

# TWINNING CONTRACT

JO/13/ENP/ST/23

## Strengthening the capabilities of the Department of Statistics in Jordan



### MISSION REPORT

on

#### Activity 1.1: Assessment of the national accounts system

Mission carried out by

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15<sup>th</sup> to 19<sup>th</sup> December 2013

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**List of Abbreviations**

DoS	Department of Statistics of Jordan
ToR	Terms of Reference
BoJ	Bank of Jordan
MoF	Ministry of Planning
SNA	System of National Accounts
GDP	Gross Domestic Product
SUT	Supply Use Table
GFCF	Gross Fixed Capital Formation
IMTS	International Merchandise Trade Statistics
IMF	International Monetary Fund
SDDS	Special Data Dissemination Standards
HIES	Household Income and Expenditure Survey
BoP	Balance of Payments
IIP	International Investment Position

## 1. General comments

This mission report was prepared within the Twinning Project "Strengthening the capabilities of the Department of Statistics in Jordan". It was the first mission to be devoted to an assessment of the national accounts system within Component 1 of the project.

The purposes of the mission were:

- Assessment of the current situation and the standards used regarding the national accounts in Jordan
- Assessment and review of the data sources and classifications used for the compilation of national accounts in Jordan
- Assessment and review of the data sources exhaustiveness of the informal sector
- Priority to be given to the topics of the components:
- Compilation approaches
- Current accounts
- Informal sector
- Fixed prices
- Agricultural accounts
- Supply use tables
- Input output tables
- To introduce the DoS staff to the major changes between the ESA 1995 / SNA 1993 and the ESA 2010 / SNA 2008
- To involve relevant stakeholders in the discussions

The consultant would like to express their thanks to all officials and individuals met for the kind support and valuable information which they received during the stay in Jordan and which highly facilitated the work of the consultants.

This views and observations stated in this report are those of the consultant and do not necessarily correspond to the views of EU, DoS or NICO.

## 2. Assessment and results

It was not possible to fully meet the Terms of Reference for this first mission mainly because the experts were unable to spend sufficient time with DOS staff. Amman suffered the heaviest snowfall for many years in the days before the mission, which made travel difficult and dangerous. Roads were impassable, and when they were open, the traffic jams meant that the normal 30 minute journey to the office from the city centre, would take more than two hours to complete.

Due to the adverse weather conditions in Amman, the government shut all government offices on Sunday 15 and Monday 16 December. The experts therefore met with the Resident Twinning Advisor (Thomas Olsen) at the hotel on Sunday 15 December to discuss the project and plan the programme for the week. Government offices remained closed on Monday, so the experts reviewed available material on the DOS website, along with other available material, including the metadata on the IMF SDDS site. This gave the experts a general impression of what data was available and the main sources used. A description of the sources and methods used by DOS to compile the accounts based on external sources is included in Annex 3.

The experts reached the offices on Tuesday 17 December. However, due to the difficult road conditions, the journey took more than two hours and the majority of DOS staff were not able to reach the office. As key staff such as the Component Leader, were not available, it was necessary to delay talks with DoS staff until the next day, Wednesday 18 December.

On Wednesday, the experts had a very useful discussion with the component leader Mr Moawiah Alzghoul and members of staff. The conclusions and recommendations of the mission are based on the extensive research conducted by the experts before this meeting, and the clarifications and agreements arrived at during the meeting. The following notes reflect the discussion.

### **Preliminary Assessment**

The Directorate of National Accounts consists of 3 Divisions:

- Annual Accounts Division
- Quarterly Accounts Division
- Input-Output Division

Jordan operates a production based GDP system, based on surveys to businesses and households. The frame for the business surveys is based on the 2006 establishment census and the frame for the household surveys is the Population Census of 2004.

Annual GDP is compiled showing the production, expenditure and income components for the 3 approaches to measuring GDP at current prices. Only production is compiled in volume terms. Quarterly GDP is based on the production approach, in both current and constant price terms.

Producer prices are collected on a quarterly basis, using the same sampling frame as the economic surveys.

Weights are out of date as they are currently based on 1994 data. DOS plan to update to 2010, but no timetable was indicated during the meeting.

Production is based on information collected in the Economic Surveys (gross output, intermediate consumption etc.), deflated using Producer Price Indices.

Income estimates are based on the Economic Survey results rather than the household survey (HIES) information. Data are checked against Ministry of Finance tax returns.

The breakdown of expenditure components is based on Customs data on imports and exports of goods (IMTS) data and BoJ for international trade in services, and MoF data for government expenditure respectively. GFCF data is based on economic survey results. In the annual accounts, the household consumption data is derived as the residual between production and expenditure estimates of final demand. While data is collected as part of the HIES survey, data is not considered to be of sufficient quality to use directly in the accounts.

### **Priorities for project**

DOS need to resume the regular production of SUT balancing. The last balanced SUT is for 2006. They plan to compile a 2010 balance as part of the Twinning Project. This is seen as the main priority for this Component.

Since 2006, the Ministry of Planning have taken forward work on the compilation of an Input-Output Table for 2010. The experts see the priority as to compile an SUT for 2010. If there is domestic demand for an Input-Output Table, this should be taken forward using the finished SUT for 2010.

Training is also seen as a priority. It was agreed that the experts would deliver training to DOS staff to cover:

- An introduction to National Accounts
- An introduction to SNA2008.

Subsequently, it is recommended that a seminar or workshop on the SNA also be offered to external stakeholders in the BoJ, MoF and Ministry of Planning. This may be arranged in the 3<sup>rd</sup> or 4<sup>th</sup> mission to be undertaken by the experts.

Staffing is seen as a key issue. Recruitment and retention is difficult, with a lack of experienced staff in national accounts.

A review of the informal economy was not seen as the top priority by the Director. There was general agreement that a study of the informal economy should be carried out using the structure of the SUT.

It was generally agreed that Jordan DoS was relatively data rich, but limited in resources. Regular production of supply use tables (SUT) was seen as the priority for putting Jordan's national accounts onto a firmer footing consistent with modern international standards. This should include the delivery of a system that allowed DOS staff to produce reliable balanced SUTs in a timely manner on the conclusion of the Twinning project.

On Thursday 19 December, the experts assessed the information they had gathered, and wrote this mission report, together with the conclusions and recommendations for further work.

### 3. Conclusions and recommendations

Action	Deadline	Responsible person
Set up two day training session for DOS staff, subject "introduction to the SNA"	Jan 31 <sup>st</sup> 2014	Thomas
Prepare material for this introduction, include worked examples	January 31 <sup>st</sup> 2014	Robin and Simon
Prepare material for training on the production of supply-use tables	January 31 <sup>st</sup> 2014	Robin and Simon
Arrange meetings with key stakeholders – BoJ (both balance of payments and financial institutions sections), MoF and Ministry of Planning	January 31 <sup>st</sup> 2014	Thomas
Translate all questionnaires for economic surveys into English. This to include the guidance on filling in the questionnaires, as well as question headings	31 <sup>st</sup> January 2014	Thomas
Arrange meeting with data suppliers in BoJ and Ministry of Finance during next mission to help complete assessment and secure their buy-in to the project.	31 <sup>st</sup> January	Thomas

## Annex 1. Terms of Reference

### Terms of Reference

### EU Twinning Project JO/13/ENP/ST/23

**15-19 December 2013**

#### Component 1: National Accounts

#### Activity 1.1: Assessment of the national accounts system

##### 0. Mandatory results and benchmarks for the component

- The national accounts system in Jordan updated to SNA 2008 (Apr 2015)
- The national accounts system in Jordan will cover the informal sector (Apr 2015)
- Assessment report on current situation (Jan 2014)
- Review of the GDP methodology (Apr 2014)
- Plan for how to change base year in the fixed price calculations (Jan 2015)
- Plan for how to improve the current accounts (Jan 2015)
- Present and discuss the concept of different types of agricultural accounts (Jan 2015)
- Data sources, compilation methods, and balancing in relation to supply and use tables reviewed and updated towards SNA08 principles (Apr 2015)
- Provide recommendations on how to update input-output tables (Apr 2015)
- Update the methodology for calculation the informal sector (Apr 2015)

##### 1. Purpose of the activity

- Assessment of the current situation and the standards used regarding the national accounts in Jordan
- Assessment and review of the data sources and classifications used for the compilation of national accounts in Jordan
- Assessment and review of the data sources exhaustiveness of the informal sector
- Priority to be given to the topics of the components:
  - Compilation approaches
  - Current accounts
  - Informal sector
  - Fixed prices
  - Agricultural accounts
  - Supply use tables
  - Input output tables
- To introduce the DoS staff to the major changes between the ESA 1995 / SNA 1993 and the ESA 2010 / SNA2008
- To involve relevant stakeholders in the discussions

##### 2. Expected output of the activity

- Overview of current situation regarding the national accounts in Jordan
- Overview of the standards, classifications and data sources used for the compilation of national accounts in Jordan
- Better understanding of the coverage of the informal sector



- An overview of which areas of the present Jordanian national accounts that is not covered by the present sources and methodologies
- An overview of existing supplementary studies on the uncovered areas of the Jordanian national accounts, and this materials' potential usefulness in improving the coverage
- DoS staff introduced to the major changes occurring as part of the shift from ESA 1995 / SNA 1993 and the ESA 2010 / SNA2008
- Transfer of the in general European Union, experience concerning the shift to the SNA 2008. Including the handling of revision policies.
- A lining up of work programme for the next activity (1.2, scheduled to 2nd - 6th. February 2014)

### 3. Participants

#### DoS

Mr. Moawiah Alzghoul, Director of National Accounts Directorate (*Component Leader*)

...Annual National Account Division

- 1- Amal Abu Afeefeh - Head of the Annual Accounts Division
- 2- Khairallah Almarzoug
- 3- Farhan Mohammad
- 4- Loay Alrawashdeh
- 5- Ali Zaitoun
- 6- Ayman Nasir

The Input Output Division

- 1- Murad Bani-Hamad
- 2- Murad Omari

Quarterly Accounts Division

- 3- Walid Battah      Head of the Quarterly Accounts Division
- 4- Jaber Alfazza
- 5- Walaa Gharram

#### MS experts

Mr. Simon Humpries, Expert, NI-CO

Mr. Robert Lynch, Expert, NI-CO

#### Other stakeholders taking part in the activity

Staff from the DoS Economic Survey Directorate will also be invited.

**Programme for the mission**

<b>Time</b>	<b>Place</b>	<b>Event</b>	<b>Purpose / detail</b>
Sunday, morning	Hotel / DoS	Meeting with RTA	To discuss the programme of the week
Sunday, morning	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the current situation regarding the Jordanian National Accounts with respect to types of accounts, classifications used as well as methodologies.
Sunday, afternoon	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the current situation regarding the Jordanian National Accounts with a special focus on compilation approaches.
Monday, morning	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the current situation regarding the Jordanian National Accounts with a special focus on current accounts and informal sector.
Monday, afternoon	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the major changes in between the 1993 SNA and the 2010 SNA.
Tuesday, morning	DoS	Meeting with BC Component Leader and BC Experts	Continued discussions on how to account for the informal sector. Known possible data sources.
Tuesday, afternoon	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the current situation regarding the Jordanian National Accounts with a special focus on fixed prices and agricultural accounts.
Wednesday, morning	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the current situation regarding the Jordanian National Accounts with a special focus on supply and use tables as well as input-output tables.
Wednesday, afternoon	DoS	Meeting with BC Component Leader and BC Experts	Presentation of the in general European experiences with implementing the SNA 2008 / ESA 2010.
Thursday, morning	DoS	Meeting with BC Component Leader	Presentation of MS Experts' findings and agreement on the reached conclusions
Thursday, morning	DoS	Ad-hoc meetings	Final clarifications with BC Experts, preparation of report and presentation for BC Project Leader
Thursday, noon	DoS	Debriefing with BC Project Leader	Conclusions and decisions and their consequences for the next activity and the implied work programme for BC Experts

## **Annex 2. Persons met**

### DoS:

Mr Moawiah Alzghoul Director of National Accounts Directorate, and component leader

### Annual national accounts

Khairallah Almarzoug

Ayman Nasir

### Input-output division

Murad Bani-Hamad

Murad Omari

### Quarterly accounts division

Walid Battah

### External stakeholders:

### RTA Team:

Thomas Olsen

Amal Aliah

## **Annex 3 – External assessment of sources and methods used.**

### ***Material reviewed***

#### **Publications**

National Accounts 1976 – 2002.

#### **DOS website resources**

Economic surveys

- Industry
- Wholesale and retail trade
- Services
- Construction
- Transportation, storage and communication
- Insurance
- Banking and financial institutions

Employment in establishment surveys

Household expenditure and income surveys

Domestic tourism survey

Arrivals and departures survey

Indicators for building licenses.

#### **External sources**

IMF SDDS website

[http://www.cbj.gov.jo/uploads/NSDP\\_2010.HTML](http://www.cbj.gov.jo/uploads/NSDP_2010.HTML)

Central Bank of Jordan

- national accounts methods
- Balance of Payments dataset and external sector methods

<http://www.cbj.gov.jo/pages.php>

Ministry of Finance – Finance bulletin

[http://www.mof.gov.jo/Portals/0/MOF\\_Content\\_EN/MOF\\_EN/MOF\\_EN/General%20Government%20Financial%20Bulletins/2012/Dec%202012.pdf](http://www.mof.gov.jo/Portals/0/MOF_Content_EN/MOF_EN/MOF_EN/General%20Government%20Financial%20Bulletins/2012/Dec%202012.pdf)

### ***General summary and points to follow-up***

#### **Publications**

The main national accounts publication “National Accounts in Jordan 1976 – 2002” was reviewed. A summary is attached in annex 4.

## DOS Website sources

### Economic surveys

Comprehensive business survey that goes out annually. Data can be compiled according to the following activities on an ISIC Rev 3 (or Rev 2 basis):

Industry (mining, quarrying, manufacturing and electricity)

Wholesale and retail trade

Services

Construction contractors

Transport, storage and communication – organised

Transport, storage and communication – un-organised

Insurance

Banking and financial institutions

A range of variables are collected, allowing the production account to be compiled by activity.

Variables collected include:

- **Gross Output:** The value of goods and services produced from a certain establishment during a specific period of time as a result of operating any production activity either main or subsidiary. Therefore, Gross Output is computed as follows:  
Gross Output = value of main activity + value of subsidiary activities.  
Whereas the value of subsidiary activities = trade margins + services rendered to others.
- **Intermediate Consumption:** The value of all material and service inputs used in production.
- **Compensation of Employees:** This includes total salaries and wages paid or due to employees either in cash or in kind. It also includes the contribution of the establishment in the social security plus any other cash or in kind benefits paid or due to the employees.
- **Net Indirect Taxes:** These include all tax payments to the Government or the municipalities such as the sales tax, license fees including the license of vehicles, stamps and other fees paid after subtracting production subsidies provided by the Government.
- **Depreciation:** The value, at current replacement cost, of the reproducible fixed assets used up during a period of account as a result of normal wear and tear, foreseen obsolescence and the normal rate of accidental damage. Unforeseen obsolescence, damages caused by major catastrophes and the depletion of natural resources are not taken into account.
- **Gross Fixed Capital Formation:** The value of newly owned durable goods during the year, in addition to the stock of assets already owned by the establishment minus the value of sold second hand assets.

Detailed breakdowns of each of these components can be extracted from the DOS database.

### Questions

Can we see a copy of the questionnaires used? [now supplied]

Are different questionnaires used for different sectors? [yes]

How are data validated? (eg comparison with previous year, comparison with sector averages)?

How is survey conducted?

How is grossing undertaken? Non-response?

When will the results for 2009 (and later) be available?

### Employment in establishments surveys

This is an annual survey with data up to 2011. The following tables are released on the DOS website:

1. [Employees and Enterprises by Economic Activity and Size Group of Employment](#)
2. [Paid and Unpaid Employees by Economic Activity and Size Group of Employment](#)
3. [Employees by Economic Activity, Nationality and Sex](#)
4. [Paid Employees by Nationality, Sex and Educational Level](#)
5. [Paid Employees by Major Occupation Groups, Sex, Average Work Hours and Wage per Employee During the Reference Month](#)
6. [Number of New Employees By Economic Activity and Size Group of Employment](#)
7. [Government Employees by Sex and Educational Level](#)

Table 1 – Includes numbers of establishments and employees broken down into 19 activity groupings.

Table 3 – Number of employees by activity (19).

Table 5 - The main variables are numbers of employees, average hours worked, average wages for each of 8 employment groups.

### Questions

How are these data used in national accounts compilation?

Does the total represent total numbers employed in formal employment in Jordan?

Questionnaire and survey design?

### **Household expenditure and income surveys**

The survey is run every 2 years. The last year for which results are available is 2010. The survey consists of several components;

1. [Housing Unit Characteristics](#)
2. [Household, & Household Members Characteristics](#)
3. [Income](#)
4. [Expenditure](#)
5. [Relative Importance of Commodities and Services by Governorate and Urban/ Rural](#)
6. [Average Annual Consumption of Household Member from Food Items and Tobacco by Governorate, Urban and Rural](#)

The most important for national accounts are:

3. Income. Distribution of households x income groups; average annual household incomes x source (occupation, employment, own-account, transfers, property income, rent) and region – (JD8800 per household); by source and employment; by source and region.
4. Expenditure. Distribution of household expenditure by expenditure groupings and region; distribution of household expenditure by household size and region; average annual household member expenditure by commodity (and region and urban/rural); average annual expenditure by occupation of head of household.

### Questions

Is there a description of the methodology used? How is it conducted? Face to face or diary? Size of sample?

How are data validated / cleaned?

When will results for 2012 be available? How are quarters derived?

Is it possible to see the survey?

How are data used in quarterly and annual compilation? Is shift from average household exp to total expenditure (and income) for the nation?

Is household income data used? Is it validated against other sources eg income tax data? (presumably includes informal income?).

What adjustments are made to reported data – including grossing?

**Domestic tourism survey**

DOS has implemented a survey on domestic tourism that measures the volume of domestic tourism (which means travel of resident citizens outside their usual residence area within the political boundaries of the Hashemite Kingdom of Jordan). The objectives include:

4. Provide data on averages of expenditures and length of stay for **domestic tourists** in Jordan; ie does not include expenditure abroad, or non-resident expenditure in Jordan.

The survey is a household survey going out to 13,000 households using the frame from the employment survey. 90 % response rate. Face to face interviews.

The last survey was run in 2012 (previous in 2008).

Questions

How are the results used in the national accounts?

**Arrivals and departures survey**

Jordan has undertaken a periodic arrivals and departures survey to collect average daily expenditure for returning Jordanian travellers and departing foreign residents respectively. The last survey was run in 2010/11.

The methodology is published on the DOS website:

[http://www.dos.gov.jo/ari\\_dep/ari\\_dep\\_e/Method\\_e.pdf](http://www.dos.gov.jo/ari_dep/ari_dep_e/Method_e.pdf)

Questions:

Sample design was based on results of Arrivals and Departures Survey 1998. What information does this survey provide ? (grossing totals? Eg numbers of visitors by country by purpose). Can it be updated?

How are results from border survey grossed up – can Immigration records be used? ie what is the source if number of visits by country + average length of stay.

Survey is only run periodically. How are results projected forward in subsequent quarters / years?

Can surveys be provided (links on website do not work)?

How are Syrian refugees treated? Do they become Jordanian residents on arrival ?

Are results from land and air borders separately compiled? (they are likely to have very different average daily expenditure).

Are results also used in BOP?

**Indicators for building licenses**

DOS publishes 2 tables containing information on building licenses that includes information on estimated costs:

Table 1 – new building, existing building and extension licenses. Includes information on square metres and estimated costs.

Table 2 – licenses by ownership and type of building.

Data are available up to 2012.

Questions

How are data used?

What additional data are used to compile GFCF? Imports etc?

**External sources****Central Bank of Jordan – external sector**

The BoJ compile and publish external sector statistics - the balance of payments (BoP) and international investment position (IIP).

<http://www.cbj.gov.jo/pages.php>

Questions

Are published goods and services data consistent in data published by DOS and BoJ?

Is methodology for BoP available?

What adjustments are made to convert Customs data from an IMTS basis to a NA/BoP basis?

**Ministry of Finance**

The Ministry of Finance (MoF) publish detailed fiscal data on a monthly basis:

[http://www.mof.gov.jo/Portals/0/MOF\\_Content\\_EN/MOF\\_EN/MOF\\_EN/General%20Government%20Financial%20Bulletins/2012/Dec%202012.pdf](http://www.mof.gov.jo/Portals/0/MOF_Content_EN/MOF_EN/MOF_EN/General%20Government%20Financial%20Bulletins/2012/Dec%202012.pdf)

Statement includes municipalities and Social Security Fund (Corporation) and is in line with GFSM2001.

Questions

Is this the main source of government consumption figures?

What other sources of data are used?

How are transfers from abroad accounted for?

Public corporations. Included within government or not? Sources of data?

Are there any adjustments to data made?



## Annex 4 – Review of National Accounts of Jordan 1976 - 2002

A review of “the national accounts in Jordan 2002 – 1976

### PREFACE

Accounts are based on 1968 SNA.

*What are the changes to 1993 SNA and then 2008 SNA, and which of them have been introduced to the national accounts of Jordan? Where will I find this information?*

Based on industrial activity classification ISIC Rev 3.

*Has there been a move to ISIC Rev 4? What has changed? Where will I find this information?*

A comprehensive frame of establishments is established based upon the latest Establishments Census (1999)

*Is the 1999 Census the latest? Is it comprehensive (includes all new retailers, importers, manufacturers, providers of services?). Is the port of Aquaba (Free enterprise zone?) included?*

### INTRODUCTION

Sources include the following:

- a) annual economic and agricultural surveys – large units fully covered, small establishments covered through representative samples.

*Do these surveys ask for detail of intermediate consumption or IC as an aggregate? Do they include questions on turnover, sales, change in stocks of FG, WIP, M&F? GFCF? YES!*

*When was the latest one?*

*How many establishments approached?*

*How many responded?*

*What was the size of sample for small units?*

*Are individual results compared with previous survey results? (Credibility checks)*

*Are results compared with previous results by detailed industry, aggregate industry sectors?*

*How much response chasing is carried out?*

Double deflation techniques used for value added in volume terms.

*At what level of detail of IC are the relevant PPIs applied?  
Does the double deflation method throw up strange results?*

*How do you handle this?*

Quarterly estimates of GDP, at both current and constant prices, are made.

Quarterly and monthly surveys are used. Quarterly estimates are available 70 days after the end of the quarter.

Price surveys were modified to provide monthly and quarterly price indices for deflating output and IC.

For example, PPIs are produced at 4 digit level of ISIC 3.

*Are these published? What is the coverage?*

The General Framework of National Accounts

Industries

This sector covers all resident production units. Those performing business on the market are corporations (financial and non-financial), whereas those performing non-market services remain in the public (government?) sector. It includes PNPs serving other production units.

*Is public sector or government sector used?*

Government services

Government units providing goods and services at economically significant prices are not included under this heading, but industries e.g. Free Trade Zone Corporation, government grain mills etc.

*Who decides on ESP? Do you ever change classification?*

Classifications

ISIC3 expanded (!) to 6 digit level to fit Jordan activities

Detailed product classification maintained consistent with CPC.

*Is this still the same? What about computers, lap tops, mobile phones etc.*

The accounts and tables are according to the 1968 SNA, but valuation and accounting standards are according to the 1993 SNA.

SNA of NA in Jordan

SNA 68 used from 1976.

DoS has updated surveys to be consistent with 1993 SNA.

A set of experimental accounts on SNA 1993 for all sectors were produced – to be published “in the near future”

*What happened?*

The comprehensiveness of the accounts

HH own production should be included, but only of goods, not services.

In Jordan, the national accounts include the most important informal activities, such as those of construction, transport, HH production for own use, and trade carried out by HH.

*How?*

Data sources

Surveys, administrative sources for government and foreign trade. HHEI conducted every 5 years (*now every two years?*).

Quarterly surveys of employment and unemployment.

Structure of national accounts of Jordan

Four basic accounts with balancing items

a: Production account (GDP)

b: Income and outlay account (saving)

c: Capital account

d: Balance of Payments

2.5 Methods of production

Adjustments needed to move production and value added from factor cost to basic prices (i.e. show production net taxes as a cost of production). This was carried out and survey questions modified to enable basic price estimates to be made.

Additional data on non-financial and financial assets collected to enable the capital account and financial accounts to be produced.

*How was that achieved?*

1985 out of date as base year for volume growth estimates up to 2002 (Its not bad!). A new base year of 1994 was chosen.

Discontinued single deflator method. (Wow!) This produces “better” estimates of volume growth (not in my experience).

To double deflate, a set of PPIs for all economic activities is needed. Where it was impossible to use double deflation, IC was extrapolated using gross output volume growth (back to single deflator technique – thank goodness).

Estimates of taxes at constant prices obtained by using volume growth of taxable values, applied to base year tax value.

Taxes obtained by surveys differ from those collected centrally by Ministry of Finance.

*So which are used in the national accounts? (It says use survey results but . . .)*

Estimates of GDP by activity at current and constant prices are produced using methods set out by activity in pages 12 - 32

Page 32 – 2.10 The consolidated accounts of Jordan

Gross domestic product and expenditure account – GDP calculated according to income and expenditure approach – resources are factor incomes and uses are components of final demand (*Is this the income and outlay account to use the terminology of 1968 SNA?*)

The expenditure components are government final expenditures, and private final consumption expenditures – estimated as a residual from the two parts.

*But what is the source of the estimate for total final consumption? Is it total GDP less capital less exports plus imports?*

GFCF buildings = output of construction industry less sub-contracted works, less maintenance, less construction works included in military expenditure estimates, less construction services delivered overseas, less secondary activities not construction.

All expenditures of armed forces on fixed assets are treated as intermediate consumption.

Change in stocks of finished goods restricted to wholesale and retail goods, agriculture and industry.

Exports of goods and services

Imports of goods and services

Goods come from external trade statistics (ITMS)

Services come from balance of payments (BoJ?)

Disposable income account

Incomes versus outlays (expenditures) and balancing item is saving.

Extra are net compensation of employees from abroad. From balance of payments.

Use employment ratios (resident versus non-resident) to apportion income to non-residents but wow – worry worry.

Net property income from abroad

Interest, dividends, profits – 1993 SNA and BoP 5

Net current transfers – balance of payments (workers' remittance?)

Capital finance accounts

A combination of capital account and financial accounts as per 1993 SNA and later.

## Annex 5 – Review of IMF – SDDS

The statement is completed by the BoJ on behalf of Jordan.

Key points:

- NA Division consists of 8 staff which is considered inadequate by DOS.
- DOS statistics are in general based on the concepts and definitions recommended by SNA 93. Production accounts follow SNA 93, accumulation accounts follow SNA68.
- Informal sector is not covered.

DOS compiles and disseminates the following national accounts and aggregates:

- Value added and GDP (annual and quarterly) at current and constant (1994=100) prices by activity
- Annual expenditures of GDP at current prices
- Annual value added components at current prices by activity
- Annual sequence of accounts (up to financial accounts) for the total economy
- Annual rest of the world accounts (until net lending)

Annual GDP estimates by expenditure approach at constant prices are not compiled.

Source data

Source data for quarterly national accounts production approach are based on censuses and surveys.

The establishment census was conducted in 2006. It covered about 150 thousand establishments in all non-agricultural activities classified by ISIC Rev.3.1 and ISIC Rev.3 four digit code. The census questionnaire was designed to collect data on a set of economic variables such as type of statistical unit, activity status, principle and secondary economic activities, legal status, employment data, data on revenues, capital, etc. The census is used as a sampling frame for basic economic statistics surveys.

For agriculture, a census is carried out every ten years, and comprehensive data on production, sales and prices are collected by product and region.

Quarterly surveys are conducted for all industrial groups at the ISIC 3 digit level and for the important industries the surveys are conducted at the ISIC 4 digit level groups. Currently the quarterly surveys do not provide good basis for compiling expenditure approach according the GDP.

Source data definitions, scope, classifications, valuation, and time of recording

All annual and quarterly surveys are designed to ensure that source data approximate the definitions, scope, valuation and classifications required in the national accounts. However the central government data is subject to problems concerning valuation at accrual basis. The fiscal year of the State, and all establishments, is the calendar year, which tends to limit inconsistencies in the time of recording. Internally there is a good co-operation between the DOS units responsible for national accounts and those responsible for the basic economic statistics and compilers are well aware that concepts and definitions underlying source data may differ from those required by the national accounts, and make necessary adjustments.

Source data timeliness

Most source data are available on a sufficient timely basis. The price statistics compiled by the DOS (producer price indices, wholesale price indices, consumer price indices as well as price indices for agricultural products) are timely. The detailed merchandise trade statistics is obtained from the ASYCUDA system on a sufficiently timely basis. The Ministry of Finance supplies data on central government on a timely basis.

#### Source data assessment

The main lack in coverage of the annual, quarterly national accounts concerns the illegal activities. The DOS is following a case-by-case approach in estimating the informal activities. Surveys of the informal sector in construction and transport activities have been conducted from 1990.

#### Validation of intermediate results

DOS analyses the source data in the context of revisions.

For the census and surveys, random post-enumeration checks are always made, a large part of those take place in the field by survey supervisors.

The establishment data is analyzed using the software tools of the SQL database. The influence of outliers is limited and high value transactions are confirmed with respondents. Underreporting of output by enterprises is adjusted to the greatest possible extent by comparing the reported data with foreign trade records and the data from the tax administration.

The administrative data from the Ministry of Finance, Custom's Office and the Tax Administrations is assessed for its accuracy.

## Annex 6 – Published GDP

تابع جدول 1: الناتج المحلي الإجمالي والإنفاق بأسعار السوق الجارية للسنوات 1976-2009 (مليون دينار)  
Cont'd/ Table 1. Gross Domestic Product and Expenditures at Current Market Prices, 1976 - 2009 (Million JD)

Item	2009*	2008*	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	البيد
Compensation of Employees	6838.7	5859.4	4660.0	3980.8	3348.2	3055.0	2759.2	2374.5	2425.5	2358.5	2323.1	2181.7	2036.5	1921.8	1808.0	1598.3	1462.6	1287.7	1074.4	994.6	933.5	تعويضات العاملين
Operating Surplus	6597.7	6628.0	4805.6	4207.0	3504.9	3141.3	2632.8	2408.9	2220.2	2038.1	1775.7	1847.2	1774.1	1676.7	1711.4	1644.1	1465.3	1477.9	1219.5	1200.4	995.9	فائز التشغيل
Consumption of Fixed Capital	1408.8	1265.2	1157.8	1003.8	924.3	835.4	767.1	728.2	700.3	673.5	675.8	616.2	564.5	494.4	433.5	390.1	352.3	323.8	302.5	233.4	238.1	استهلاك رأس المال الثابت
Taxes on Production and Imports	2287.8	2289.1	2023.5	1782.0	1688.9	1330.9	1082.1	1095.8	1029.3	944.9	1034.2	1009.8	844.6	855.4	798.5	763.2	653.8	576.2	424.6	397.9	289.8	الضرائب على الإنتاج والمستوردات
Less: Subsidies	220.8	448.3	515.5	298.2	540.9	271.9	12.4	13.5	11.6	16.5	30.8	45.0	82.4	36.9	36.7	38.2	49.8	55.2	63.1	65.4	32.0	ناقص : الإعانات
Gross Domestic Product at Market Prices	16912.2	15598.4	12131.4	10675.4	8925.4	8090.7	7228.8	6794.0	6363.7	5998.6	5778.1	5609.9	5137.4	4911.3	4714.7	4357.4	3854.2	3610.5	2958.0	2760.9	2425.4	الناتج المحلي الإجمالي بأسعار السوق
Gov. Final Consumption Expenditures	3699.5	3363.6	2499.4	2203.3	1743.2	1723.1	1676.0	1541.6	1458.4	1421.6	1386.7	1367.0	1312.5	1204.1	1111.3	985.6	857.9	790.6	742.0	663.9	618.8	الإنفاق الاستهلاكي النهائي الحكومي
Private Final Consumption Expenditures	12688.4	12403.0	10512.3	9076.2	7838.3	6598.9	5561.6	5191.3	5157.4	4835.8	4177.7	4111.9	3647.3	3450.6	3045.9	2934.9	2793.0	2765.9	2142.5	2069.0	1688.0	الإنفاق الاستهلاكي النهائي الخاص
Changes in Stocks <sup>(1)</sup>	193.7	318.7	337.8	308.3	314.2	210.2	15.7	78.0	104.2	74.8	-106.4	36.5	-3.2	54.5	159.1	60.0	119.2	159.5	60.5	156.2	9.1	التغير في المخزون <sup>(1)</sup>
Gross Fixed Capital Formation	4254.2	4342.9	3334.1	2717.1	2733.7	2005.4	1490.8	1287.3	1235.8	1266.6	1352.7	1187.5	1325.0	1444.8	1395.0	1391.2	1303.6	1049.3	678.0	694.1	554.5	التكوين الرأسمالي الثابت الإجمالي
Exports of Goods and Services	7758.6	8811.2	6579.4	5751.3	4704.2	4222.6	3424.4	3221.8	2681.3	2309.1	2305.4	2513.7	2532.5	2597.2	2438.5	2093.4	1962.1	1819.9	1697.6	1652.1	1359.5	مبيعات السلع والخدمات
Less: Imports of Goods and Services	11682.2	13646.0	11131.6	9380.8	8408.3	6669.5	4939.7	4526.0	4273.3	4109.2	3337.9	3608.7	3676.7	3839.9	3435.2	3107.6	3151.7	2974.7	2362.6	2474.3	1804.5	ناقص: واردات السلع والخدمات
Expenditures on Gross Domestic Product	16912.2	15598.4	12131.4	10675.4	8925.4	8090.7	7228.8	6794.0	6363.7	5998.6	5778.1	5609.9	5137.4	4911.3	4714.7	4357.4	3854.2	3610.5	2958.0	2760.9	2425.4	الإنفاق على الناتج المحلي الإجمالي

\* Preliminary

(1) Includes the total value of the change in livestock numbers

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(1) تشمل قيمة التغير في أعداد المواشي

تابع جدول 2: الدخل القومي المتاح المصروف فيه وتخصيصاته بالأسعار الجارية للسنوات 1976-2009 (مليون دينار)  
Cont'd/ Table 2. National Disposable Income and its Appropriations at Current Prices, 1976 - 2009 (Million JD)

Item	2009*	2008*	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	البيد
Gov. Final Consumption Expenditures	3699.5	3363.6	2499.4	2203.3	1743.2	1723.1	1676.0	1541.6	1458.4	1421.6	1386.7	1367.0	1312.5	1204.1	1111.3	985.6	857.9	790.6	742.0	663.9	618.8	الإنفاق الاستهلاكي النهائي الحكومي
Private Final Consumption Expenditures	12688.4	12403.0	10512.3	9076.2	7838.3	6598.9	5561.6	5191.3	5157.4	4835.8	4177.7	4111.9	3647.3	3450.6	3045.9	2934.9	2793.0	2765.9	2142.5	2069.0	1688.0	الإنفاق الاستهلاكي النهائي الخاص
Saving	2340.1	1951.2	476.1	797.8	513.1	1407.9	1589.2	992.8	621.9	687.4	857.5	623.3	777.8	847.5	940.9	753.1	603.9	287.2	122.3	84.9	293.4	الإسثار
Appropriation of Disposable Income	18628.0	17797.8	13487.8	12077.2	10094.6	9729.8	8826.7	7725.6	7237.7	6944.7	6421.9	6182.2	5737.6	5502.2	5098.1	4673.6	4254.9	3843.7	3066.8	2817.7	2608.2	تخصيص الدخل الممكن للتصرف فيه
Compensation of Employees	6838.7	5859.4	4660.0	3980.8	3348.2	3055.0	2759.2	2574.5	2425.5	2358.5	2323.1	2181.7	2036.5	1921.8	1808.0	1598.3	1462.6	1287.7	1074.4	994.6	933.5	تعويضات العاملين
Net Compensation of Employees from the Rest of the World	297.7	411.1	272.1	228.0	198.3	169.8	137.1	140.9	126.5	114.5	100.9	92.1	100.6	101.1	78.3	68.7	65.7	50.4	25.7	27.7	29.7	مباقي تعويضات العاملين من العالم الخارجي
Operating Surplus	6597.7	6628.0	4805.6	4207.0	3504.9	3141.3	2632.8	2408.9	2220.2	2038.1	1775.7	1847.2	1774.1	1676.7	1711.4	1644.1	1465.3	1477.9	1219.5	1200.4	995.9	فائز التشغيل
Net Property & Entrepreneurial Income from the Rest of the World	130.6	82.5	212.5	93.2	40.2	24.6	-45.0	-86.3	-11.9	-43.3	-109.6	-97.9	-148.0	-213.4	-195.1	-220.1	-214.8	-236.6	-246.8	-267.2	-221.1	مباقي دخل الملكية وعائدات النظم من العالم الخارجي
Taxes on Production and Imports	2287.8	2289.1	2023.5	1782.0	1688.9	1330.9	1082.1	1095.8	1029.3	944.9	1034.2	1009.8	844.6	855.4	798.5	763.2	653.8	576.2	424.6	397.9	289.8	الضرائب على الإنتاج والمستوردات
Less: Subsidies	220.8	448.3	515.5	298.2	540.9	271.9	12.4	13.5	11.6	16.5	30.8	45.0	82.4	36.9	36.7	38.2	49.8	55.2	63.1	65.4	32.0	ناقص : الإعانات
Net Other Current Transfers from the Rest of the World	2696.3	2896.0	2029.6	2084.5	1855.0	2280.2	2275.0	1605.3	1459.7	1548.4	1328.3	1114.3	1212.1	1197.6	933.7	857.6	872.1	743.2	572.5	529.7	604.3	مباقي التحويلات الجارية الأخرى من العالم الخارجي
Disposable Income	18628.0	17797.8	13487.8	12077.2	10094.6	9729.8	8826.7	7725.6	7237.7	6944.7	6421.9	6182.2	5737.6	5502.2	5098.1	4673.6	4254.9	3843.7	3066.8	2817.7	2608.2	الدخل المتاح ( الممكن للتصرف فيه)

\* Preliminary

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