Sources, methods and Compilation issues for the SNA IN VIET NAM

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1. Introduction

- The GSO is an institution directly under MPI, performing the advisory function to help the MPI Minister in doing the task of state management in the field of statistics; conducting statistical operations and providing socio-economic statistical information to all agencies, organisations and individuals in accordance with the law.

- Centralized Statistical System of Viet Nam is divided into two levels: Center statistics and provincial statistics.

- The GSO is responsible for collecting, compiling, analyzing and publishing statistics of the social-economic fields such as: Agriculture; industry; construction; transportation; communication; population; environment; trade, service and price, etc.

- To gain the statistical information, GSO Vietnam has based on the statistical system from the centre to the provinces and districts.

1. Introduction (cont.)

- SNAD has 19 persons, in which: 4 leaders (1 director, 3 deputy directors) and divided into 4 parts respectively.

  - (1) Integrated division: Responsible for Statistical yearbook, historical data, analyzing, methodology on SNA and PSO reports.

  - (2) Production division: Responsible for collecting data from other departments of GSO to estimate GO, IC, VA of 14 economic activities in quarterly and annually (agricultural, forestry & fishing; industry & construction; and some of service activities); collect and process import-export of goods and services values, import tax, CPI, PPI.
1. Introduction (cont.)

- (3) Financial division: Responsible for statistic of state budget, banking and currency, insurance, securities, some services activities such as government management, defense, science and technology, education, health, culture... and production tax.

- (4) Accounts compiling division: Responsible estimating final consumption, gross capital formation; Compiling IO table for every 5 years; compiling some accounts: production account, distribution of income account, part of financial account...

2. Sources of information

- Main informations come from three channels: State statistics (Centralized System of the General Statistics Office), census and surveys and statistics in ministries and agencies.

- The General Statistics Office and Provincial Statistics Office have responsibility in data collecting, processing and tabulating from administrative and business units, political organizations, social-political organizations etc, in all kinds of economic activity, by all type of ownership, provided that these units and organizations are resident of province/city.
Statistic in Ministries and agencies

- Ministry of Finance
- Ministry of Industry and Trade
- State Bank of Vietnam
- Ministry of Agriculture and Rural Development
- Ministry of Transport
- ...

Census and surveys

- The rural, agricultural and fishery census
- The establishment census
- Development investment capital survey
- Survey on non stated trade and services companies
- The enterprises survey
- The non-farm individual business establishment survey
- Household living standard survey
- Input - output survey
- ...

3. Methods

• 1993 SNA

Annual GDP: Annual GDP at current price and constant price (at the 1994 fixed price) have been calculated at the country and regional levels. At present, GDP is estimated by production approach and final consumption approach.

Quarterly GDP: Quarterly GDP first calculated in 1999 at constant price and current price. This indicator is first estimated at the end of the last month of the reference quarter, and then revised for the second time at middle of the next month. The last revision of quarterly GDP is taken at the time that annual GDP is officially calculated.

4. Compilation issues the GDP in Vietnam
### Key Indicators on SNA 2010-2015

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Prel. 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross domestic product (at 2010 constant price) - Bill. Dongs</td>
<td>2,157,828</td>
<td>2,412,778</td>
<td>2,543,596</td>
<td>2,695,796</td>
<td>2,875,856</td>
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<tr>
<td>Growth rate of GDP (Previous year = 100) - %</td>
<td>5.25</td>
<td>5.42</td>
<td>5.98</td>
<td>6.68</td>
<td></td>
</tr>
<tr>
<td>Gross domestic product (at current price) - Bill. dongs</td>
<td>2,157,828</td>
<td>3,245,419</td>
<td>3,584,262</td>
<td>3,937,856</td>
<td>4,192,862</td>
</tr>
<tr>
<td>Final consumption - Bill dongs</td>
<td>1,565,602</td>
<td>2,285,623</td>
<td>2,566,803</td>
<td>2,838,048</td>
<td>3,115,085</td>
</tr>
<tr>
<td>Gross capital formation - Bill dongs</td>
<td>770,211</td>
<td>884,160</td>
<td>956,124</td>
<td>1,056,632</td>
<td>1,160,447</td>
</tr>
<tr>
<td>Trade balance (goods &amp; services)</td>
<td>-177,215</td>
<td>113,697</td>
<td>77,350</td>
<td>128,965</td>
<td>33,169</td>
</tr>
<tr>
<td>Statistical discrepancy</td>
<td>-770</td>
<td>-38,061</td>
<td>-16,015</td>
<td>-85,789</td>
<td>-115,839</td>
</tr>
<tr>
<td>Final consumption (%)</td>
<td>72.55</td>
<td>70.43</td>
<td>71.61</td>
<td>72.07</td>
<td>74.29</td>
</tr>
<tr>
<td>Gross capital formation (%)</td>
<td>35.69</td>
<td>27.24</td>
<td>26.68</td>
<td>26.83</td>
<td>27.68</td>
</tr>
<tr>
<td>Trade balance (goods &amp; services) (%)</td>
<td>-8.21</td>
<td>3.50</td>
<td>2.16</td>
<td>3.28</td>
<td>0.79</td>
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<tr>
<td>Statistical discrepancy (%)</td>
<td>-0.03</td>
<td>-1.17</td>
<td>-0.45</td>
<td>-2.18</td>
<td>-2.76</td>
</tr>
</tbody>
</table>

### Some main achievements of National account of Viet Nam

(1) The General Statistics Office has been compiled several accounts, such as:
- GDP by production approach annually and quarterly;
- GDP by final consumption approach annually;
- Production account;
- Income Account;
- Rest of the World Account;
- Part of Financial Account;
Some main achievements (cont.)

(2) GSO has been tabulating a set of indicators that reflect process of distribution and redistribution of GDP such as Gross National Income (GNI); National Income(NI); National Disposable Income (NDI); Gross Saving; Gross Capital Formation Income; Current Transaction... on national scope, by institutional sectors. These indicators are disseminated annually.

Problems of SNA statistics in Vietnam

(1) Quality of calculating GRDP at provincial level and the essential to harmonize of GDP at nation-wide scope
+ Reconciling the difference between nation-wide GDP and summing-up GDP of provinces.
+ Adjusting data by province, by economic region at the same price level instead of different deflators

(2) Lack of price index for the double deflation.

(3) Awareness of suppliers of information to and users information from national account statistics are still constrained
Problems of SNA statistics (cont.)

(4) Application of 1993 SNA and plan to change 2008 SNA

• VietNam is applying 1993 SNA
• The GSO is being in the process of preparing conditions for applying the 2008 SNA in Viet Nam, which is supposed to be carried out in 2017-2018.

As well as 1993 SNA, in order to implement 2008 SNA, we face some problems in lack of information, such as:
+ Information relating to expenses on military weapon: it is considered as secret information in State budget.
+ Information to compile the output of R&D, current information is mainly collected from State budget and enterprise survey.
+ Information of estimate and allocate according to the suggested method in 2008 SNA
+ Information on non-observed sector ...

5. Objectives of orientations for the development of SNA in Viet Nam.

- Enlarging coverage of application of SNA in accordance with methodology of the United Nations Statistics in term of estimates of GDP, GNI, NDI, saving; compiling Production account, Generation of income account, Secondary distribution of income account, Use of Income account, Capital and finance account, Goods and services account, Rest of the world account and compiling of input-output table for every five year for the whole economy and some major regions.

- Studying and experimental compiling satellite accounts, such as: Environmental satellite account, Tourism satellite account, National health account and Agriculture economic account.
Objectives of orientations for the development of SNA in Viet Nam.

- Improving the calculation procedure of some indicators following the United Nations Statistics methodology and consistency with practical situation of Viet Nam for whole country as well as provinces and cities.

- Consolidating and improving of national account statistics in all levels consistency with requirement of compilation of the System of National Accounts.

CONCLUSION

(1). In general, SNA statistics in Vietnam still remains at a low rank compared with other countries.

(2). Several national accounts have been compiling, but the others still need more adequate experience, practices and skills to be fulfilled.

(3). The collection of data and methods are insufficient in quantity, quality and time for SNA compilation purposes. SNA statistics requires capable staffs and need to enlarge to provide quality and timely statistics information to users.
Thank you very much for your attention!