

## **1. Macroeconomic Systems of National Statistics**

**T**he central role in the macroeconomic system of national statistics belongs to the system of national accounts.

Macroeconomic statistical systems are a set of comparable and interrelated macroeconomic accounts, based on internationally accepted and agreed concepts, definitions, classifications and accounting rules. They ensure integrity of accounting rules that promote collection, compilation and presentation of macroeconomic statistics in an appropriate manner. Statistical standards and classifications shall be defined clearly to users, policy makers and the public. Basic macroeconomic statistical systems may be divided into four groups:

- **National accounts and other real sector statistics.** Currently "System of national accounts", 1993 is in effect, which was recommended to the United Nations Economic and Social Council by its Statistical Commission in 1993 and adopted as international standard for the compilation of national accounts statistics. A number of international organizations, as well as representatives of national statistical services and independent experts developed the system. The system is a set of interrelated, consecutive and integrated accounts based on internationally agreed concepts, definitions, classifications, and accounting rules. It enables collection, analysis and presentation of economic statistics via integral recording system for economic analysis, decision and policy-making purposes. Accounts of the system include data on production of goods and services; generation, distribution and re-distribution of income, consumption, savings and investments. They also include national and sectoral balance sheets and financial flows. Thus, the system allows to balance flows of goods and money among the sectors of economy and to follow the changes in the national wealth. The real sector statistics includes as well industrial statistics (reviews results of financial and economic activity of entities, operating in economic branches); price statistics (reviews trends of consumer and producers' prices) and statistics on population income, expenditures and employment (reviews sources of income of the population, structure of expenditures and employment level).
- **External sector statistics.** External sector statistics includes data on interrelations between resident<sup>1</sup> entities of the economy and the rest of the world (nonresidents). The "Balance of Payments Manual" is the effective international standard elaborated by the IMF in 1993, which has also been supplemented by "Balance of Payments Compilation Guide". The "Balance of Payments Manual" is a set of internationally agreed methodological principles for collection, compilation and presentation of data in the context of external economic activity. On the one hand, these data enable to estimate external economic flows that are reflected in the country's balance of payments, and on the other hand, to estimate foreign financial assets and liabilities i.e., the country's international investment position. Relation between the stocks and flows of foreign financial

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<sup>1</sup> Residency is presented in details in the next chapter.

assets and liabilities over a specific period of time are also reviewed. These flows reflect foreign economic transactions, as well as revaluation and other changes in the volume of assets and liabilities.

- **Government finance statistics.** Government finance statistics includes data on operations of the general government sector and the stock of assets and liabilities. Fiscal policy makers and analysts use these data, which enables to estimate the impact of the fiscal policy on the economy. Particularly, to estimate and analyze the share of the government sector in the economy, in generation of aggregate demand, investments and savings; its impact on the use of resources and monetary conditions; tax burden and role in income redistribution. Manual on "Government Finance Statistics" published in 2001 by the IMF is in effect for this area of statistics. The manual defines accounting and other principles for collection, compilation and presentation of fiscal statistics.
- **Monetary and financial statistics.** Includes statistics on the financial sector of the economy. As mentioned, the IMF's "Monetary and Financial Statistics Manual" is now in effect.

It should be mentioned that all the international standards are harmonized with each other, and this means that the above-mentioned macroeconomic statistical systems use in principle same definitions, classification criteria, accounting rules and so on.

Classification of statistical macroeconomic systems is based on the principle of sectorization of the economy. In this sense, it is necessary to present brief description of the sectors of the economy. The breakdown of various financial instruments in the monetary and financial statistics is based on the principles of sectorization of the economy.

Establishment of the IMF's statistical systems: Special Data Dissemination Standard (SDDS) and General Data Dissemination System (GDDS) is an important step for integration of statistical systems of different countries. The first of mentioned systems aims the participant countries at organizing their statistics based on common standards. SDDS requirements are rather strict and are compulsory for all members. Those countries that do not meet SDDS requirements may become members of the GDDS in order to develop their statistical systems. Armenia has been a GDDS member since March 2001. In November 2003 Armenia became a subscriber to the SDDS, thus becoming the second CIS country to move from the GDDS to SDDS.

The GDDS was founded in December 1997 and currently the system has 66 participants. Armenia was the third CIS country to participate in the GDDS. The main goal of GDDS is to assist member-countries in developing national statistical systems. In the framework of the system the data quality and dissemination issues focus on five groups of the economic statistics: real, financial, fiscal, external sectors and socio-demographic statistics.

The SDDS was founded in March 1996 and currently the system has 56 subscribers. Armenia is the third CIS country to subscribe to the SDDS. The main goal of SDDS is to guide member-countries that have or might seek access to international capital markets in the provision of their economic and financial data to the public.

In the framework of subscription to the SDDS, the CBA is responsible for the financial sector statistics.

#### References

1. Monetary and Financial Statistics Manual, IMF, Washington D. C., 2000.
2. System of National Accounts, Eurostat, IMF, OECD, UN, WB, Washington D. C., 1993.
3. Guide to the General Data Dissemination System, IMF Statistics Department, Washington D. C., 2001.
4. Guide to the Data Dissemination Standards, IMF, Washington D. C., 1996.