

TWINNING CONTRACT

JO/13/ENP/ST/23

Strengthening the capabilities of the Department of Statistics in Jordan



MISSION REPORT

on

Activity 1.7 and activity 1.13: Supply and Use Tables V and VI

Mission carried out by
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1 November -6 November 2014

Version: Final



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Annex 4. The note “Rules for balancing.docx”	Fejl! Bogmærke er ikke defineret.

List of Abbreviations

DoS	Department of Statistics of Jordan
ToR	Terms of Reference
SUT	Supply and Use matrices
VAT	Value added tax (the general sales tax)
NA-products	National accounts products (the product classification used in the SUT)
FOB	Free on board
CIF	Cost, insurance, freight

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 fifth and sixth mission to be devoted to national accounts within Component 1 of the project.

The main purposes of the mission were:

- To continue the manual balancing process by eliminating as many product imbalances as possible
- To train the DoS staff so they during active balancing work become familiar with the balancing technique and with the common „Rules for balancing”
- To make plans for further work and agree upon work to be done before next mission scheduled December 2014.

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

The views and observations stated in this report are those of the consultants and do not necessarily correspond to the views of EU, DoS or Statistics Denmark.

2. Assessment and results

At the end of the fourth mission we have reached a milestone in the project with the fulfilment of an initial SUT ready for manual balancing. This means that all available data has been utilized, NA-product coded and saved in the SUT.

Despite this very fine result, when compared with the original plans, this is however slightly behind schedule. Fortunately we have been able to respond to the delay by extending this mission with an extra expert and in this way to cover two activities.

All local DoS-participants engaged in the project were looking forward to learn about the balancing work. Some of them had a chance to train before the mission and everybody showed a lot of enthusiasm in the work. Some of them prepared themselves by:

1. Studying the note "Balancing the SUT" or "والاستخدام العرض جداول توازن"
2. Doing exercises with the EXCEL SUT IT-tool.
 - Trying to retrieve products (rows)
 - Trying to retrieve production or intermediate consumption or other parts of the use table (columns)
 - Trying to figure out what the figures show
 - Why don't the products balance?
 - Looking specifically at products with strange values (e.g. uses outside inventory changes) or large differences between initial values for supply and use and try to find explanations (e.g. missing supplies or uses, erroneous coding of supply or use components, improbable distribution of taxes on products, errors in source data)

In order to meet the Terms of Reference for this fifth (and sixth) mission devoted entirely to manual balancing of the SUT, we initially supplied everybody with a note on balancing techniques, see “Rules for balancing” Annex 4 and one of the experts examined the main rules for balancing in plenary.

The experts had also made plans for the organization of the balancing work: a division of balancers’ responsibilities concerning NA-products as well as a division of balancers’ responsibilities concerning targets for production, intermediate consumption and other aggregates – all according to the descriptions and recommendations in the note “Balancing the SUT”, distributed in an earlier mission.

These plans were presented again for discussion and adoption and then we could start working in three different groups by the desks. Each group consisted of 2-3 DoS-persons and one of the experts to coach.

The rest of the time – around three and a half working days – we concentrated on job training by the desks. Finally, in plenary, we went through the outstanding imbalances and agreed upon work to do before the next mission: which of the remaining NA_products in imbalance should be eliminated by the Dos-Staff and which of the remaining NA_products in imbalance should be eliminated by the experts.

3. Conclusions and recommendations

This mission concentrated on the manual balancing of the SUT. The mission was extended with an extra expert and covered two activities. This was very successful because we in this way addressed specifically the capacity building concerning different balancing techniques. We also dealt with many issues concerning the Jordanian economy and we managed to balance around 200 of 250 products.

Next step is to address the balancing towards target totals in the mission in the beginning of December. The goal is to complete this part of the balancing process within the next mission and leave the final (more automatically) balancing procedure to a final mission in mid-January.

If this plan is going to succeed, before next mission, the rest of the product-imbalances have to be eliminated.

Annex 1. Terms of Reference

Terms of Reference

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

2 November -6 November 2014

Component 1: National Accounts

Activity 1.7, 1.13: Supply and Use Tables V and VI

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

- Continued familiarization of the DoS staff with the IT-tool for SUT
 - To balance supply and use
 - Elimination of product imbalances
 - Balancing in the direction of the Target totals
- To discuss the organisation of the SUT work.
- Special focus on changes needed in the current system in order to comply with the ESA10/SNA08
- To introduce the DoS staff to requirements regarding supply and use tables in the ESA 2010 / SNA2008

2. Expected output of the activity

- DoS staff further familiarised with the IT-tool for SUT
- Supply equals the use for all products
- Balancing in the direction of the target totals is initiated
- Recommendations prepared on the organization of work in relation to organization as well as IT
- Recommendations prepared on the next steps in relation to how to deal with the balancing
- A lining up of work programme for the next activity (1.14, scheduled for 30. November – 4. December 2014)
- DoS staff introduced to the Danish and in general European experiences in compiling Supply and Use tables

3. Participants

DoS:

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

Annual national accounts

Amal Abu Afeefeh - Head of the Annual Accounts Division

Khairallah Almarzoug

Farhan Mohammad

Loay Alrawashdeh

Ali Zaitoun

Ayman Nasir

Input-output division

Murad Bani-Hamad

Murad Omari

Aysha Hashim Abu-Shaira

Quarterly accounts division

Walid Battah - Head of the Quarterly Accounts Division

Jaber Alfazza

Walaa Gharram

MS experts

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Mr. Jens Holst Jensen, Senior Adviser, National Accounts division, Statistics Denmark

Mr. Søren Larsen, Senior Adviser, National Accounts division, Statistics Denmark

Annex 2. Programme for the mission

Time		Place	Event	Purpose / detail
Sunday, morning	08.30 – 10.00	Hotel /DoS	Meeting with RTA	To discuss the programme of the week
Sunday, morning	10.00 – 12.00	DoS	Meeting with BC Component Leader and BC Experts	Information and follow-up on activities since activity 1.6. What is the status regarding the balancing? What is the status regarding the data for special taxes as well as the subsidies? Discussion of challenges faced, if any, when using the SUT-IT tool. Can everyone format, test and save data in the SUT? Can everyone extract data from the SUT. Correct data and save again?
	12.00 – 01.00		Break / Preparations / Report writing	Break / Preparations / Report writing
Sunday, afternoon	01.00 – 03.30	DoS	Meeting with BC Component Leader and BC Experts	Work on balancing the SUT and discussions of how to organize the balancing of the SUT.
	03.30 – 04.00		Preparations / Report writing	Preparations / Report writing
Monday, morning	08.30 – 09.00	DoS	Preparations / Report writing	Preparations / Report writing
	09.00 – 12.00		Meeting with BC Component Leader and BC Experts	Continued from Sunday afternoon.
	12.00 – 01.00		Break / Preparations / Report writing	Break / Preparations / Report writing
Monday, afternoon	01.00 – 03.30	DoS	Meeting with BC Component Leader and BC Experts	Continued from Monday morning.
	03.30 – 04.00		Preparations / Report writing	Preparations / Report writing
Tuesday, morning	08.30 – 09.00	DoS	Preparations / Report writing	Preparations / Report writing
	09.00 – 12.00		Meeting with BC Component Leader and BC Experts	Continued from Monday afternoon.

	12.00 – 01.00		Break / Preparations / Report writing	Break / Preparations / Report writing
Tuesday, afternoon	01.00 – 03.30	DoS	Meeting with BC Component Leader and BC Experts	Continued from Tuesday morning.
	03.30 – 04.00		Preparations / Report writing	Preparations / Report writing
Wednesday, morning	08.30 – 09.00	DoS	Preparations / Report writing	Preparations / Report writing
	09.00 – 12.00		Meeting with BC Component Leader and BC Experts	Continued from Tuesday afternoon.
	12.00 – 01.00		Break / Preparations / Report writing	Break / Preparations / Report writing
Wednesday, afternoon	01.00 – 03.30	DoS	Meeting with BC Component Leader and BC Experts	Continued from Tuesday afternoon.
	03.30 – 04.00		Preparations / Report writing	Preparations / Report writing
Thursday, morning	08.30 – 09.00	DoS	Preparations / Report writing	Preparations / Report writing
	09.00 – 11.30		Meeting with BC Component Leader and BC Experts	Discussions of open issues. Discussions of work programme until next mission (2-6 November 2014)
			Ad-hoc meetings	Final clarifications with BC Experts, preparation of report and presentation for BC Project Leader
Thursday, morning	11.30 – 12.30	DoS	Meeting with BC Component Leader	Presentation for BC Project Leader
Thursday, noon	12.30 – 01.00	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 3. Persons met

DoS:

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

Annual national accounts

Khairallah Almarzoug

Farhan Mohammad

Ali Zaitoun

Ayman Nasir

Input-output division

Murad Bani-Hamad

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Aysha Hashim Abu-Shaira

Quarterly accounts division

Walid Battah - Head of the Quarterly Accounts Division

Loay Alrawashdeh

Jaber Alfazza

Walaa Gharram

RTA team

RTA, Thomas Olsen,

RTA Assistant, Christine Salman

Interpreter, Mohammad Junaidi