of them have managed to achieve in the set of transactions that make up

each of their accounts the full degree of detail indicated in the international recommendation. Argentina and Mexico, for example, do not present the production and intermediate demand disaggregated by products and activities, although Argentina does include mixed income in the production accounts by industry.

1.2.2 Institutional sector accounts

The difficulty in preparing institutional sector accounts arises, on the one hand, when attempting to delimit in practice the units that will be included in each of these institutional sectors, and on the other hand, when establishing the cross-classification of industries and institutional sectors that is necessary for an integrated system of accounts to be produced for goods and services and for the institutional sectors.

To structure institutional accounts on the basis of goods and services production accounts and supply and use accounts produced using the more traditional approach based on industries, a number of countries in the region need to reconsider the way they treat non-financial corporations and find a way of allocating the operating surplus between households and non-financial corporations in a way that does not overstate the allocation of primary income, as otherwise all the other balancing items become distorted.

The 1993 SNA introduces the concept of mixed income, which corresponds essentially to a new primary income category covering payment for both work and business management in productive units where it is not possible to differentiate them. The receiving factor of this primary income is non-waged labour, which is known to be a valid analytical category for compiling accounts for industries and institutional sectors, and for this reason a number of countries (Argentina, Brazil, Chile and Colombia) have produced employment matrices which introduce greater economic consistency into the measurement of primary income, and enable transactions recorded in the accounts by industry and by institutional sector to be fully integrated.

This exercise is particularly difficult for those countries that have not considered identifying mixed income in their supply and use matrices, even more so when the number of corporations included in the base of accounting and financial information is relatively small in relation to the estimated output for all non-financial corporations.

The countries, which have already published their institutional accounts, have included households as an individual sector, as suggested in the 1993 SNA. The most significant differences are in the degree of integration between the goods and services accounts and the institutional sector accounts. In this respect, Colombia and Mexico have presented their results using different formulas to resolve the problem of quantifying mixed income. Colombia is introducing the distinction into the entire set of accounts, relying on absorption and value-added matrices that calculate mixed income in its goods and services accounts, which it then incorporates into its accounts for institutional agents. With this object, it has also created employment matrices that record both waged and unwaged work. Mexico, meanwhile, incorporates the distinction of mixed income only

into its institutional accounts, and calculates waged employment purely by way of information, to supplement the accounts for primary allocation of income from activities.

In general, the countries of the region that are facing up to the task of compiling integrated accounts for significant numbers of non-financial corporations over a series of years are finding that they are having to produce and apply strategies to transform the company accounting records available into the transactions defined by the 1993 SNA. In fact, numerous applications have been submitted for technical assistance in this area. Stress is also laid on the advisability of having a practical manual that contains the most usual guidelines relating to this issue, without leaving out of account the additional difficulties faced by those countries whose business accounting systems include inflation adjustment items.

The only financial accounts in accordance with the 1993 SNA attempted by Mexico have been the institutional sector accounts, and both Brazil and Colombia will complete that task within a short time, in order to present the system with all the flow accounts. Chile has continued to present financial accounts, although it continues to present the institutional sectors with a differentiation only for the purposes of the financial accounts for a group of large public and private enterprises, leaving households and other non-financial enterprises merged in a single sector designated as the rest of the economy. With the introduction of its new base year, however, Chile has included complete details of the institutional sectors and has drawn up detailed integrated economic accounts.

Balance sheets are not named as a priority objective in the 1993 SNA implementation programmes of the countries of the region. This is a consequence of current statistical limitations, inadequate systems for presenting the flow accounts available to calculate a variety of components for institutional sectors, and the fact that in most of the countries no valuation of government assets exists.

1.3. Basic statistics

The guidelines proposed in the 1993 SNA for establishing the necessary inter-relationship between accounts by industry and by institutional sector constitute a new paradigm for national statistical systems, as it will be necessary to redesign the methods used to compile information from productive units, without losing sight of the information coming out of business or management units.

In this context, the objectives of the production accounts by kind of activity and of goods and services supply and use matrices necessitate the production of economic surveys that are more and more complete in their contents and comprehensive in their coverage. This is manifest in those countries (such as Guatemala and Venezuela, for example) where programmes have been devised to strengthen economic survey systems in all their stages as a prerequisite for the production of such accounts and matrices.

Another important goal that a number of countries have set themselves is to find a good way of measuring household consumption, with detail on goods purchasing that is compatible with the breakdown established for intermediate production and demand.

As regards the instruments used to collect basic statistics for this process, it should be pointed out that a large number of countries carry out economic surveys of industries using reference periods very close to the year set as a base. As regards data for establishing the details of household goods and services consumption, the basic information is mainly found in household surveys, which are also used to determine baskets of goods for the periodic production of consumer price indices.

Accounts for production by kind of activity and goods and services accounts for goods-producing sectors are processed to a higher level of breakdown than those for the services-producing sectors, which makes it even more difficult to establish the scale of invisible trade flows to the same level of detail as is calculated for goods flows. Another aspect that impedes better coverage of these flows is the fact that the economic agents offering these services tend to be highly dispersed and the information collected on them is usually deficient or inadequate, quite apart from the fact that each of them may offer a variety of services. This latter aspect is particularly important when it comes to determining the value added by the kind of service, as there are far more secondary production alternatives in the case of these than in the case of goods producers.

1.4 Matrix of the Degree of Implementation of 1993 SNA

	Supply and use tables according to 1993 SNA	Supply and use tables according to 1993 SNA w/o employment matrix	Supply and use tables according to 1993 SNA w/o employment matrix and w/o mixed income	Supply and use vectors	National economy aggregates only
Integrated economic accounts 1993 SNA					
Integrated economic accounts 1993 SNA w/o balance sheets		Chile		Mexico	
Integrated economic accounts 1993 SNA w/o balance sheets and w/o financial accounts	Brazil	Colombia			
Integrated economic accounts 1993 SNA w/o balance sheets w/o financial accounts and w/o household accounts		Ecuador			
Institutional sector accounts according to 1968 SNA		Panama	El Salvador Bolivia	Venezuela	
Without institutional sector accounts		Honduras Costa Rica Dominican Republic	Peru Paraguay	Argentina	Antigua and Barbuda, Trinidad and Tobago, Barbados, Uruguay, Suriname, Bahamas, Guatemala, Jamaica, Nicaragua, Uruguay

This section contains an updated version of the matrix included in the previous report on the progress made by countries in implementing the 1993 SNA, in order to assess the extent of coverage achieved, or hoped to be achieved when the respective programmes are completed in the countries which have begun them.

ACTIVITIES CARRIED OUT BY ECLAC DURING 2000 AND 2001 TO SUPPORT 1993 SNA IMPLEMENTATION IN THE REGION

During 2000 and 2001, ECLAC continued to engage in support activities with the aim of facilitating implementation of the 1993 SNA in the countries of Latin America and the Caribbean. The activities included the following five types of tasks:

(i) Technical documents on the production of national accounts and basic statistics were distributed, with the relevant methodological notes. The documents referred to in previous reports continued to be distributed, in addition to the following:

- The compact disc version of the System of National Accounts 1993 in Spanish;
- The European Economic Community (EUROSTAT) guidelines on quarterly national accounting methods, which were sent to the national accounts units of the countries of the region in a printed document as part of the series of ECLAC Manuals and in electronic form;
- As regards the publication of classifiers, ECLAC continued making available to the countries its systems for correlating international statistical classifications (the Harmonized Commodity Description and Coding System (HS), the Standard International Trade Classification (SITC), the International Standard Industrial Classification of All Economic Activities (ISIC), the Classification by Broad Economic Categories (CBEC) and the Central Product Classification (CPC)).
- The revised versions of the spending classifiers provisionally included in the 1993 SNA were also distributed. These are for the classification of individual consumption by purpose (COICOP), classification of the functions of the government (COFOG), classification of the purpose of the non-profit institutions serving households (COPNI) and classification of outlays of market producers by purpose (COMPP).
- ECLAC created, within its web site for the Statistics and Economic Projections Division, a subsite (<http://www.eclac.cl/deype/documentos/>) in order to facilitate the dissemination of documents generated at technical meetings and seminars. Distribution continued of *SNA News and Notes*, published by an information service of the Inter-Secretariat Working Group on National Accounts, and the directory of national accounts experts in the Latin American and Caribbean countries through the subsite: <http://www.eclac.cl/deype/publicaciones/>.

(ii) In its capacity as focal point for 1993 SNA implementation in Latin America and the Caribbean, ECLAC has continued to follow up on the progress achieved in the region and to work together with those countries requiring it. Particular mention may be made of the following activities:

- This report was prepared in the light of the information collected through the questionnaire on progress in 1993 SNA implementation, the information received in seminars and workshops organized by ECLAC, and the information disseminated by the countries.

- ECLAC has continued to participate, mainly in Panama, as a technical cooperation project execution unit in the area of national accounts and the production of basic statistics.

(iii) During the period concerned, ECLAC continued to carry out promotional and technical support activities to assist with the meetings, seminars and working groups held in the region, some of which were organized jointly with the relevant bodies from the countries concerned. Mention should be made of the following events:

- Fourth technical seminar on harmonization of the consumer price indices of MERCOSUR countries, plus Bolivia and Chile, organized by INDEC of Argentina (Buenos Aires, 9-12 April 2000).
- Fifth technical seminar on harmonization of the consumer price indices of MERCOSUR countries, plus Bolivia and Chile, organized by the Central Bank of Paraguay and ECLAC (Asunción, 10-13 October 2000).
- Sixth technical seminar on harmonization of the consumer price indices of MERCOSUR countries, plus Bolivia and Chile, organized by the National Institute of Statistics of Bolivia (La Paz, April 2001).
- Seventh technical seminar on harmonization of the consumer price indices of MERCOSUR countries, plus Bolivia and Chile, organized by the Statistics and Economic Projections Division of ECLAC (Santiago, 16-20 August 2001).
- Latin American Workshop on National Quarterly Accounts, organized by the Brazilian Geographical and Statistical Institute (IBGE) (Rio de Janeiro, 20-24 November 2000). At this workshop the content of the manuals on quarterly national accounts disseminated by EUROSTAT and IMF was analyzed. The workshop participants agreed that it would be appropriate to prepare those accounts using the same criteria throughout the region. It was therefore proposed to continue holding seminars and workshops in order to harmonize the results. The representatives also made a commitment to disseminate their quarterly accounts according to a schedule established in accordance with their degree of progress.
- First Latin American workshop on the satellite account for tourism: the key issues. Santiago, Chile, organized by the World Tourism Organization and ECLAC (2-4 October 2001).

(iv) Support for the activities involved in training national accounts experts and producers of basic statistics related to the 1993 SNA.

- ECLAC has continued to foster the exchange of information on requests for technical advice with the aim of locating experts, organizations and countries in the region that can provide assistance in relation to specific subjects in the areas of basic statistics production, national accounts and data processing and dissemination.
- ECLAC has worked with training organizations active in Latin America and the Caribbean, in particular the Centre for Latin American Monetary Studies (CEMLA) and the European Training Centre for Economic Statisticians of Developing Countries (CESD, Madrid), to ascertain the needs of the region's countries in this area.

(v) Improvements in the quality and breadth of basic statistics produced for the purposes of 1993 SNA implementation.

With the aim of producing a situation report on the production of statistics for the application of the 1993 SNA, a questionnaire aimed at statistical organizations was distributed. This consultation was for the purpose of preparing a report on the status of the statistical systems as a basis for SNA 1993 implementation and was requested by the directors of national statistical offices in the context of the Statistical Conference of the Americas of ECLAC. Its conclusions show that although the offices have made efforts to respond to the need for basic information for implementing the new recommendations, those efforts have as yet been insufficient.