

**Regional course on SNA 2008 (Special topic): improving
exhaustiveness of GDP coverage.**

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**Current Practices and Status
on Lao National Accounts Compilation**

*Prepared by: Mr. Somchay DOUANGDY, Technical Officer, National Accounts
Division, Department of Economics Statistics, Lao Statistics Bureau, MPI
Lao PDR.*

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Introduction

- The Gross Domestic Products (GDP) in Lao PDR have started officially in 1990, its publication was grouped into three economic activities 1. Agriculture; 2. Industry; and 3. Services.
- In 1997, Lao Statistics Bureau (LSB) has achieved several main sources of economic data, and LSB has attempted to adopt the SNA1993 framework and achieved the first benchmark (1997) and finally came out with the second benchmark in 2002

Introduction (cont.)

- The second benchmark estimation was done in 2006 with reference year 2002-2005 and result was published in National Accounts Statistics 2002-2005 in 2008.
- GDP by expenditure component available only at aggregated level, the GDP by production side annually published in the Year Book
- Under the implementation of Strategy for Development of National Statistics System (SD NSS) 2010-2020, LSB continue to works on the implementation and adaptation of SNA 1993 and 2008

Estimation of National Accounts

- First series of GDP by industry (1990-2005) was based on production approach by using bench mark data estimation with fixed 90's prices
- Value added ratio with conjunction with administrative reporting data.
- The current GDP (since 2002) is estimated by using new benchmark (reference year 2002-2005) data based on 1993 SNA.

Estimation of National Accounts (Cont)

- The GDPE approach is disaggregated into main components: *final consumption expenditure* (household and government), *gross fixed capital formation* (state, private and household) *net export at aggregated* level.
- The GDP by income approached was not officially produced in the National Statistics System. Despite the needs on the quarterly account but with the limitation of data and resources quarterly account/quarterly GDP was not compiled.

Status and Methodology

- GDP (P)
 - Compilation both current price and constant price, 2002 is recently base year, based on 1993 SNA
- GDP (E)
 - The GDPE approach is disaggregated into main components: final consumption expenditure (household and government), gross fixed capital formation (state, private and household) Net export (available 2002-2005) and 2009,2011 Compile for ICP propose.
- GDP (I)
 - The GDP by income approached was not officially produced in the Lao National Accounts.
- No IOT, SUT, Satellite, GFC, Sequence of Accounts, Capital Stocks compilation.

Status and Methodology (Cont)

- GDP (P) = Gross value added
+ (Taxes – Subsidies)
- GDP (E) = Final consumption expenditure
(household and government)
+ Gross Fixed capital formation
(state, private and household)
+ Exports - Imports

Sources data and Classification

Two main data sources

- Survey
 - The LECS conducted in 1997-98, 2007-08, 2012-13
 - Sample enterprise survey in bigger city in 1998
 - Economics Censes EC 2005, 2013
 - AES conducted in 2003, 2004, 2005, 2006 (Full enumeration, country wide with cut-off less five employees enterprise)
 - AHS conducted in 2004, 2005, 2006, 2007 (2400 households are surveyed)
- Administrative reporting data
 - Commodity quantity basis product
 - Finance statistics
 - State budget and Public investment

Sources data and Classification (Cont)

- ISIC rev 3 (GDP (P) estimation base year 2002), (Since 2012 survey EC, HHs apply ISIC Rev 4 and (developed to LSIC as 5 digit)
- CPC (EC 2005, 2013 and Establishment survey)
- COICOP (LECS, Five year interval and Annual Household Survey)
- HS (Import and export)

Quality assurance

- To comparison the various data sources, and also evaluate the results of the calculations after being complicated in the system.
- Before the presentation and publication, organized the meeting through with technical of ministries and related parties.

Issues and challenges

- Staff shortage, capability in the implementation of SNA concept, compilation and data analysis;
- The coverage of the data source, as well as the informal sector, and Insufficient data and data sources in annual basis (R&D, GFCF, inventory, FISIM by activities);
- GDP Deflator only CPI is available. PPI, WPI, Export and Import Index are not available in the system yet

Way Forward

- **Plans to address issues in adopting the 2008 SNA recommendations and meet specific outputs.**
 - Shift the base year from 2002 to 2012, estimates GDP (P) by using the data from EC 2013, the Agriculture Census of 2010 and LECS year 2012/2013.
 - Switch the ISIC rev3 into ISIC rev 4 in GDP (P) compilation (Time series)

Way Forward (Cont.)

- Enhance staff capacity building on SNA using different means
- PPI compilation to support GDP deflators;
- Develop a specific work plan for SUT/IO tables

Thank you

(Kop Jai)