National Statistical Committee of the Republic of Belarus

Non-observed economy.

Measurement and recording in the national accounts of the Republic of Belarus.

General Directorate of National Accounts

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THE METHODOLOGICAL BASIS FOR MEASURING THE NON-OBSERVED ECONOMY IN THE BELARUSIAN STATISTICS

In accordance with the Handbook on Measuring the Non-observed Economy, the following types are distinguished:

- ***Underground (shadow) economy;***
- ***Illegal economy;***
- ***Informal sector economy;***
- ***Households production for own final use.***

The methodology for measurement of the size of the non-observed economy (Belstat Resolution No. 17 dated 26.04.2019) is available on the official website of Belstat: **www.belstat.gov.by/metodologiya/metodiki-po-formirovaniyu-i-raschetu-statistichesk/**

METHODS FOR ASSESSING THE NON-OBSERVED ECONOMY

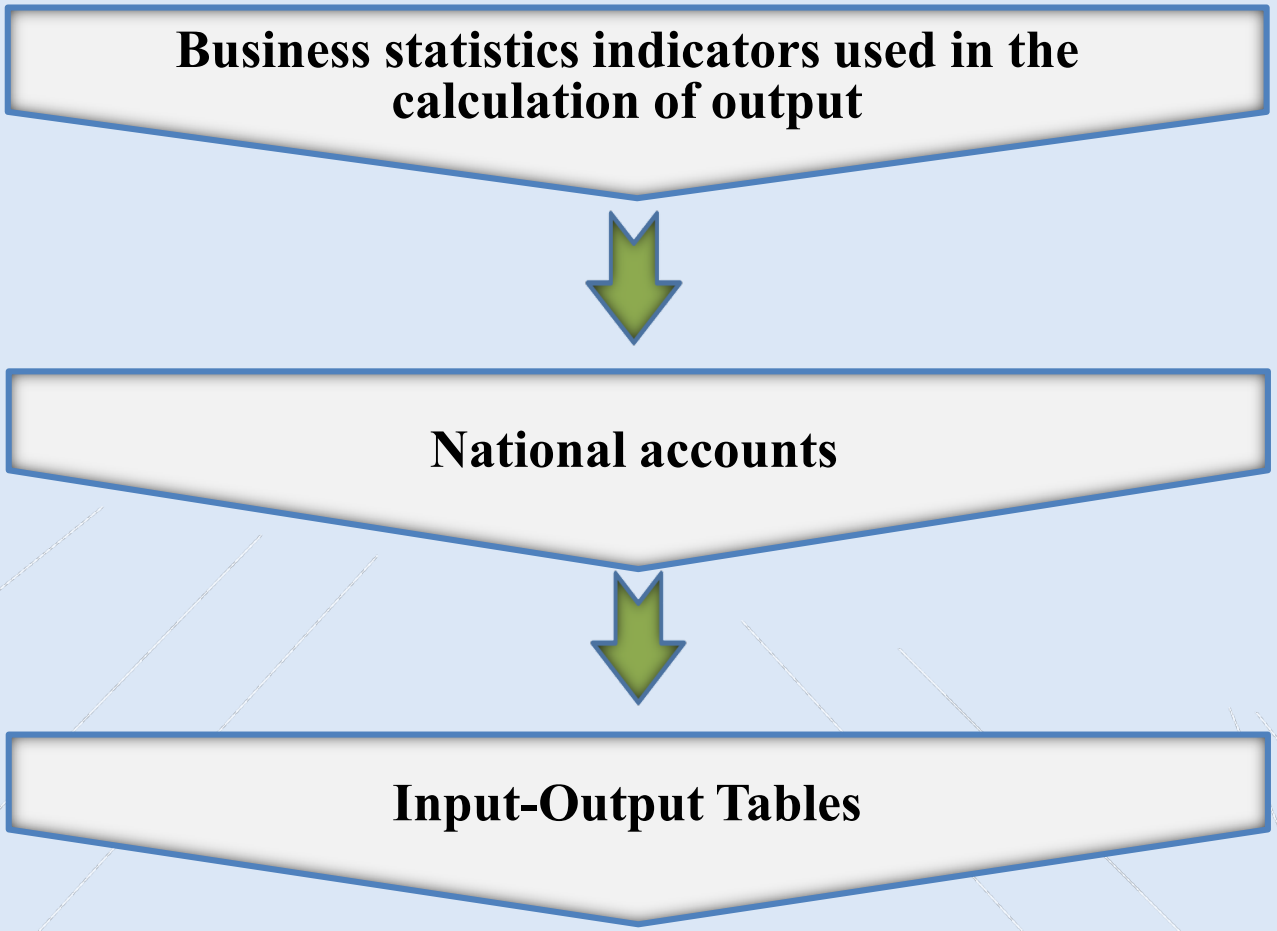
Direct estimate

- *data from statistical reports and sample surveys*
- *administrative data sources*

Indirect estimate

- *comparison of supply and demand*
- *comparison of households' income and expenditure*
- *estimates based on employment indicators*
- *commodity flow method*
- *balancing resources and uses by individual commodities*

THE MAIN STEPS OF ASSESSING THE NON-OBSERVED ECONOMY



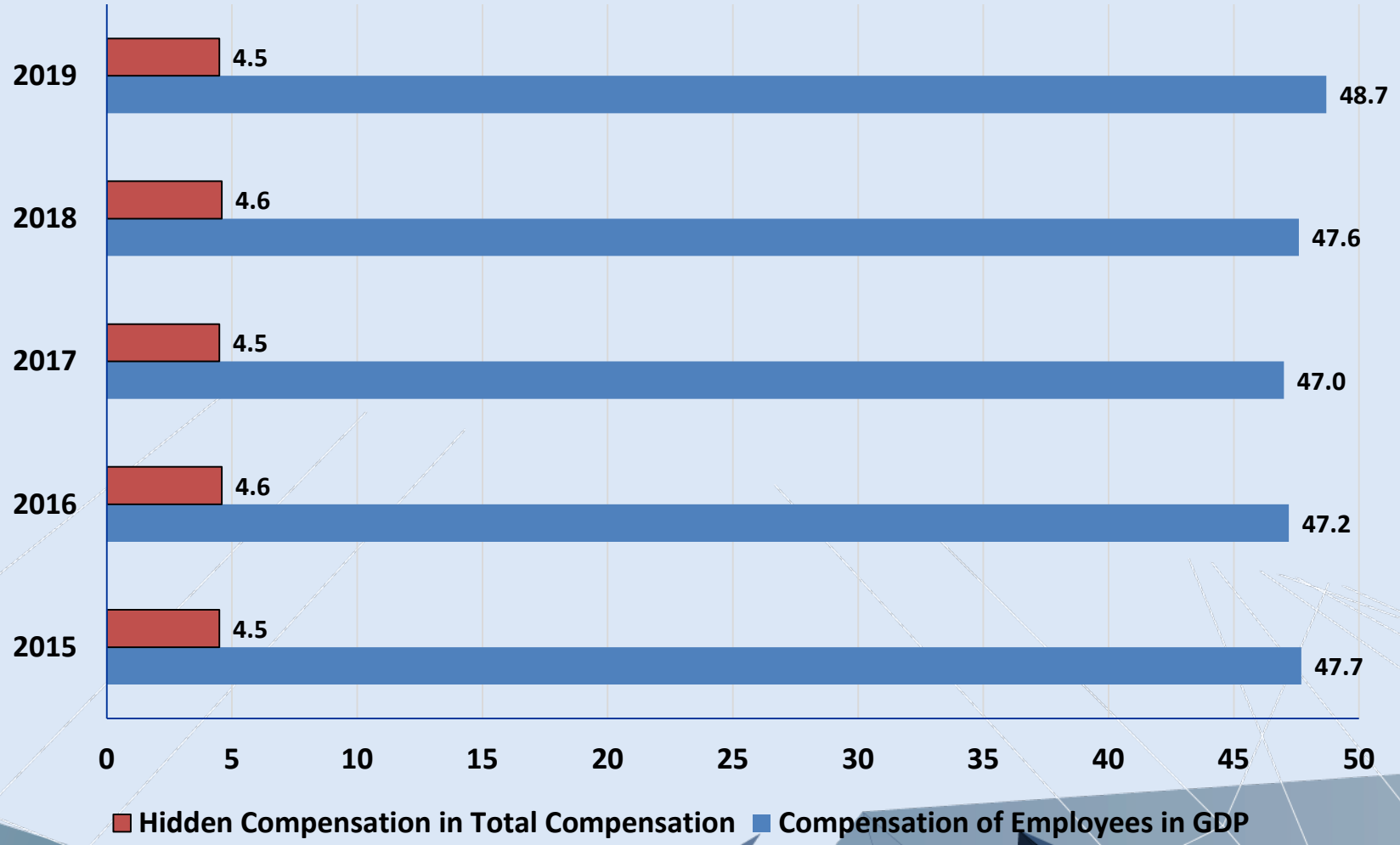
SHARE OF NON-OBSERVED ECONOMY IN GDP BY THE PRODUCTION METHOD (ACCORDING TO THE EUROSTAT TABULAR APPROACH)

	2015	2016	2017	2018	2019
N1	0.5	0.3	0.3	0.4	0.5
N2	-	-	-	-	-
N3	5.0	5.6	5.9	5.5	5.3
N4	0	0	0	0	0
N5	3.9	3.1	2.9	3.0	3.1
N6	1.5	1.2	1.1	1.2	1.2
N7	0.3	0.2	0.2	0.2	0.1

SHARE OF NON-OBSERVED ECONOMY IN GDP BY MAIN ECONOMIC ACTIVITY GROUPS

	2015	2016	2017	2018	2019
Total and by activity as % of GDP	**11.2**	**10.4**	**10.4**	**10.3**	**10.2**
Agriculture, forestry and fisheries	1.9	2.2	2.3	2.1	1.9
Manufacturing industry	0.4	0.4	0.5	0.5	0.7
Construction activities	0.5	0.4	0.3	0.4	0.4
Trade	2.4	1.5	1.2	1.1	1.0
Transport	0.6	0.3	0.4	0.5	0.5
Real estate activities	3.4	3.8	3.8	3.6	3.5
Other activities	2.0	1.8	1.9	2.1	2.2

SHARE OF COMPENSATION OF EMPLOYEES IN GDP AND HIDDEN COMPENSATION IN COMPENSATION OF EMPLOYEES



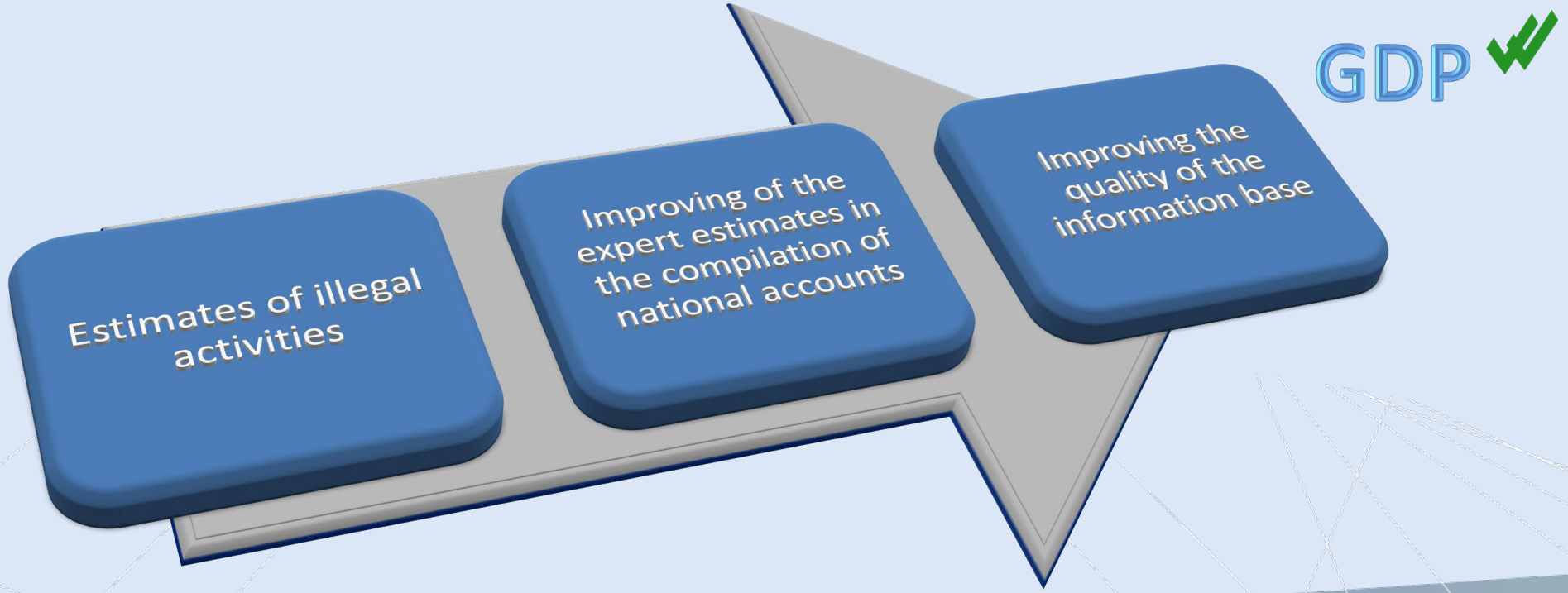
THE SHARE OF NON-OBSERVED ECONOMY IN GDP BY EXPENDITURE COMPONENT

	2015	2016	2017	2018	2019
Total and by expenditure componsen in % of GDP	**12.2**	**12.2**	**13.3**	**12.1**	**11.4**
Household final consumption expenditure	11.0	11.0	11.6	10.3	9.5
GFCF	1.0	0.8	0.9	0.7	0.8
Export of goods and services	0.4	0.5	0.8	1.4	1.4
Import of goods and services	0.2	0.1	0.03	0.3	0.3

NON-OBSERVED ECONOMY IN BUSINESS STATISTICS INDICATORS

- Foreign trade statistics
  - export
  - import
- Domestic trade statistics
  - turnover of individual entrepreneurs outside markets and shopping centres
  - Hidden paid services provided to the population
- Labor statistics
  - hidden compensation of emplayees
- Transport statistics
  - Occasional transport of passengers (cargo)

AREAS FOR IMPROVEMENT OF THE ESTIMATES OF MACROECONOMIC INDICATORS



THANK YOU FOR YOUR ATTENTION.