Editorial - Our Inaugural Issue

The Statistics Sub-programme of the Caribbean Community (CARICOM) Secretariat, is pleased to present the inaugural issue of its Newsletter. Entitled "Stats News & Views", one of the main objectives is the dissemination of information about key events occurring in the sub-programme as they relate to issues within the Secretariat and the Community, the National Statistical Offices in Member States and collaborating regional and international agencies.

The Newsletter is also to be used as a forum for presentations and discussions on methodological issues on statistical techniques and processes that can result in the improvement of statistics in the region and through which there can be greater communication between users and producers of statistics on contemporary issues affecting Statistics.

Our target audience will therefore comprise the Staff of the Secretariat, the National Statistical Offices in Member States and in selected countries in the region, researchers, other users and international and regional agencies with whom we perform collaborative work. The frequency of the publication will be bi-annual, at the end of the first and third quarters of each year. The format for dissemination will be a combination of print and electronic versions.

In this our inaugural issue the feature article is a discussion on the Statistical Framework and the Caribbean Single Market and Economy (CSME) because of the critical importance of statistics in underscoring this process, before and after its creation. In future issues we hope to achieve a more technical focus in our presentations. We hope that you will find this newsletter a useful one and we also take this opportunity to invite articles, comments and suggestions from all our readers.

Main Event

The Caribbean Single Market and Economy (CSME) and the Statistical Framework in the Region

The establishment of the Caribbean Single Market and Economy is likely to be a major turning point in the economic and social development of the region. The approach to the creation of the CSME is through the following processes:

- * establishing a legal framework (which is to be negotiated) for its operation;
- * the removal of restrictions;
- * the harmonisation of laws;
- * effecting of institutional arrangements
- execution of administrative reforms;

These measures will lead to:

- * the elimination of discrimination;
- * the creation of a uniform business environment with common rules;

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Main Event cont'd

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* increased legal certainty with regard to the conducting of business in the CSME;

The requirement of revising the Treaty of Chaguaramas which was signed in 1973, is being accomplished utilising mechanisms known as Protocols that are geared to eliminate discrimination in the access of nationals to regional markets and resources.

Hence a single economic space will be created that can allow for the cross-border establishment of businesses and the free movement of services, capitals and goods and specific categories of persons across the region. The expectations are that the creation of a single market and economy will achieve the following:

- * the creation of opportunities for the expansion of production and trade in goods and in services;
- * the expansion of investment, employment etc.,
- * greater competitiveness in production and
- the provision of support to disadvantaged countries and sectors.

The achievement of a Single Market and Economy is also expected to increase the capacity for more effective association and bargaining power with the larger hemispheric groupings. In the context of the statistical framework to support the implementation of the CSME major consideration is to be given to the statistics and indicators which should comprise a core data set to be produced in all countries that are Members of the CSME. Work is in progress on the identification of this core data set which can facilitate the analysis of the socio-economic status of Member States.

Inevitably due to differences in the levels of development of statistical capabilities and resources in statistical offices in the region there is need for a phased approach to the establishment of this core data set, which will gradually reduce the gaps and deficiencies in the statistical databases.

Based on the motives and expectations of the CSME, it is possible to identify some of the elements that should comprise this core data set. Some key items are data on trade in goods and in services, GDP by economic activity and by expenditure components, private and public investment/savings, foreign direct investment, inflation, population, characteristics of the labour force, intraregional migration and so forth.

The Statistics Sub-programme is also currently examining its own internal processes relative to its ability to deliver timely and accurate information to support the

CSME. The documentation of the methodological approaches to data compilation and estimation in the Region is part of this preparatory process in the achievement of harmonization of statistics in the Region and in effecting timeliness of its production and dissemination.

While there was always a perceived need to achieve harmonization of statistics across Member States with the establishment in 1974 of the Standing Committee of Caribbean Statisticians (SCCS), the creation of a single economic space makes this need even more critical. As an example there is need to establish procedures to enable meaningful comparison of data on the Gross Domestic Product (GDP) at Constant Prices. The situation that exists at present is that of varying base years some of which are quite outdated and other inherent weaknesses in the data series.

In its efforts to the support the CSME process, the Statistics Sub-programme intends to target the compilation of key short-term indices such as quarterly data on national accounts, domestic production and prices that can enable the analysis of movements in economic variables within a year and for the provision of timely information prior to the availability of the annual data.

Ultimately the goal of the statistical framework should provide a core of timely, reliable, and comparable statistics that can facilitate the evaluation of the socioeconomic performance of the CSME.

Current Event

UNSD/CARICOM Project for "Strengthening Capacity in the Compilation of Statistics and Indicators for Conference Follow-up in the CARICOM Region"

The main objectives of the Project are to strengthen the capacity of national and regional statistical offices in the CARICOM region in collecting, evaluating and analyzing data in support of policy development in the areas of environment and social/gender statistics. The Project also focuses on the development of Information Technology (IT) to establish a network of experts in these areas of statistics and diminish isolation of national statistical offices in the region. In addition to training workshops, another main output of the Project will be two regional publications on environment and social/gender statistics.

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Two regional workshops were undertaken as part of the Project. Twenty-nine participants were trained during the Workshop on Environment Statistics that was hosted by the Central Statistical Office of Belize (2 to 11 August 2000). Thirty-five participants were trained during the Workshop on Social and Gender Statistics that was hosted by the Statistical Institute of Jamaica (23 August to 1 September 2000). The Project has spurred a number of initiatives at national and regional levels. Several countries have undertaken user-producer workshops in environment and social/gender statistics and some plan to produce national gender and environment statistics publications.

The Project assisted the Government of Saint Lucia to initiate an environment statistics programme by jointly organising training provided by an expert in January 2001 to assist in the production of a national environment statistics publication. As part of the Project, representatives from Grenada and St. Kitts & Nevis also participated in the training.

Two United Nations Volunteers were recruited to provide temporary support to the CARICOM Secretariat in the areas of IT and statistics to enable CARICOM to assume increasing responsibility in the implementation of the Project.

The IT component has provided each national statistical office in the CARICOM Member States and the CARICOM Secretariat with three desktop computers, computer software, reference books and CD ROM-based tutorials. Instructor-led training was offered in word processing, spreadsheet and database software, as well as in basic Internet concepts. In addition, the cost of maintaining an Internet connection is being subsidised for one year. Finally, a Workshop for IT covering Advanced MS Access, Web Design HTML and Visual Basic, is planned for June 2001.

Preparations are underway for the two regional publications on environment and social/gender statistics. CARICOM and UNSD developed the statistical formats for the compilation of environment and social/gender statistics and have circulated them to the Member States in February and March 2001. Member States are urged to provide the requested data thereby contributing to the regional publications to be produced by CARICOM in 2001, in accordance with the time schedule endorsed by the Standing Committee of Caribbean Statisticians that met in January 2000 in Guyana.

The Launching of the Year 2000 Round of Population and Housing Census

The Seventh Regional Census Coordinating Committee Meeting took place in Tortola, British Virgin Islands on 23-24 October 2000. This meeting signaled the launching of the Year 2000 Round of Population and Housing Census and the formation of the Regional Census Coordinating Committee. This committee consists of Directors of National Statistical Offices, Representatives from the University of the West Indies, the University of Guyana, the United Nations Statistical Department and other regional and international organizations.

Status reports from the countries participating in the regionally coordinated process were presented and a work-plan of activities was formulated. A Regional Census Coordinator, (RCC) was appointed by CARICOM to manage the technical census activities and to chair the meetings of the RCCC. Further details are available from the report of this meeting.

The Eighth Meeting of the RCCC was held in Saint Lucia from February 19-20, as a follow-up to the launching of the regional census process and to advance regional planning in preparation for the field enumeration activities that are scheduled for around April/May 2001 in some Member States. This meeting report is not yet available. Regional census activities have intensified to ensure a successful outcome to these field activities. Other initiatives are also underway relative to a data processing training workshop and the acquisition of funding for the data analysis and dissemination phase of the regional coordination effort.

The 25th SCCS Meeting (October 2000)

The twenty-fifth Meeting of the Committee of Caribbean Statisticians was held in Tortola, British Virgin Islands on 25-26 October 2000. Among the issues discussed at the meeting were the Harmonisation of Statistics in the Region through the identification of a core data set and the documentation of the methodological approaches to measuring Economic Statistics; as well as progress made on the implementation of the United Nations 1993 Revised System of National Accounts (SNA 1993). The Regional and National Programmes for Social Statistics, problems in the compilation of Education Statistics and the UNSD/CARICOM Project on "Strengthening Capacity in the compilation of Statistics and Indicators for Conference Follow-up in the CARICOM Region" were also presented and discussed. This Meeting report is currently being compiled.

Future Events and Expectations

National Accounts Workshop

A National Accounts Workshop is now proposed for this year, to be held in early December. It is expected that this workshop will take a practical format where work performed on the implementation of the SNA 1993 in Member States and other countries in the Caribbean Region will be presented.

In this context it is expected that producers of Statistics in Member Countries will benefit from a hands on approach to training rather than the more theoretical oriented type training. These sessions are being planned along with the UNSD Intra-Regional Macroeconomic Advisor for the Caribbean Region, Mr. Jan van Tongeren who is expected to play a major role in its conduct.

Among the lists of topics are:

- * A simple accounting approach to the SNA, based on the experience of Guyana and Dominica;
- Computerisation of the National Accounts in the Netherlands Antilles;
- * Tourism and environmental accounting, the Dominican Republic experience;
- * Development of quarterly accounts based on a report on Dominica.

Forthcoming Project on the Services Statistics

A CIDA funded Project under CARICOM Protocol II Trade Policy and Facilitation is scheduled to get under way around mid-May, with a component on the strengthening of statistical capabilities in the services sectors. Further information will be communicated officially to Member States shortly.

Forthcoming Publications

You can expect to see these and other publications within the next six months!

- **Balance of Payments of CARICOM Member States**
- National Accounts of CARICOM Member States
- **External Debt of CARICOM Member States**
- **Labour Force Bulletin of CARICOM Member States**
- 🖹 🛮 Several Trade Reports 🗖

Question & Answer Segment

This segment of the Newsletter is set aside for technical discussions in the various fields of statistics based on submissions from producers and users of statistics. If there is any contribution that you would like to make or any topic which you think should be highlighted here we would like to hear from you. Below, as an example for this first issue, we explore the concept of value added.

Overview of GDP - Concept of Value Added

The most central of all national accounting concepts asks the following question:

What is the market value of all the final goods and services produced in a country during a year?

The concept of GDP answers this question and is conceived of in alternative ways:

- * the accumulation of the *separate amounts of value* added in different stages of production;
- * the estimation of all *final* goods and services produced;
- * the *incomes* of the *factors of production*;
- * The *input-output or commodity flow approach* which combines the first two methods and in addition provides estimates on the application of each commodity group.

Below the value added approach is briefly highlighted.

The *value added* concept measures the value created in the production process and appears as a balancing item in the production accounts. Value added can be measured as a *gross* or a *net* item. This method is based on value added of each economic activity.

As a gross item it is calculated as the value of *output* from production less the value of *intermediates* used up in production. As a net concept gross value added is adjusted for the *consumption of fixed capital* used up in production. The concept therefore implies the value *added* to the value of intermediate consumption in the production process.

Published By: Statistics Section

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