

Input-output survey and compilation of annual accounts and SUT

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Serbian experience

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Content

- Serbian Input-output survey – SRP
 - *Introduction*
 - *The scope of the Survey*
 - *The questionnaire and its content*
 - *The biggest challenges of the Survey*
- SUT as a mean for improving the quality and coverage of national accounts figures
 - *The survey results in the „intermediate state“ before SUT compilation*
- Concluding remarks

Input-output survey - SRP

Introduction

- In 2012, the comprehensive input-output survey (SRP) aimed at collection of CPA breakdowns of Intermediate consumption and gross output has been successfully conducted by the SORS.
- The largest business survey ever conducted by SORS covering more than 17.000 enterprises including government units and unincorporated enterprises.
- The object of the survey was the structure of material costs and operating expenditures of economic subjects, their operating income and other value indicators at the detailed level of the statistical Classification of Products by Activity – CPA.
- Data that have been collected by this survey represent the basis for the calculation of the production and technical coefficients needed for the compilation of Supply and Use Tables but also contributed to the for further improvements of the NA system regarding compilation of sector accounts, estimation of GDP in constant prices and reliability of GDP estimates.

Input-output survey - SRP

The scope of the survey

- Large and medium-sized enterprises from the non-financial corporations sector have been completely covered, while small and micro enterprises have been covered on the sample basis.
- The survey has covered 2000 unincorporated enterprises (self-employed and partnerships) sampled in the most important NACE activities in which they operate. This included sole-proprietors under the so called lump sum taxation regime without double-entry accounting system and financial statements.
- Government units have been also covered with customized questionnaire for CPA breakdown of their market-output;
- Precise guidelines, training and ad-hoc methodological help with links with the Official chart of the accounts have been provided to the interviewers and units with detailed instructions for specific industries and activities.
- Taking into account the complexity of the questionnaire and anticipated difficulties in its compilation, it was allowed, in case of severe difficulties of distribution of inputs in various product groupings to estimate figures according with the experience of accountants or industrial technology managers of the enterprises.

Input-output survey - SRP



The questionnaire and its content

The survey covered the following data on detailed level of CPA classification:

- Sales of manufactured goods including construction;
- Sales of merchandise – resale of goods in the same form in which they were acquired;
- Trade margins rates;
- Sales of industrial and non-industrial services, including sub-contracting services related to the processing of materials, commercial intermediation services, financial services, intellectual property related services, etc.;
- Stocks of finished goods and work-in-progress at the end of the accounting period;
- Stocks of merchandise at the end of the accounting period;
- Material costs (raw materials and energy products);
- Costs of industrial and non-industrial services, including subcontracting services in the manufacture and construction;
- Stocks of materials at the end of the accounting period;
- Structure of business trips expenditures (traveling costs, per diem allowances etc.)

Input-output survey - SRP

The biggest challenges of the Survey

- Apart from technical and organizational issues, the main methodological challenge was transformation of business accounting figures of income and costs (as recorded in financial and cost accounting) into the ESA categories of output and intermediate consumption;
- The official chart of accounts and accounting systems of enterprises classify and group revenues and expenditure items in a different way in comparison to the CPA;
- Differences between accounting standards and ESA definitions of variables (intermediate consumption or GFCF);
- Unincorporated enterprises i.e. sole-proprietors under the so called lump sum taxation regime without double-entry accounting system and financial statements
- In many cases, current transfers such as gifts and donations were recorded as operating costs even though in the national accounts are not considered as part of intermediate consumption. To make this problem even bigger, interviewers work in the field has confirmed the fact that many companies and sole-proprietors, especially small and micro enterprises, do not literally follow the prescribed chart of accounts which further hampered the extraction of data for the purpose of completing the questionnaire.

Input-output survey - SRP

The biggest challenges of the Survey

- All supervisors and enumerators were provided a copy of the statistical classification of products in order to provide an adequate response to the reporting unit in the case of doubts and difficulties in terms of completing the questionnaire;
- Moreover, all supervisors and interviewers during the training were familiarized with the statistical classification of products and its structure to be able to use it in situations when filling certain positions in the questionnaire encountered difficulties;
- NA staff supervisors and operators were constantly online for providing answers and guidelines;
- Additional methodological notes for specific products and services were promptly delivered to all supervisors and interviewers when difficulties in the field work were identified.

SUT as a mean for improving the quality and coverage of national accounts figures

The survey results in the „intermediate state“ before SUT compilation

The survey enabled several very important improvements concerning compilation of NA:

- Update of Statistical Business Register concerning NACE activity code and identification of the main activity;
- Improved preliminary commodity flow analysis as a basis for the reconciliation of production and expenditure approach of GDP estimation;
- Improvements of NOE estimation related to overestimated IC;
- Enabled improvement of constant prices estimates by using structures of IC derived from survey instead of single deflators and price indices;
- In case of large companies it enabled better estimation of GVA by activity;

SUT as a mean for improving the quality and coverage of national accounts figures

The survey results in the „intermediate state“ before SUT compilation

- Enabled better transformation of business accounting records (as the main source for NA compilation) into ESA categories;
- Identification of elements of GO and IC which were not available from other sources (R&D costs, Subcontracting, Construction developers, travel costs etc., royalties and licence fees etc.)
- Identification of the secondary market output of government units;
- First time in-depth surveying of unincorporated businesses;
- Overall improvement of the precision and reliability of GVA estimates.

Concluding remarks



Future work

- The work on SUT tables in Serbia will intensify in 2016;
- The objective is to have full set of SUTs both current and constant prices by the end of 2017 (benchmark year 2011)
- New input-output survey for updating the technological structures from the 2011 Survey?
- The biggest challenge – full integration of SUT into the NA system – reconciliation between annual accounts, QNA and SUT and establishing one, single, consistent system
- Organizational and methodological changes and improvements

Thank you for your attention



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