Republic of Lebanon
Office of the Minister of State for Administrative Reform
Center for Public Sector Projects and Studies
(C.P.S.P.S.)

BMB - LDK
Programme Monitoring Consultants to the
Office of the Minister of State for Administrative Reform
Beirut - Lebanon

## Memorandum

**To:**  Dr Raymond Khoury, TCU Director, OMSAR
Mr. Atef Merhi, IDU Acting Director, OMSAR
Mrs Roula Kabbani, EU Project Coordinator, OMSAR

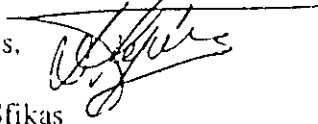**From:**  Dimitrios Sfikas, PMC Team Leader

**Date:**  28 March 2001

**Subject:**  **Work Plan for CAS National Accounts, February - June 2001**

Please find attached as per PMC Work Plan subcomponent 1.4.3. activity 3, for your approval and further transmission to CAS, the Work Plan for the period until June 2001 of the LTE National Accounts, Mr Idilio Freire.

This work plan has been informally endorsed by the CAS.

Best regards,

Dimitrios Sfikas
PMC Team Leader

جمهورية اللبنانية
مكتب وزير الدولة لشؤون التنمية الإدارية
مركز مشاريع ودراسات القطاع العام

BMB - LDK
Programme Monitoring Consultants to the
Office of the Minister of State for Administrative Reform
Beirut - Lebanon


## Memorandum


**To:**           Dr Raymond Khoury, TCU Director, OMSAR
Mr. Atef Merhi, IDU Acting Director, OMSAR
Mrs Roula Kabbani, EU Project Coordinator, OMSAR
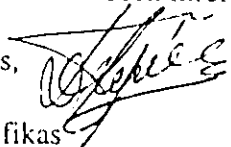
**From:**         Dimitrios Sfikas, PMC Team Leader


**Date:**         28 March 2001

**Subject:**      **Work Plan for CAS National Accounts, February - June 2001**

Please find attached as per PMC Work Plan subcomponent 1.4.3. activity 3, for your approval and further transmission to CAS, the Work Plan for the period until June 2001 of the LTE National Accounts, Mr Idilio Freire.

This work plan has been informally endorsed by the CAS.

Best regards,

Dimitrios Sfikas
PMC Team Leader

# ARLA PROGRAMME

## Government of Lebanon

## Office of Minister of State for Administrative Reform

## Programme Monitoring Consultancy

## Work Plan for CAS February 2001 – June 2001

### Sub-component 1.4.3: Assistance to Central Administration of Statistics

### (CAS)

Activity #3 – Preparation of a workplan in view of a new system of national accounts statistics

Idílio Luís Freire

National Accounts Statistics Expert

March 2001

# Table des matières

# Abréviations

ACS – Administration Central de la Statistique

CAS – Central Administration of Statistics

DOS – Bureau de la Statistique de la Jordanie

ERETES – Equilibre Ressources Emplois Tableau d'Entrées et Sorties

ESCWA – Economic and Statistical Comnission for Western Asia

EUROSTAT – Bureau de la Statistique de L'Union Européenne

EUROTRACE – Logiciel pour l'apurement et traitement du commerce extérieur

GIS – Geografic Information System

INSEE – Institut National de la Statistique et des Etudes Economiques

PCBS – Palestinian Central Bureau of Statistics

PIB – Produit Intérieur Brut

SCN93 – Système de Comptabilité National des Nations Unies

SNA93 – System of National Accounts of the United Nations

# Executive summary

The purpose of this work plan is to establish, during next months, the main activities to develop in CAS, in the area of National Accounts. The activities chosen reflect the orientations of the draft strategic plan for the period 2001-2002 approved in November 2000, where four priority activities were identified:

1. An update of the 1996 enumeration of buildings and establishments
2. A set of household surveys
3. A set of sample surveys in primary, secondary and tertiary sectors of the economy
4. A provisional exercise of National Accounts

The update of the 1996 enumeration of buildings and establishments must be completed before the fourth quarter of 2001, in order to provide a comprehensive sampling frame for the sample surveys of the enterprises and households. This task must be carried out by the CAS staff, with support from external experts.

The preparation of the household survey must be completed before the end of 2001, and the surveys will be launched, the latest by January 2002. The immediate tasks are to prepare the questionnaire, the manuals and the training of the fieldworkers. This task must be carried out by the CAS staff, with support from external experts, including the National Accounts Expert (to define the proper questions for the compilation of National Accounts) and the Local Expert (sampling and social questions, amongst others things).

The surveys for the enterprises must be prepared from now until the end of 2001, beginning of the year 2002, in order to be able to be launched in the second quarter of the year 2002. The preparation of this task is similar to that of the household survey (preparation of questionnaires, nomenclatures, manuals and sampling, pilot tests) and external support is needed to assist the CAS staff. The National Accounts Expert and the Local Expert will participate, mainly in the preparation of the questionnaire and the sampling.

The exercise of the compilation of provisional National Accounts for the years 1997-98 is a challenge that is proposed by this Work Plan and which has four different purposes:

- Practical training of the national accounts staff in agreement with the concepts and demands of the SNA93 methodology

- Evaluation of the main gaps that exist in the information and the available nomenclatures. This will allow the definition of additional tasks for the next work plan

- Obtain provisional estimates for some aggregates of the national accounts

- Benefit from the installation of the ERETES (software specific for national accounting), to be provided by EUROSTAT and INSEE, and practical training of the national accounts staff.

The national accounts staff must participate intensely in this activity, mainly in the collection of the necessary information and in its adjustment to the National Accounts concepts and demands. This constitutes the main task of the PMC National Accounts Expert in the next months and will also require the active participation of the PMC Local Expert.

Other tasks are foreseen but they will only start after June.

# Plan de Travail Février 2001 – Juin 2001

## 1. Introduction

Les pays souhaitant construire un Système Statistique moderne et capable de répondre aux exigences du Système de Comptes Nationaux (SCN93) des Nations Unies, doivent obtenir la participation et la collaboration de tous les agents économiques (publiques et privés, nationaux et étrangers) qui exercèrent leurs activités sur le territoire national, et connaître en détail leurs transactions économiques et financières relatives au pays lui-même et à l'extérieur.

Les agents d'activité économique sont classés en six secteurs (Secteurs Institutionnels) :
  S1 – Total de L'économie
    S11 – Sociétés non Financières ;
    S12 – Sociétés Financières ;
    S13 – Administration Publique ;
    S14 – Ménages ;
    S15 – Institutions Sans But Lucratif au Service des ménages.
  S2 – Reste du Monde

D'habitude, la Banque Centrale et l'autorité Centrale de la Statistique (représentée par l'Administration Centrale de la Statistique au Liban) partagent la responsabilité en ce qui concerne le recueil de l'information statistique de base, avec la collaboration des agents économiques, mais en particulier de l'administration Publique et du Ministère des Finances (Compte Général de l'État).

On peut dire qu'il est souhaitable, et usuel dans la plupart des pays ayant des Systèmes Statistiques développés, de partager le travail et la responsabilité de recueil et de production statistique.

 Banque Centrale :
  S12 – Les Sociétés Financières (les banques en général, la Banque Centrale, les entreprises d'assurance et autres intermédiaires financiers, comme agents d'assurance ou bureaux de change, s'ils existent). Au Liban n'est pas la Banque Centrale mais le Ministère de l'Économie qui a l'information sur les entreprises assurance.

 Administration Centrale de la Statistique :
  S11 – Les Entreprises non Financières ;
  S13 – L'Administration Publique[1] ;

---

[1] L'Administration Publique joue un rôle considérable dans ce domaine, car il est un agent économique très important du point de vue financier (le budget de l'état), économique et social. Si elle dispose de principes de Comptabilité Publique utiles et adaptés aux exigences du SCN93, ce qui n'est pas encore évident, alors elle peu fournir toute l'information de le S13 nécessaire aux Comptes Nationaux. Beaucoup de pays sont en train d'actualiser leurs Plans de Comptabilité

S14 – Les Ménages ;
S15 – Institutions Sans But Lucratif au Service des Ménages.

La Banque Central et L'administration Centrale de la Statistique partagent le
S2 – Reste du Monde, où la Banque Centrale fournit l'information financière pour la balance de paiements (laquelle est une tâche de l'ACS). Evidemment, au Liban, comme dans la plupart des pays, les douanes recueillent l'information des importations et exportations des biens, d'où la nécessité d'une très bonne coordination entre les deux (douanes et ACS).

Pour le moment, l'ACS a décidé de consacrer ses efforts à recueillir l'information des secteurs des ménages et des sociétés non financières, c'est à dire, suivre le plan de travail déterminé en novembre («Report on the mission November 9-21, 2000 to the Central Administration of Statistics of the Republic of Lebanon», by Johansson and Freire).

Ce plan de travail, doit préciser les activités à suivre dans les prochains mois (en particulier jusqu'en juin 2001), respectant le «Strategy Plan for CAS» ainsi que les activités proposées dans le «ARLA PROGRAMME ; Work Plan july 2000 – june 2001, Sub-component 1.4.3 : Assistance to Central Administration of Statistics (CAS), Activity #3 – Preparation of a workplan in view of a new system of national accounts statistics». Nonobstant, les activités présentées ne seront pas finies à la fin de cette période. Le prochain plan annuel de travaille, à présenter le juin prochain, doit être plus détaillé dans ce qui concerne aux tâches 3.3, 3.4, 3.5 et 3.6 ci-dessous.

## 2. L'objectif du Plan de Travail

L'objectif principal de ce plan de travail est d'établir les tâches pour les prochains mois dans ce qui concerne aux Comptes Nationaux, même si des autres activités sont appréciées[2].

La situation actuelle des Comptes Nationaux, ainsi que l'activité générale de travail statistique au centre de l'ACS, les insuffisances en ressources (humaines – en quantité et en qualifications requises – et technologiques) ont été identifiées dans les rapports de Máximiano Pinheiro (mars 2000) et, plus tard, d'Aline Bouzergan (juin 2000).

À ce propos, il faut toutefois mentionner les nouvelles positives. À la fin de l'an dernier, l'ACS a reçu trente ordinateurs de haute performance et durant les mois prochains, devraient se dérouler les concours de recrutement des techniciens qualifiés dans les domaines de l'informatique, de l'économie et de la statistique.

La mission qui a eu lieu en novembre 2000 (Sten Johansson et Idílio Freire), a permis de confirmer au terrain les indications données par les rapports ci-dessus,

---

Publique pour les adaptés aux nouvelles exigences (SCN93) ce que serait souhaitable aussi au Liban.
[2] Voir le «tablaux de bord» - l'Annexe 1.

et d'esquisser un plan de travail, comprenant les tâches les plus importantes, pour les années prochaines.

Dans le domaine des Comptes Nationaux on peut se concentrer sur les travaux de court terme et de moyen long terme.

Pour avoir la «Séquence Complète des Comptes» prévue au Système de Comptes Nationaux des Nations Unies 1993 (SCN93), suivant les nomenclatures, classifications, et détails prévus, il faut avoir recueilli une quantité d'information détaillée laquelle ne sera prête qu'après quelques années de travaille intense.

Les premières étapes de ce travail furent identifiées dans le rapport de novembre 2000 (Sten Johansson et Idílio Freire) et leur implémentation est absolument cruciale pour l'implémentation du SCN93. À mon avis, c'est une stratégie à moyen/long terme qui doit être poursuivie sous la direction de l'expert «short-term Statistical Adviser Institutional Development», avec la participation sur le terrain du «National Accounts Statistics Expert» et des missions d'experts en plusieurs domaines. Les tâches essentielles sont :

- Mise à jour de la base de données des logements, entreprises et établissements (avant la fin de l'année) ;

- Préparation (cette année) et exécution au terrain (l'année prochaine) des enquêtes auprès des ménages ;

- La préparation (cette année) et exécution (l'année prochaine) des enquêtes aux entreprises ;

- Préparation et harmonisation des nomenclatures (pendant 2001 et 2002) ;

- Commerce extérieur (pendant 2001 et 2002).

Cependant il y a aussi de l'information qui, malgré sa dispersion, irrégularité, et lacunes prévisibles, permettra d'essayer un exercice provisoire de Comptes Nationaux à court terme.

Cet exercice là a des avantages (qui sont aussi son objectif) qu'on peut résumer comme sent :

- Formation pratique des techniciens (même s'il y a quelques-uns qui ont participé au dernier exercice de comptabilité national, qui a eu lieu en 1997 basé sur les ans 1994 et 1995, ils doivent s'adapter et se familiariser aux concepts et exigences du SCN93);

- Identifier les lacunes les plus importantes au niveau de l'information et des nomenclatures existantes et a accomplir ce qui permettra de redéfinir les tâches prioritaires pour le prochain avenir;

- Essayer de faire un exercice «intégré» de Comptabilité Nationale et obtenir les principaux agrégats macro-économiques (compte des biens et services et compte de production) même si leur fiabilité doit être «sous réserve» ;

- Profiter de l'installation du logiciel ERETES et de la formation pratique, au fur et à mesure des nécessités et des difficultés. Toutefois, aujourd'hui on ne peut pas assurer l'adéquation de l'information qui existe aux exigences du logiciel. Après la mission de pré-installation et la conclusion de la tâche «3.2.3. Evaluation, préparation et rendre compatible l'information», la formulation d'une décision finale sera possible.

## 3. Les Tâches à Développer

### 3.1. Mise à jour de la base de données[3]

La mise à jour de la base de données des logements, entreprises et établissements à l'ACS est la plus urgente et la plus importante activité à court terme. La qualité et validité statistique de toutes les enquêtes à faire dans l'avenir et, en conséquence, des Comptes Nationaux, dépendra de l'existence de la base de données et de sa qualité. Il faut concevoir une nouvelle base avec des logiciels modernes, standardisés, conviviaux et contrôlés par les techniciens locaux, ce qui est le plus important. Cette tâche sera prise en charge et conclue par les techniciens de l'ACS (les départements d'informatique et des entreprises) avec l'assistance des experts en base de données et fichiers d'entreprises et établissements.

#### 3.1.1. Questions Technologiques/Informatiques

Les décisions à prendre doivent considérer l'«upgrade» de l'information existante, le système GIS (qui existe au CAS et qui n'est pas encore utilisé par difficultés technologiques), les prochaines actualisations de la base de données des entreprises et des établissements (à partir des fichiers du Ministère du Commerce) et le projet «e-government» pour la transmission de données dans l'administration publique.

#### 3.1.2. Préparation du travail au terrain

Avant le travail sur le terrain, il faut préparer le questionnaire à utiliser pour la mise à jour, des nomenclatures, les manuels d'instructions, les cartes, le recrutement et la formation des enquêteurs aussi que la transmission et l'enregistrement des données.

#### 3.1.3. Enquête pilote

Il faudra réaliser une enquête pilote pour tester les aspects pratiques et réajuster les équipes sur le terrain, les calendriers et les manuels.

---

[3] La programmation de cette activité-là doit être lieu pendent la prochaine mission du «Short-term Statistiques Adviser Institutional Development».

### 3.2. Exercice provisoire des Comptes Nationaux

Les objectifs de l'exercice provisoire des Comptes Nationaux, qu'on propose de faire dans les mois prochains, se trouvent ci-dessus ; les tâches à poursuivre le sont ci-après dessous. Le calendrier indicatif d'exécution se trouve dans l'annexe 1.

Même si le rapport mentionné au-dessus (Pinheiro report), est clair sur l'état des Comptes Nationaux, leurs nécessités et priorités, il est opportun de faire la synthèse. Aujourd'hui il n'existe aucune activité dans ce domaine à l'ACS. Le dernier exercice de ce genre, avec des fragilités et incertitudes, publié dans «L'état des comptes économiques», date de 1997 et est fait sur les données de 1994 et 1995. Aujourd'hui il ne reste pas à l'ACS d'héritage pour réaliser à partir de cette expérience de 1995, le nouveau système de comptes nationaux.

On ne sait pas quelle est l'information disponible, sa fiabilité, sa présentation (nomenclatures), son unité (valeur et/ou quantité) et sur quelles années elle est disponible. Malgré ces interrogations, on considère utile l'essai de faire cet exercice pour les raisons déjà présentées auparavant. Si l'information disponible est suffisante, ce sera possible de construire les plus importants agrégats macro-économiques pour le Liban. Par contre, si l'information est insuffisante, les lacunes d'information à supprimer seront identifiées de forme exhaustive, ce que permettra des ajustements dans les tâches a développer prochainement.

   3.2.1.  Recueil de l'information disponible (1997-1999).

   Les tâches suivantes – à concrétiser par les techniciens des départements de comptes nationaux et des entreprises, avec des orientations de l'expert dans la comptabilité national – s'avèrent essentielles[4] :

      3.2.1.1. Commerce extérieure (les douanes) ;

      3.2.1.2. La consommation des ménages (enquêtes aux «Conditions de vie des Ménages» et aux «Budget des Ménages»- 1997)

      3.2.1.3. L'administration Publique (le Compte Général de l'État – non pas le budget prévu mais effectivement réalisé – avec toute l'information des recettes et dépenses) ;

      3.2.1.4. Information, la plus détaillée, sur les impôts (n'oublier pas les taxes sur les importations) et subventions (subsides).

      3.2.1.5. Le recensement industriel (1998-99) et agricole (1998) et d'autre information disponible sur ces activités ;

---

[4] Le degré de détaille présenté ci-dessous veut donner une idée de ce qu'il faut faire pour donner les premières indications aux techniciens. À ce propos, il faut dire que l'équipe prévue pour développer ces tâches est composée par quatre techniciens locaux, plus une experte locale et moi-même.

3.2.1.6. Information financière (la banque et les assurances) ;

3.2.1.7. Les bulletins mensuels de statistique de décembre de chaque année (1994-2000) ;

3.2.1.8. Information conjoncturelle (Banque du Liban et entreprises privées ?) ;

3.2.1.9. Les estimations de population 1996-1997 ;

3.2.1.10. Construction (permis de construire en $m^2$, production, importation et exportation de ciment) et n'importe quelle information sur les prix ;

3.2.1.11. L'information du secteur des services (hôtels, commerce, restaurants, transports, communications, banque, compagnies d'assurance, éducation et santé) ;

3.2.1.12. Informations sur les prix (consommation, commerce extérieur, salaires, taux de change de la livre libanaise, etc.).

3.2.2. Pré installation du logiciel ERETES et formation pratique

Les informations disponibles sur le logiciel ERETES le présentent comme flexible et d'utilisation amicale. Dans la situation actuelle du Liban, où il faut commencer à partir de «zéro», l'installation du logiciel paraît une solution satisfaisante. Son future utilisation jouera une fonction triple :

- Réaliser un exercice provisoire des Comptes Nationaux, avec l'information et les nomenclatures actuelles, malgré leurs lacunes ;

- Introduire, se familiariser et, en même temps, faire la formation pratique des techniciens de la comptabilité nationale ;

- Identifier les plus importantes lacunes au niveau de l'information et des nomenclatures existantes, ce qui permettra de redéfinir les tâches prioritaires pour le prochain avenir.

Des contacts à L'EUROSTAT et l'INSEE ont déjà eu lieu et une mission de pré-installation du logiciel est prévue au début d'avril.

Les pas suivants, dans ce qui concerne à leur utilisation, installation et formation des techniciens locaux, doivent avoir lieu seulement après la tâche prévue au point «3.2.3. Evaluation, préparation et rendre compatible l'information» : sait de continuer avec ERETES, ses exigences et ses résultats plus détaillé ; sait se contenter d'une solution simpliste et plus approximative, avec seulement les agrégats principaux.

3.2.3. Evaluation, préparation et rendre compatible l'information

Cette tâche sera concrétisée pour l'équipe des comptes nationaux ainsi que l'Experte Locale mais principalement par l'Expert dans les Comptes Nationaux.

### 3.2.3.1. Evaluation

On doit, pour chacune des matières ci dessus, vérifier l'information du point de vue de la qualité/fiabilité des chiffres mais aussi de leur transformation/ adaptation aux concepts de la Comptabilité Nationale ;

### 3.2.3.2. Préparation et rendre compatible

Pour chaque année et chaque tâche citée au-dessus, l'information doit être adaptée aux concepts et exigences de la Comptabilité Nationale ainsi qu'au logiciel ERETES à utiliser. C'est à dire qu'on peut avoir besoin de, par exemple, transformer l'information sur des hôtels (taux d'occupation et prix moyens) en «variable de comptabilité nationale» («Production» des hôtels).

### 3.2.4. Calcul des estimations (aux prix courants) pour les agrégats principaux.

Le détail et les variables/agrégats macro-économiques à obtenir, ainsi que les estimations pour les années suivantes, dépendront de l'évaluation au point précédent (3.2.3.). Cette tache doit être concrétisée pour l'expert dans les comptes nationaux, bien sûr avec le département des comptes nationaux.

## 3.3. Préparation des Enquêtes aux Entreprises[5]

La préparation des enquêtes aux entreprises devra être coordonnée par l'ACS (département d'entreprises), avec l'assistance des experts internationaux, de l'expert dans la comptabilité national et de l'expert local. Toute la partie préparatoire devra être conclue vers la fin de 2001, début 2002. La date prévue pour effectuer l'enquête est le deuxième debout 2002.

### 3.3.1. Liste des enquêtes à demander auprès des organismes comme l'EUROSTAT, l'INSEE, et l'ESCWA (pour le PCBS – Palestine, et DOS – Jordanie) ;

### 3.3.2. Adaptation des enquêtes à la réalité libanaise, compte tenu des nomenclatures internationales, des concepts du SCN93 et des «inputs» nécessaires au logiciel ERETES ;

### 3.3.3. Questions logistiques (manuels, préparation et formation des enquêteurs, enregistrement des données) ;

---

[5] La planification générale de cette activité la doit être lieu pendent la prochaine mission du «Short-term Statistiques Adviser Institutional Development».

3.3.4. Enquêtes pilotes ;

3.3.5. Plan d'enregistrement et d'apurement des données et validation des résultats ;

## 3.4. Préparation des Enquêtes auprès des Ménages[6]

La préparation des enquêtes auprès des ménages devra être coordonnée par l'ACS (département social), avec l'assistance des experts internationaux, de l'expert dans la comptabilité national et de l'expert local. Toute la partie préparatoire doit être finie avant la fin de l'année 2001, date prévue pour le démarrage des travaux de terrain.

3.4.1. Liste des enquêtes à demander auprès des organismes comme l'EUROSTAT, l'INSEE, et l'ESCWA (pour le PCBS – Palestine, et DOS – Jordanie) ;

3.4.2. Adaptation des enquêtes à la réalité libanaise, compte tenu les nomenclatures internationales, les concepts du SCN93 et les «inputs» nécessaires au logiciel ERETES ;

3.4.3. Questions logistiques (manuels, préparation et formation des enquêteurs, enregistrement des données) ;

3.4.4. Enquête pilote ;

3.4.5. Plan d'enregistrement et d'apurement des données et validation des résultats ;

## 3.5. Nomenclatures[7]

Il y a des nomenclatures internationales harmonisés et comparables dans tous les domaines. Le plus simple et pratique est adopte ces nomenclatures, même s'il faut faire des adaptations. Les techniciens de l'ACS avec l'aide des experts internationaux peuvent le faire.

3.5.1. Point de situation des nomenclatures utilisées au ACS, avec priorité pour les activités économiques, biens et services, commerce extérieur et professions. Solliciter à l'EUROSTAT, (l'INSEE, peut-être) et ESCWA les nomenclatures les plus actuelles ;

3.5.2. Actualisation et adaptation des nouvelles nomenclatures internationales au Liban ;

3.5.3. Dessiner la nomenclature de branches et produits des comptes nationaux ;

---

[6] La planification générale de cette activité la doit être lieu pendent la prochaine mission du «Short-term Statistiques Adviser Institutional Development».
[7] Le travail sur les nomenclatures est absolument indispensable au système des comptes nationaux. Heureusement, toutes les nomenclatures sont déjà harmonisées. Il ne «reste qu'à» décider les quelles utiliser et faire leur adaptation au Liban.

### 3.6. Commerce extérieur[8]

Le commerce extérieur, et toute l'information qu'on peut obtenir à partir de ce dernier, joue, d'habitude, un rôle très important dans les systèmes statistiques. Au Liban, ce rôle doit être le plus important à cause du taux d'ouverture à l'extérieur où les importations (selon «l'état des comptes nationaux» 1995....) représentaient presque 65% du PIB. On peut y trouver beaucoup d'information sur les indicateurs économiques conjoncturels (l'investissement, la consommation des ménages et prix, au minimum) et, bien-sûr, pour les comptes nationaux. Mais pour ça, il faut avoir des données fiables, des nomenclatures actualisées, harmonisées et cohérentes avec la nomenclature de la Comptabilité Nationale et des logiciels appropriés.

Apparemment la situation dans ce domaine s'avère positive sauf dans ce qui concerne à la partage volume-prix, que n'existe aujourd'hui et qui est indispensable pour la comptabilité nationale. Beaucoup de travaille doit se faire dans ce domaine avant la fin de 2002, l'année de base prévue pour les comptes nationaux du Liban. Des missions d'experts internationaux auprès de l'ACS s'avèrent essentielles pendant 2001 et 2002.

#### 3.6.1. Nomenclatures

Dans ce domaine, il faut adopter les nomenclatures internationales, même s'il faut faire quelques adaptations. Le problème le plus difficile peut être l'adoption de ces nomenclatures par les douanes et les agents économiques.

#### 3.6.2. Plan d'apurement et divulgation des données

Le plan d'apurement et divulgation des données doit se faire après les décisions concernant les nomenclatures (6.1.). De toute façon, cette étape est très importante parce qu'elle doit répondre aux nécessités de la Comptabilité Nationale mais aussi à l'analyse conjoncturelle.

Deux hypothèses sont à considérer :

- Adoption des logiciels existants (EUROTRACE ou des autres) ;

- Développement des logiciels propres ;

#### 3.6.3. La partage volume-prix

Après les décisions sur les nomenclatures et le plan d'apurement, il faut avoir des résultats à «prix courants» et en volume, c'est à dire, le partage de la valeur en volume et prix. Cette tâche est très importante et, même s'il y a des

---

[8] Il faut aussi prévoir les démarches pour évaluer la situation des nomenclatures utilisées, le plan d'apurement des agrégats et partage volume-prix, tâches à considérer dans les activités prochaines (avant l'implémentation du SCN93).

logiciels qui permettent les calculs (EUROTRACE ou des autres)
l'intervention de techniciens qualifiés est cruciale.

الجمهوريّة اللبنانيّة
مكتب وزير الدولة لشؤون التنمية الإداريّة
مركز مشاريع ودراسات القطاع العـام

ANNEXE 1

Tableau de bord, février – juin 2001[9]

| Activités à développer | Responsables – ACS | Responsables – Experts | Février | Mars | Avril | Mai | Juin |
|---|---|---|---|---|---|---|---|
| 3.1. Mise à jour de la base de données | Services d'informatique et statistiques des entreprises | Autres Experts court terme | | | | | |
| 3.2. Exercice provisoire des Comptes Nationaux | | | | | | | |
| 3.2.1. Recueil de l'information | Service comptes nationaux | Exp. Compt. Nat. | (1) | | | | |
| 3.2.2. Pre-installation du ERETES[10] | Service comptes nationaux | Exp. Comp. Nat. et MEDSTAT | | | Autres Expert c.to | | |
| 3.2.3. Evaluation et préparation de l'information | Service comptes Nationaux | Expert comptes nationaux | | (1) (2) | (1) (2) | (1) (2) | (1) (2) |
| 3.2.4. Estimations de quelques agrégats | Service comptes Nationaux | Expert comptes nationaux | | | | | (1) (2) |
| 3.3. Enquêtes aux ménages | | | | | | | |
| 3.3.1. Questionnaires à demander | Service des statistiques sociales (collaboration du serv. comptes nationaux) | Autres experts court terme et expert comptes nationaux | | (1) (5) | | | |
| 3.3.2. Préparation des questionnaires[11] | Service des entreprises (collaboration du serv. comptes nationaux) | Autres experts court terme et expert comptes nationaux | | (1) (2) (5) | (1) (2) (5) | (1) (2) (5) | |
| 3.4. Enquêtes auprès des entreprises | | | | | | | |
| 3.4.1. Questionnaires à demander | Service des entreprises (collaboration du serv. comptes nationaux) | Autres experts court terme et expert comptes nationaux | | (1) | | | |
| 3.4.2. Préparation des questionnaires[11] | Service de comptes nationaux, des entreprises | Expert comptes nationaux | | | (1) (2) (5) | (1) (2) (5) | (1) (2) (5) |
| 3.5. Nomenclatures[12] | | | | | | | |
| 3.5.1. Choix des nomenclatures à adopter | Service de comptes nationaux et d'entreprises | Autres experts court terme et expert Comp. Nat | | (1) (5) | | | |
| 3.6. Commerce Extérieur[12] | Service de comptes nationaux et d'entreprises | | | | | | |

| Expert Comptes Nationaux (1) | Expert Local (2) | Techniciens au ACS (Comptes Nationaux) (3) | Consultant (4) | Techniciens au ACS (Ménages) (5) | Autres Expertes (6) |
|---|---|---|---|---|---|

[9] Les dates sont indicatives et conditionnées par la concrétisation des tâches précédentes. Pour les tâches autres que l'exercice de Comptes Nationaux (3.2), les dates et la planification détaillée doivent être programmées pendant la prochaine mission du «Short-term Statistiques Adviser Institutional Development».

[10] L'installation du logiciel ERETES doit se réaliser pendant le mois de mai, début juin.

[11] La préparation des questionnaires se fera à fur et à mesure des disponibilités, parce qu'ils doivent être prêts un peu plus tard (à la fin de l'année).
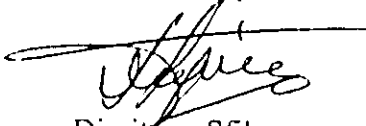
[12] Tâche à planifier prochainement avec le «Institutional Development Adviser»

BMB - LDK
Programme Monitoring Consultants to the
Office of the Minister of State for Administrative Reform
Beirut - Lebanon

## Memorandum

**To:**        Dr Raymond Khoury, TCU Director, OMSAR

**From:**      Dimitrios Sfikas, PMC Team Leader

**Cc:**        Mrs Roula Kabbani, EU Project Coordinator, OMSAR

**Date:**      4 December 2000

**Subject:**        **CAS Report for the mission November 9-21 , 2000.**

Please find attached for your approval and transmission to the Central Administration of Statistics (CAS) for further endorsement the report (with an attachment of 6 annexes)on the mission November 9-21,2000 prepared by Mr. Sten Johansson, the short term Statistics Advisor Institutional Development and Mr. Idilio Freire, the National Accounts Statistics Expert.

Dimitrios Sfikas
PMC Team Leader

## Elaborations on the Pinheiro and the ESCWA statistical survey plan. Notes for the third meeting with the Dr. Maral

This memo is produced to initiate discussion on some of the strategic issues. Our starting point has been the Pinheiro (ARLA) report and the ESCWA statistical survey plan (Appendix 1) and the initial discussions we have had with CAS management. It is written in ten brief paragraphs that obviously require oral elaboration and lots of explanation. In this second version we have elaborated the paragraphs to take into account suggestions and reactions by Dr. Maral and other information that we have received from other members of the CAS management team. At the end there is a new section on the priorities that are emerging from the discussions with CAS management.

1. All agree that Lebanese statistical system is deficient in almost all respects. To rebuild it to provide statistical information for the core economic, social and environmental concerns will require a concerted effort by the Government of Lebanon and a massive program of technical assistance. The technical input to be provided to CAS within the ARLA project is too small in volume and too short-term to make substantial impact. The ESCWA survey plan includes an offer to "fully participate by providing highly specialized consultants" for any of the surveys it has proposed in the plan. Particularly interesting is the offer to make available "the technical services of the Regional Advisor on National Accounts" for the implementation of SNA 93. This offer is interesting but maybe hard to live up to. The ESCWA office - now located in Beirut - has not been in contact with CAS after submitting its report. An idea to be pursued by CAS is to form a *donor consortium* for the implementation of the survey plan in line with the PARIS21 initiative. Besides the EU and ESCWA other interested parties might be the IMF and the World Bank. UNICEF and WHO have recently and UNDP previously given support to one-time surveys. Eurostat has provided training under the MEDSTAT program. France has declared willingness to continue some support.

2. The Pinheiro report and the ESQWA survey plan together are a good start in a very effective format (see appendix) but the plan may need to be discussed on some substantive points, perhaps with the involvement of some of the relevant ministries, and also as to timing. CAS may want to try to evolve the ESCWA plan into a national plan for the Lebanese statistical system assuming that there will be some initial support for the idea from the Prime Minister's office. Such a plan might be a way for CAS to become informed of all the plans for statistics in the other ministries and to become more visible and effective in its role as coordinator of the system. The Pinheiro proposal for a National Council of Statistics may be developed as a forum for the process. The ESCWA plan does not explicitly include any mention of statistics for some of the core ministries such as health, education, housing and, for instance, cultural and recreation activities or victimization by crime and accidents.

3. A linchpin in the ESCWA plan also stressed by Pinheiro is the possibility to further update the 1996 Buildings and Establishment Enumeration. Such an updating might potentially give reasonably adequate sampling frames for both economic and household

surveys. The feasibility of such an activity is dependent on the quality of maps and the delimitation of enumeration areas for the initial enumeration. If so-called compact cluster sampling was used for the MICS survey an evaluation of the present status of the sampling frame for household surveys can be achieved. A thorough discussion of the state of the establishment register should be organized. The issues concerning coverage of the informal sectors are connected to this discussion to be treated later in this memo.

4. The set of annual economic sample surveys proposed in the ESCWA plan seems to cover most of the needs for annual National Accounts but there is no mention of foreign trade statistics or the small specialized surveys needed for Balance of Payments and the Rest of the World Account which are crucial for the Central Bank of Lebanon and the Ministry of Finance. To undertake the whole set of surveys already in the year 2001 is, of course, not feasible for the present small staff of CAS. All possible shortcuts should be used, for instance by asking ESCWA to provide the questionnaires and manuals in Arabic used by the DOS in Jordan and possibly the PCBS in Palestine. ESCWA, or the DOS directly, might be able to provide consultants who have hands-on experience with the questionnaires including data entry and data processing programs. Using all such and other similar shortcuts drawing upon the resources of the region one could possibly come up with a plan for a large pilot in 2001 with a sample of say 2000 enterprises. The points made in the ESCWA plan on the need for a completely coordinated set of questionnaires for the annual economic surveys must be taken very seriously. The set used by the DOS can be so characterized and the set used by the PCBS is fully coordinated as to content in accordance with SNA 93.

5. Although the tasks may seem overwhelming for the CAS at the present one must still mention the needs by the Government and the Central Bank for some set of short-term indicators. There is no way that annual National Accounts can be produced in such a timely fashion that the needs for continuous monitoring of current economic trends and for projections for the coming year(s) can be satisfied. A quarterly CPI, a quarterly Production Volume Index, import and export price indices, quarterly labour force employment and unemployment, etc. Thinking about a minimum set of short term indicators - if not yet quarterly accounts – in addition to those already covered in the monthly *Bulletin Statistique* must be included in a plan over the coming five year period. An index of production activities with technical assistance from UNIDO with a sample of 3 000 (!) enterprises seems to be planned in the Ministry of Industry.

6. The labour force statistics mentioned in the previous paragraph brings us to the issues of household surveys. Their function is not only to provide a set of statistics for the social sectors but also to support the system of economic statistics needed for the compilation of annual National Accounts. Foremost among these needs are estimates of private consumption level and structure to enable Supply-and-Use Table methodology and to provide weights for the CPI. Unless the PCBS "textbook approach" with full coverage of the smallest enterprises is adopted the need for data on the informal sector can only be covered by household surveys. Even so, the PCBS has had to design special surveys of the informal sector in construction and in transport. An alternative that is implemented in some countries is to se up an integrated household survey to meet those combined needs.

7. The idea under implementation in some countries is to have a continuous annual household budget survey based on the diary method as the core of the integrated survey. The households must normally be visited by interviewers over the one-month period of diary keeping at least five times – the first visit to take the household roster and to instruct the households on diary-keeping of expenditures and the last visit to capture seldom-bought items like durables. These two visits but even more the other three weekly visits can be used to implement several social sector modules on health, education, housing, Mother and Child Health, etc. The informal sector is captured by including not only bought and own-produced consumption items but also all other economic transactions connected with household production in agriculture and informal business activities. Own labor input is measured by a very simplified time use form and paid labor as a transaction in the diary. In this approach value added as well as labor input in hours in household production can be estimated. Informal construction activity is particularly important.

8. Planning and recommending surveys is all too easy since such plans can be rather firmly based on established principles and methods of statistical system-building in the science of official statistics. Decisions on implementation of such a system including the timing of the various elements in the statistical systems must have a firm basis in sound costing and realistic estimates of manpower needs for each of the elements. A simple Excel system for Activity Based Costing distributing common costs as overhead on all output activities can easily be designed and made operational as before in the Palestinian Central Bureau of Statistics (PCBS).

9. The most strategic factor for CAS is staff capacity and capability building but obviously also required are modern techniques for public administration where the management of the statistical agency has authority and responsibility similar to those of a private firm to pursue clear production goals in a cost-efficient manner. What we have come to know about CAS in this respects in these first few days seems to make administrative reform an urgent issue. What about making CAS a pilot institution in the project to rejuvenate public administration in Lebanon? Or even faster, transform the CAS to a state-owned public corporation as was done in Portugal in 1989?

10. We think that there is a real possibility to get a flying start for CAS but also that system-building in economic statistics will take several years before the system is reasonably complete and in a routine mode of operation. Five years is a minimum to get to the point where reliable time series can be built and the first 2-3 years will be rather like pilot studies. We cannot offer any hope that these first rounds will be anything but very preliminary estimates of the level and structure of the GDP for Lebanon.


## Emerging set of priorities

Against the background given above the set of production priorities that is emerging from our discussions with CAS management are the following.

1. Update the Buildings and Establishment enumeration done in 1996 to get the best possible sampling frame for the economic sample surveys. It is not useful to field the set of sample surveys with enterprises without an acceptable sampling frame. Lots of

problems to establish reliable time series will become visible in the coming years when comparisons between years start to be made if there are large deficiencies in the original sampling frame.[1] The need for technical assistance to CAS by experienced technical experts for short-term missions should now be realistically assessed. The tasks ahead are (a) to evaluate the present register of buildings, dwellings and establishments, (b) to design methods and instruments for a comprehensive update with special emphasis on improving the maps and the delimitation of enumeration areas, (c) to assist in fieldwork training, and (d) to examine the data processing design to be used. Present staff capacity and capability at the CAS for each of these tasks must be evaluated in order to determine the need for technical assistance.

2. Develop the instruments (questionnaires, manuals, training material, data entry programs, coding manuals, etc) to be used for the set of future annual economic sample surveys that cannot go full-scale into the field until the updated sampling frame is available. There is no need for CAS to "reinvent the wheel" by starting this development work from scratch. As already mentioned, all these instruments can probably be made available directly from the DOS or the PCBS or through ESCWA and be easily adapted to Lebanese conditions. A fairly large pilot should be made in the spring of 2001 capturing data from enterprises for year 2000 as the basis for the decisions on adaptations needed for the Lebanese conditions. It is very important that the instruments used, when full-scale annual economic sample surveys are fielded in 2002 (given that the updated sampling frame is available by the end of 2001) are carefully tested in practice. Ideally they can then be used over the following 3-5 years without change or at least with only marginal change. Even small changes can affect comparability and reliability of the time series that start to emerge. The technical assistance needed for the pilot can probably best be recruited from the DOS or the PCBS.

3. Develop the analogous set of instruments needed for the integrated household survey that the CAS is now seriously considering. A somewhat faster timetable might be possible if the experiences from the MICS indicates that reliable estimates can be made using its sampling methodology that compensates for the deficiencies in the available sampling frame. However, the update of the Buildings and Establishment enumeration will make more efficient sampling possible also for the household surveys. It may be wise to take the time needed to do a large pilot with time to analyze the pilot results carefully also for the integrated household survey. In this case the full-scale survey would go into the field only in January 2002. A crucial question has emerged in the initial discussion within CAS with some division of opinions as to whether a month-long diary period with five visits to the households is feasible in Lebanon. Apparently the 1996/1997 family budget survey used only a week-long diary period. The 88 percent response rate achieved in that survey is reassuring but cannot be substantially lowered without jeopardizing the reliability of the very important estimates of level and structure of household consumption and production to be used in the National Accounts. It is hypothesized that a month-long diary period with five visits may cause respondent fatigue in Lebanon and increased level of non-response. Some of the instruments needed

---

[1] As an illustration, the Palestinian Central Bureau of Statistics found that there was a 13 percent undercount of establishments in its 1994 Establishment Census when it was updated in December 1997. The undercount consisted of enterprises that in the 1997 update reported that they had started in 1994 or some earlier year

4

are available from the 1996/1997 Lebanese household surveys should be carefully adapted to preserve comparability as far as possible. Others can be borrowed from the DOS, the PCBS and from the Omani NSI where experts from Statistics Sweden and the PCBS have worked with a similar survey. Present staff capacity and capability at the CAS for each of these tasks must be evaluated in order to determine the need for technical assistance. Also in this case should present staff capacity and capability at the CAS for each of the survey tasks be evaluated in order to determine the need for technical assistance.

4. As to the National Accounts a GDP estimate from the use side might be made. There is estimates of private consumption from the family budget survey and government figures on public consumption. Yearly import (and export) figures are available from the Lebanese customs department. The main problem is estimates of investment, mainly machinery and construction. Projecting these figures from 1997 to the following years for which very few estimates of the components of GDP are available, really only foreign trade and public consumption and some indicators of activity like cement and energy. The estimates that can be made can hardly be released as CAS official statistics but may be in some kind of research paper from CAS. It is also hardly worthwhile to put in lots of work and effort to refine such estimates for 1998 and 1999. However, something needs to be done. The fact is that the first estimates of level and structure of GDP for Lebanon based on a decent set of real data according to the time plan above is *at best* available towards the end of year 2002 with 2001 as reference base year! A thorough search of all possible sources for indicators of activity that can be used to calibrate the projections for 1998-2000 can by done by CAS experts supported by the resident international adviser.

5. The CAS is responsible for releasing the Balance of Payments Statement for Lebanon. It is, of course, urgent that CAS as soon as possible is able to live up to this responsibility. This field requires special expertise that is not now available at the CAS. Staff must be deployed or recruited to be intensely trained by taking training courses offered by international organizations, specifically the IMF, and by on-the-job training by a series of short-term technical assistance missions over 2-3 years. Assessing the quality and coverage of official foreign trade data from customs, discussing the classifications used in foreign trade and designing the set of small surveys to various institutions and the small modules to be attached to the annual economic surveys and the household budget survey are the main tasks that should start as soon as possible.

**ESCWA proposed strategic framework and statistical survey plan for years 2000 – 2005 for the Republic of Lebanon**

| Types of surveys and other activities | Years | | | | | | Periodicity | Implementation and technical requirements | Technical support ESCWA & others |
|---|---|---|---|---|---|---|---|---|---|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | | | |
| **A. Basic benchmark surveys** | | | | | | | | | |
| 1. Population and Buildings Census | | | | | | X | Every ten years | Requires political decision; Circumstances then might justly justify such a census | ESCWA can fully participate by providing highly specialized consultants in accordance to the types of surveys involved |
| 2. Agricultural enumeration | | | | | X | | Every five years | A correct and comprehensive frame of agricultural holdings vitally needed | |
| 3. Updating buildings & establishments enumeration | | X | X | X | X | X | Every year | Updating is essential for implementation of surveys | |
| **B. Economic surveys** | | | | | | | | | |
| 1. Agriculture and fisheries | | X | X | X | X | X | Annually | | Also for the implementation of the UN system of National Accounts (1993) the technical services of the ESCWA Regional Adviser on National Accounts and Economic Statistics could be requested periodically in accordance with the indicative plan of SNA implementation proposed by the ESWA adviser. Other international agencies can lend support |
| 2. Extraction & manufacturing | | X | X | X | X | X | Annually | | |
| 3. Construction | | X | X | X | X | X | Annually | These surveys must be carried out annually through sample surveys in complete coordination and full participation of all government ministries and agencies concerned | |
| 4. Transport, communication & storage | | X | X | X | X | X | Annually | | |
| 5. Wholesale and retail trade | | X | X | X | X | X | Annually | | |
| 6. Prices, rents & other purchasers costs | X | X | X | X | X | X | Annually | | |
| 7. Services | | X | X | X | X | X | Annually | | |
| 8. Tourism | X | | X | | X | | Every two years | This survey is vital for the Lebanese economy | |

| C. Household surveys | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | | |
|---|---|---|---|---|---|---|---|---|
| 9. Manpower and wages | | | X | | X | | Every two years | Those surveys constitute the most basic sources of social and economic policies.

Coordination at all government levels is indispensable |
| 10. Household expenditure, & other activities surveys | | | X | | X | | Every two years | |
| 11. Demographic surveys | | | X | | X | | Every two years | |
| 12. Environment surveys | | | X | | X | | Every two years | |
| **D. Other surveys** | | | | | | | | |
| 13. Non-financial assets survey | | | X | | X | | Every three years | |
| 14. Intergovernmental coordination | X | X | X | X | X | X | Annually | This coordination must be pursued on a continuous basis |

## Notes from the third meeting with Dr. Maral that took place on Thursday, November 16

We discussed the memo om "Elaborations on the Pinheiro report and the ESCWA survey plan". We reaffirmed the priorities, particularly that the sampling frame of establishments should be updated before full-scale surveys are launched. This is necessary for the economic surveys but maybe not as necessary for households. The "punishment" will come later when comparisons between years starts to be made and there is an updated frame. Next year should be used to update the sampling frame and for pilots and preparations for full-scale surveys both to households and enterprises.

The only way to get some results quickly would be to do a community survey at the lowest administrative level under the casa level. The sections of such a questionnaire could cover 10-12 areas such as

| Community characteristics | Labor market |
|---|---|
| Access to health services | Industrial activities |
| Access to educational services | Commercial services |
| Vulnerable groups | Agriculture |
| Housing and amenities | Transport and communication |
| Culture and recreation | |
| Law and crime and accidents | Remaining effects of war? |

We were informed that preparations for surveys for the Balance of Payments had started with questionnaire for embassies, international organizations, etc. in cooperation with the Central Bank of Lebanon that has the information from banks.

We were informed of the decision by the new Minister of Industry to postpone indefinitely the survey of manufacturing industry that is supported by UNIDO. The minister was also quoted as saying that "statistics is not a priority at this time".

This decision may jeopardize the idea of an update of the 1996 Buildings and Establishments enumeration and also the plan to implement the coordinated set of surveys of enterprises after the updated sampling frame, at least for manufacturing. Neither the updating nor the surveys will be effective in the field unless fully supported by the Government and the Chambers of Commerce and other business organizations

The only way forward to National Accounts for Lebanon might then be to establish the system from the use side according to the formula private consumption + public consumption + imports-exports + investment + change in storage. The plan to measure level and structure of GDP from the production side (value added in primary, secondary and third sectors + taxes – subsidies) will have to be postponed. However, the preparations for priorities 1 and 2 – the update and the economic surveys - might well start.

**Notes on meeting with Ms. Najwa Yaacoub, the National Accounts statistician**

Idilio and I met with Najwa to discuss the possibilities of a preliminary estimate of GDP for Lebanon. The idea put forward by Idilio was to estimate GDP from the use side according to the formula private consumption + public consumption + investment +exports – imports + change in storage. Najwa wanted a thorough survey of the sources available to see what could be done from the production side to get value added by sector. That CAS come up with "something" was necessary to remain the agency with responsibility for economic statistics and National Accounts.

Idilio explained that what we had in mind was only to try to respond to the request by Dr. Maral to see what could be done - if anything in the way of provisional estimates. For 1997 there is data on private consumption from the 1996/97 family budget survey, final data on the public sector and customs data on foreign trade. The big problem will be to get estimates for investment, mainly machinery and construction. The idea is to have an estimate by Monday for Dr. Maral!

We all agreed that it is not very useful to put in lots of work on this because the scarcity of real and reliable data will make the estimates "guestimates" anyway. A quick estimate after working for a couple of weeks work or up to a month will be only marginally better if a whole year is devoted to the task. We also agreed that something must be done to demonstrate that CAS has the competence to do it.

The information from Dr. Maral that the new Minister of Industry had "postponed indefinitely" the survey of industry with 3000 enterprises (!) in manufacturing had depressed me and Idilio. However, Najwa did not think all work needed to stop. We can start with the other sectors and take industry later.

We stressed the priorities proposed in the memo on "Elaborations of the Pinheiro report and the Escwa survey plan" that getting the systematic system building on a firm footing. First a sampling frame, then the whole set of surveys for the production sectors for the annual accounts and then a household budget survey for data on level and structure of household consumption to enable SUT - Supply and Use Table methodology. Only then would we have a base year for the coming years.

Najwa quickly got the point. But that means that we can have National Accounts from the production side with 2001 as reference year only at the end of 2002 and that base data calibrated with a SUT will have 2002 as reference year and be available only at the end of 2003.

# Report on the mission November 9-21, 2000 to the
## Central Administration of Statistics (CAS) of the Republic of Lebanon

By professor Sten Johansson, Director of the Trade Union Institute for Economic Research in Stockholm and Mr. Idilio Freire, National Accounts Statistician, National Statistical Institute in Lisbon.

## 1. Purpose of the Mission

The purpose of this mission is to become familiar with the ARLA project, the CAS, its present activities and plans, its management group and staff and the Lebanese scene in general and also to introduce us to the staff of the ARLA project, OMSAR, and the CAS. We have agreed to be under consideration for contracts with Arcadis BMB in the ARLA project; short-term missions as statistics adviser for up to a total of four months during 2001 and 2002 for Johansson and 21 months as long term National Accounts statistics expert for Freire. It is agreed that each of us shall discuss with the CAS, | OMSAR and the ARLA project the exact nature of our future assignment. The contracts for this mission do not include any obligation for either of us or for Arcadis BMB to | enter such a contract. This report is written to be the basis for those discussions.

During the mission, concrete work has started in accordance with activity #1 and #3 in the ARLA work plan and the terms of reference suggested in the mission report by Ms. Aline Bouzergan dated 2000-11-13. Both the work plan and the terms of reference may need to be revised at a later stage. This will be related to the discussion of the more exact nature of our future work assignments in the project. The primary goal for this discussion should be to identify the needs for technical assistance to CAS and the effective organization of the long-term technical assistance project needed to meet those needs. |

## 2. Previous missions |

Mr. José António Pinheiro, expert in statistics at the Central Bank of Portugal, made a first ARLA mission to CAS March 14- April 1, 2000. His report is a documentation of present staff capacity and capability of CAS. His recommendations include an immediate upgrading of the staff capacity by filling a number of the vacant positions for technical staff at CAS as a necessary prerequisite for launching some of the economic and household surveys that belong to the core of official statistics in any normal country.

A mission report on a short mission to CAS June 26 - 28, 2000 by Ms. Aline Bouzergan from Eurostat defined the technical assistance input to the project for a two-year period. A subproject for CAS listing five activities was included in the PMC Work Plan July 2000 – June 2001. These documents were given to us when we were contacted by Arcadis BMB for this mission.

## 2.1. The PMC Work Plan

*Activity # 1: Development of a strategic plan for the institutional development of CAS*
*T/ime schedule: October '00 – November '00.*
*Result: Draft strategic plan available for decision making in December '00.*

*Activity # 2: Implementation of the strategic plan.*
*Time schedule: January 01 – June '01.*
*Result: First interim report available for identifying further steps at the beginning of April '01.*

*Activity # 3: Preparation of a work plan in view of a new system of national accounts statistics.*
*Time schedule: November '00 – December' 00.*
*Result: Workplan completed and available before the first of January '01.*

*Activity # 4: Implementation of the work plan in view of the system of national accounts statistics.*
*Time schedule: First phase: February 01- April '01. Other phases to be determined.*
*Result:First progress report available for further actions and decision before the first of May'01.*

*Activity # 5: Development of areas of expertise and training of CAS staff.*
*Time schedule: To be determined on the basis of the outcome of the above activities.*
*Result: Systems for collection and analysis of data on specific subjects improved and expertise developed*

We found early on that the first activity of the work plan needed some change of emphasis for this mission to fit with the present priorities of the management of CAS. The priority need was to get assistance with a strategy plan for statistical system building as elaborations on the Pinheiro report and a more elaborated survey plan for CAS developed by ESCWA.

The institutional development of CAS will best be gradually adapted to the production demands that follow when the strategy plan is implemented. However, some initial observations on institutional development issues as listed in Annex 2, have been briefly discussed with CAS management on the last day of the mission. CAS management group will discuss these point and elaborate on them by communication with Johansson in Stockholm and more extensively during his next mission.

As to activity #3 in the work plan Freire has started an initial exercise during this mission to make a preliminary estimate for GDP from the use side for 1997. This exercise will continue with the CAS National Accounts staff. They will assemble all available data for estimates from the production side to be ready when he returns in January 2001. It is thought that this exercise will be finished after the end of the first quarter, hopefully in April. Too much work should not be devoted to this exercise.

## 2.2. The terms for the short-term Statistics Adviser Institutional Development

The Terms of Reference for this expert can partly be derived from the Work Plan July 2000 – June 2001. In addition, the Mission Report by Bouzergan, has provided some guidance in her suggested terms of reference for the expert's regular missions to Beirut:

His/her tasks will include, among others:

- To revise the existing Master plan and to ensure that all-necessary measures to implement it are taken by CAS and endorsed by the Lebanese government.
- To assist the Director General of CAS to raise awareness of the potential use of statistics for high level decisions makers;
- To support the Director General of CAS to identify planning priorities that could be served by statistical information and jointly work out a strategy to provide information accordingly to other ministries. This task should be linked to the work on administrative records.
- To prepare and conduct the international conference planned to be held in 2001 in Beirut.
- To advice the long term international expert during the implementation phases."

The CAS has the outline of Masterplan written into the detailed law that governs its activities. However, this "Masterplan" needs to be detailed with work and activity plans as to what should be done. The formulation of the first task needs to be slightly revised to "assist" or "support" CAS management in *its* core tasks to develop and implement a Masterplan and, of course, to take care of the relations with the Government of Lebanon.

What has been done in this mission fits to some extent with the first and the third task in the list. The Pinheiro report and the ESCWA survey plan have been analysed as is documented in Annex 3. The main output from this work is the draft strategy plan included as annex 6.

## 2.3 The terms for the long-term National Accounts Statistics Expert                 |

The PMC Work plan July 2000 – June 2001 provides guidance as to the ToR; the Bouzergan Mission Report highlights the need for assistance in National Accounts, with a ToR elaborated as follows.                                                                    |

The long-term international expert will be resident in Lebanon. His/her tasks will include, among others:
- To lead and co-ordinate the technical assistance team and its activities;
- To liase with the lead counterpart at CAS (The General Director), as well as with the other senior specialists assigned for the co-ordination within CAS
- To plan the precise scope, terms of reference and timing of the short-term missions of the study tours, in consultation with the CAS and OMSAR.
- To ensure the implementation of the agreed workplans;
- To provide support as necessary for the smooth implementation of the subject areas technical assistance inputs;
- To contribute as necessary to the work of the specialised inputs and ensure the timely provision of reports at the end of the subject areas missions;
- To ensure permanent monitoring of the project; including follow-up of the recommendations of the experts involved in the specialised inputs;
- To liase with other involved parties;
- To produce a final report at the end of the project describing the evolution of the project and its achievements. The level of detail of this report should be such as to enable an independent evaluation of the results, both in quantitative and qualitative terms;
- To take all necessary measures to assure the visibility of the EC supported project. As part of the information efforts promoted by the EC, the documentation produced by the technical assistance will incorporate the key results of the international conference and the major inputs and achievements of the technical assistance missions.

The ToR outlined above does not capture completely the essence of Mr Freire's contribution as proposed in the Work Plan, which is to be in national accounts. In line with that profile he has been preoccupied in this mission to meet a demand by CAS Director-General to come up with a provisional estimate of GDP for Lebanon besides participating in all the discussions with CAS management and also in some staff discussions in the ARLA project. The interim activity to come up with provisional estimates of GDP for years 1997-2000 fits very well with his profile. Similar work will be done only in 2002 when the compilation of National Accounts for the production side will be done based on real data according to the strategy plan for CAS that will be presented later in this report. In the meantime he will serve as adviser on economic statistics based on his expertise in National Accounts. Freire has a reservation that his expertise does not include business survey methodology, which will be needed when the strategy plan is implemented in the field. This has been understood and taken into account by Dr. Maral. CAS has some expertise in this area that can be complemented with short term technical assistance missions.

## 3. Statistical system building for Lebanon

The Pinheiro report documents the data collections currently carried out by CAS and we have been informed about the current plans for surveys for year 2001. These are surveys initiated and planned to meet needs by international organizations and sector ministries and of CAS. These are, of course, important tasks but they will not bring CAS much closer to being able to produce National Accounts for Lebanon. The surveys are not coordinated by a strategy to build a national system of official statistics for Lebanon. The first priority of the CAS management for us to meet was to assist in developing a strategy for statistical system building that would lay the foundation for such a system.

The foundation for statistical systems is adequate sampling frames and a system of annual sample surveys with enterprises and households. There is no way to escape from the need for adequate sampling frames. Punishment for deficiencies in the original sampling frames will come in later years when annual estimates over several years do no provide reliable time series to be used in analysis and projections of economic and social trends. The draft strategy plan in annex 6 that Dr. Maral approved after intensive discussion consequently provides for the following elements:

(1) An update of the 1996 enumeration of buildings and establishments as sampling frame for (2) a complete set of sample surveys to obtain estimates of value added in the primary, secondary and tertiary sectors of the economy, and for (3) a set of household surveys for each of the sectors of social concern or preferably if feasible an integrated household survey to provide the social statistics needed and to support the economic statistics system.

In practice this would mean that 2001 becomes a very work intensive year for CAS management and staff. One team is needed for preparing and implementing the update of the sampling frame for economic establishments and dwellings that must be ready before the end of the year. A second team must prepare the set of annual economic

surveys to be launched in the second quarter of 2002 with 2001 as the reference year. A third team must prepare for the integrated household survey that should be launched with monthly samples covering all of 2002.

The outputs that can be provided include the first annual National Accounts from the production side with 2001 as reference year released before the end of 2002. National Accounts calibrated by Supply-and Use Table methodology with 2002 as base year for the National Accounts in coming years at constant prices can be released around the end of 2003. This presupposes that the family budget survey will yield reliable estimates of level and structure of private consumption for National Accounts from the use side and that the full set of annual economic surveys from the production side is carried out in 2003 with 2002 as reference year. The integrated household survey will yield sets of baseline social indicators for the core sectors of social concern, health, education, labor force, housing and social problems; poverty and crime.

It is very apparent that this will imply great challenges for CAS in the coming three years. The two critical assumptions listed in the draft strategy plan are that there is a rapid upgrade of the staff capacity of CAS and that government institutions can be mobilized to cooperate with CAS to implement the plan.

## 4. The need for staff and technical assistance

The Pinheiro report is very frank in its assessments of the Lebanese statistical system and of the CAS staff capacity and capabilities. We entirely support his recommendations as to rapid staff capacity building. Lebanese law provides for 256 staff positions for CAS of which only 85 are presently filled. His recommendation that a National Council of Statistics is established seems to be very much in line with the need for improved coordination between all the government institutions in line with the Lebanese statistical laws and decrees.

However, it is not just politeness that makes us point to some of the sources of strength within CAS. These sources of strength indicate that the absorption capacity of the institution of specialized technical assistance might be considerable also presently. This is very important for technical assistance to be effective. There is a young energetic highly educated new management team in place. We have encountered pockets of robust technical competence outside the management team, for instance, among those in the National Accounts Department who have assisted Freire in assembling the existing data for a first provisional GDP estimate. A thorough assessment of staff capacity and capabilities similar to the assessment is needed as baseline data to deploy the new staff under recruitment, to monitor progress in capacity and capability building in coming years and to assess the exact needs for specialized technical assistance to CAS.

Many users in Lebanon and the international organizations want to have a national statistical system commensurate to the economic level of the country within some rather short period of time. With the volume of technical assistance proposed under the ARLA project to CAS project impact would not be sufficient. It is small in volume. It is

projected for only two years when the need is for sustained technical assistance over at least four years.

However, there are other donors that will come in. The IMF is providing support to price statistics and Balance of Payments. The offer made by ESCWA to "fully participate by providing highly specialized consultants" for any of the surveys it has proposed in the plan will be taken into account by CAS. In the following we provide a list of technical assistance to support the implementation of the strategy plan for further consideration by CAS and ARLA.

The task of updating the sampling frame may need short term missions specialized on business registers and somewhat longer missions by an expert on establishment and other census operations.

The task of preparing and implementing the integrated household survey may similarly need some mission by experts on fieldwork methodology and on social indicators for the various social sectors. In this field Dr Zuha Khalil will also be able to assist.

The task of preparing and implementing the annual economic sample surveys may need a series of short-term missions by a specialist on business survey methodology.

For the National Accounts, the immediate need for technical assistance is for the interim activity in the strategy plan to assist in compiling the provisional estimates of GDP for 1997 to 2000. This will be handled by Freire.

To consider this list of technical assistance the CAS will need to consider the capacity and the capabilities of its present staff both as to the number of missions and their length of time and also from the point of view of the absorptive capacity of its staff and the whole institution of CAS.

Lots of training will be needed if some substantial proportion of the vacant positions is filled with new recruits who will probably not have any experience with statistical production work. The most effective method to quickly raise staff capabilities of old and new staff seems to be on-the-job training by deploying them to concrete surveys tasks, providing technical manuals, and using the technical assistance experts for hands-on-training in the tasks and for some well prepared lectures and seminars on theory. Intermittent courses on theory and regional and international workshops on practice are regularly offered by EU and regional and international organizations. Training in computer skills must be coupled with practice. Taking English and French language training should be encourage as well as training in writing texts with the special statistical vocabulary may need to be encouraged.

Dated 2000-11-20, Beirut
Revised 2000-11-28, Stockholm

# List of annexes

1. Notes for discussion with Dr. Maral Tutelian, Director-General of CAS, on Saturday November 11 at 9 o'clock

2. Notes on meeting on November 11 with the management group of CAS and some preliminary comments on institutional development issues.

3. Elaborations on the Pinheiro and the ESCWA statistical survey plan. Notes for the third meeting with the Dr. Maral

4. Notes on the third meeting with Dr. Maral that took place on Thursday, November 16

5. Notes on meeting with Ms. Najwa Yaacoub, the National Accounts statistician

6. Statistical System Building for Lebanon. Draft strategy plan for CAS within the ARLA project

الجُمهورِيَّة اللبنانيَّة

مكتب وزير الدولة لشؤون التنمية الإدارية
مركز مشاريع ودراسات القطاع العَام

Republic of Lebanon
Office of the Minister of State for Administrative Reform
Center for Public Sector Projects and Studies
(C.P.S.P.S.)