

DESA

BELIZE - PROGRESS REPORTS BY L.N. RASTOGI, STATISTICIAN, OPAS EXPERT

17 SEPT 1975 - 23 NOV  
1976

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VP/WG MAR 2015

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BOX	<u>64</u>
FILE	<u>3</u>
ACC.	<u>TE 432/21</u>





ENCLOSURE ATTACHED *sm*

PROGRAMA DE LAS NACIONES UNIDAS PARA EL DESARROLLO  
SAN SALVADOR, EL SALVADOR, C. A.

BZE/74/001/12.1 - 3959

23 November 1976

2 DEC 1976	
ACTION TO:	
1 Miss Weidlund	
2 Mr. Rastogi	
3	
X PUT AWAY	
INITIALS <i>(initials)</i>	
<input type="checkbox"/> BRING FORWARD	
ON	DAY MONTH YR
TO:	

Dear Miss Weidlund,

Subject: Assistance to the EPU  
(BZE/74/001)

*TE 432/21 BELI (3)*

..... Enclosed please find a copy of the progress report for the above-mentioned project, prepared by Mr. L.N. Rastogi OPAS expert assigned to it as Statistician and which covers the quarter August-October 1976.

Yours sincerely,

*Registry*  
*cc: Mr. Landay*  
*W/F*  
*(initials)* 3.12.76

*(Signature)*

Hans D. Kurz  
Resident Representative a.i.  
United Nations Development Programme  
for El Salvador and Belize

RECEIVED

DEC 2 1976

Miss Jane Weidlund, Chief  
Central America, Caribbean  
and Regional Projects Section  
Office of Technical Co-operation  
United Nations  
New York, N.Y.

CENTRAL AMERICA  
CARIBBEAN AND REGIONAL  
PROJECTS SECTION, AB/OTC

OFFICIAL COPY	12/33
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## PROGRESS REPORT

(August - October 1976)

1. Estimates of national income, saving, capital formation and national accounts of 1973: The estimates and accounts for 1973 were completed. These were compiled in the form of the following three documents:

- (i) National Accounts Statistics - Annual Estimates
- (ii) National Accounts Statistics - Sources and Methods
- (iii) Economic Accounts of the Public Sector

These documents include the estimates of national income, savings by institutional sectors, capital formation by type of assets and by institution sectors, detailed accounts of the public sector - broken up into producers of govt. services, departmental enterprises and non-departmental enterprises, and consolidated accounts of the nation for 1973 in current prices. Estimates of national income for the period 1970-74 in 1973 prices were also compiled and incorporated in the above documents. These documents also describe in detail how the estimates of national income and accounts were compiled.

The documents are now under print and are expected to be available in about a month's time.

2. Estimates of national income, saving, capital formation and national accounts of 1974:

- (i) Estimates of domestic product were completed in respect of forestry, fishery, electricity and water supply, construction and financing services. Work on other sector is progressing.
- (ii) Estimates of capital formation by type of assets completed. Estimates by institutional sectors and in 1973 prices are in progress. The indices of cost of investment are being worked out on the basis of foreign trade statistics, indigenous production of investment items and wage statistics.
- (iii) Savings of corporate sector and cooperative societies were worked out on the basis of the analysis of their annual accounts. Work on savings of the public sector and households is in progress.
- (iv) Economic accounts of the public sector are nearing completion. It is expected that estimates and accounts of 1974 will be ready for release by end of December.

3. Estimates of national income, saving, capital formation and national accounts of 1975: Surveys were initiated covering various sectors



of the economy, namely manufacturing industries, hotels and restaurants, trade, financing and insurance, legal and accounting services, recreation services, etc. Questionnaires were redesigned in the light of the experience gained during the surveys which were conducted in 1975 in connection with compilation of national accounts of 1973. These questionnaires have been mailed and field work will be undertaken during January and February of 1977.

Action was also initiated to collect supplementary data such as remittances received by households from foreign countries through post offices and banks, loans disbursed by banks to households and repayment of loans by households, expenditure on military establishment in the country, purchases of foreign missions in the domestic market, expenditures of non-profit institutions operating in the country, etc.

4. Price statistics: Action was initiated to develop flow of whole-sale price statistics in the country. The object is to compile whole-sale price indices on monthly basis. Lists of items together with their specifications were drawn up and cooperation of wholesale dealers was secured. It is expected that price data will start to flow in by middle of this month. As it could not be possible to collect price data in respect of past years, it was decided to compile the index with 1976 as base. Work on the weighting diagram for the index will be taken up in April 1977 when foreign trade statistics of 1976 are expected to become available. In addition to following the ISCTC Revised 2, wholesale price indices will also be computed for consumption items, consumer durables, intermediate items, construction materials and items of fixed capital formation.

The economy of this country is mainly dependent on imports and exports. Imports alone account for about 70% of GDP. It is therefore important to develop price statistics in a way that these could be used to analyse inflationary trends due to exogenous factors and indigenous factors. Studies are under way in this direction.

The price statistics when developed, will not only improve the estimates of national income in current and constant prices but also facilitate important studies like relationship between public spending money supply and prices. Time permitting, work on some of the components will be initiated.

Economic indicators: Volume and unit price indices of imports and exports were compiled for 1975. The series is now available for 1970 to 1975 with 1973 as base.

Flow of official statistics: Discussions were held with the Ministries of Education and Labour and the Police Department. The existing system of flow of data in these departments were examined. Improvements



in the systems and simple tabulation schemes will be suggested soon.  
Other items of work: With the approval of the United Nations, the Belize Govt. and the Citrus Growers Association appointed the undersigned as Arbitrator for prices of citrus fruits to be paid by the processors to growers. The price formula was submitted to the Govt. The formula envisages distribution of gross revenue from the sale of citrus products between the growers and the processors in proportion to risk involved in the respective activities; risk being measured in terms of growing/processing cost and a certain percentage of the value of fixed assets used for growing/processing.

Also worked on the Committee set up to look into the finances of one of the leading producer and exporter of the citrus products in the country.

*L. N. KASTOGI*  
L. N. KASTOGI

(iii) Evaluation of capital structure by type of assets and liabilities. The analysis of assets and liabilities are in progress. The balance sheet of assets and liabilities are being worked out on the basis of foreign exchange and indigenous production of investment items. The analysis is in progress.

(iv) Analysis of corporate sector and corporate structure. The methodology of the analysis of the corporate sector is in progress. The analysis of the corporate sector is in progress.

(v) General account of the public sector. The analysis of the public sector is in progress. It is expected that estimates for a number of years will be available.





PROGRAMA DE LAS NACIONES UNIDAS PARA EL DESARROLLO  
SAN SALVADOR, EL SALVADOR, C. A.

ENCLOSURE ATTACHED

BZE/74/001/12.1 - 078

January 13, 1976

RECEIVED IN RECORDS CONTROL  
26 JAN 1976  
ACTION TO:  
1. Mr. Van Heerden  
2.  
3.  
☐ PUT AWAY  
INITIALS  
☐ BRING FORWARD  
ON 4 2 1976  
DAY MONTH YEAR  
TO:

Dear Mr. Van Heerden:

TE 432/21 BELI (3)

Subject: "Assistance to the EPU"  
(BZE/74/001)

..... I am pleased to enclose herewith a copy of a 3-months report of the activities developed on the above named project, elaborated by the expert Mr. L. N. Rastogi.

Hoping that this information will be of interest to you, I remain,

Sincerely yours,

OFFICIAL CORRESPONDENCE	CONTROL NO.
MUST BE RETURNED TO RECORDS CONTROL, ROOM 2874	1/445

*Krishan G. Singh*  
Krishan G. Singh  
Resident Representative  
United Nations Development Programme  
for Belize

Mr. Jan Van Heerden, Chief  
Central América, Caribbean,  
Regional Project Section  
Office of Technical Cooperation  
United Nations  
New York, N. Y. 10017

RECEIVED

JAN 20 1976

CACRPS/AB/OTG

*Note to Mr. Landry requesting  
comments - 30/1/76*



## REPORT ON ACTIVITIES

(September - November, 1975)

Efforts continued during the quarter to expand the data base of the system of national accounts. A number of surveys was initiated in the field of manufacturing industry, banking, insurance, savings and investment of the private corporate sector and credit and non-credit cooperative societies, foreign investment in the country etc. Meetings were held with the commercial banks operating in the country to arrange for regular flow of banking statistics. As the enterprises have no experience of compiling statistical data very simple questionnaires were designed for the surveys. Nevertheless, the response had been very poor and it appears that most of the enterprises have to be helped personally to fill the questionnaires.

### Public Sector Accounts

Detailed accounts of the public sector including central government, local authorities, various boards and funds, and departmental and non-departmental enterprises of the government were completed for 1973. Purpose classification of government expenditure as well as the estimates of gross fixed capital formation classified by type of assets have been prepared. Comprehensive notes on accounts setting out in minute details the concepts, definitions, scope and methodology of deriving various entities of the accounts have been prepared. These notes are aimed at providing guidelines for continuation of the work in the future.

### Agriculture

Price data for livestock products were built up, based on a quick inquiry in the field and the information available with the Ministry of Agriculture and Controller of Supplies.

Estimates of inputs of agriculture industry were prepared from the figures collected from few farmers and supplemented by the information available with the Development Finance Corporation and the local office of the Caribbean Development Bank.

Index of agriculture production with 1973 as base was compiled for the first time for Belize. The index is expected to become a regular feature of agriculture statistics of the country.

### Forestry

Estimates of domestic product at 1973 prices were prepared for 1970 through 1974.

### Banking

Banking statistics were analysed and production accounts were prepared for 1973.

### Public Administration

Index of employment in public administration was prepared by classifying the employees in homogenous categories of pay scales. Weights were assigned in proportion to employees compensation in various categories in 1973. The index will be used to obtain the estimates of domestic product at 1973 prices, originating in public administration.



### Ownership of dwellings and real estate and construction

Data on buildings by type and their rental value were collected for urban areas. Survey is being designed to collect similar data for rural areas.

Data were also collected on the number of buildings constructed during 1973, major improvements carried out in that year and the costs involved. These figures will be used for preparing the estimates of domestic product in construction activity.

### Communication

Estimates of domestic product originating in telecommunication were prepared for 1973.

Necessary data was collected for compiling the physical indicator of communication activity. The indicator will be used to obtain the estimates of domestic product in constant prices.

### Consumption and investment

Import and export trade statistics were analysed with a view to building up the estimates of private consumption expenditure and capital formation by following the commodity flow approach. Trade and transport work-ups are being worked out.

### Balance of payment statistics

Efforts were made to extend the coverage of balance of payment statistics to include, particularly, retained profits of branches of foreign companies, share of foreigners in retained profits of the private corporate sector, claims of house-holds on foreign life insurance companies. Analysis of the remittances made by residents to foreign countries was collected and analysed. *completed.*

### Price-indices

Steps were taken to compile price indices - import unit price index, export unit price index and whole-sale price index. Collection of data was in progress.

### Working force

Population data was analysed to obtain estimates of working force according to broad industrial categories.

### Data System

It has been proposed to the government that for a small country like Belize a centralized system which could act as data bank should be more effective and economical. As soon as the proposal is accepted in principle, specific details of the nature of statistics to be collected, its frequency, type of surveys to be conducted, tabulation plan etc. would be worked out and submitted to the government. Meetings have been arranged with various ministries and departments to ascertain their requirements of data.



REC-225 CONTROL  
SEP 30 1975

OFFICE OF TECHNICAL CO-OPERATION

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Date: 29 Sept. 1975

I. Experts' Reports: Referral to Substantive Offices

TO: 1. Ms. N. Robinson, Project Officer - Technical Co-operation Unit File No.: TE 322/1 BZE  
Substantive Office Statistical Office

Through: 2. Mr. S.G. Vassiliou, Asst. Director-in-Charge, DRAS, CDPPP  
(Area Section Chief)

TE 432/21 BELI (3)

FROM: Carlos Convers, Chief  
Human Resources Projects Section, ELAIPS/OTC

SUBJECT: Request for Comments

Please find attached the following Progress Report No. \_\_\_\_\_  
/letter/memorandum:

Name of expert: Mr. L.N. Rastogi

Field: Statistics

Country: Belize

Date: June - August 1975

I should appreciate your action on the attachment as indicated below,  
before 13 October 1975 (date).

II. Experts' Reports: Action by the Substantive Office

FROM: \_\_\_\_\_ (Substantive Office)

1. \_\_\_\_\_ A memorandum giving substantive comments on the above is attached (3 copies) for transmittal to the field as appropriate.
2. \_\_\_\_\_ A letter addressed to the expert is attached for clearance and return (2 copies included for the Area Section).
3. Indicate disposal of comments from the Regional Secretariat:
  - \_\_\_\_\_ a. Endorsed for transmittal to the expert
  - \_\_\_\_\_ b. Consolidated with Headquarters' comments
4. Indicate whether the expert fulfilled the requirements with respect to:
  - \_\_\_\_\_ a. Carrying out responsibilities outlined in his job description
  - \_\_\_\_\_ b. Training counterparts
  - \_\_\_\_\_ c. Other (indicate) . . . . .

Signed: \_\_\_\_\_

Date: \_\_\_\_\_





BZE/74/001 - 2303  
12/1

September 17, 1975



Dear Mr. Rastogi:

Subject: Assistance to EPU (BZE/74/001)

Reference is made to your letter of September 3rd, and the attached report of the activities carried out during June - August.

Thank you very much for your attention. I do not need any more detailed report. The one submitted is sufficient.

Best regards,

A handwritten signature in cursive script, reading "K. G. Singh".

Krishan G. Singh  
Resident Representative  
United Nations Development Programme  
in El Salvador

Mr. L.N. Rastogi  
Ministry of Economic Planning  
Belmopan, Belize



## REPORT ON ACTIVITIES

( June - August, 1975 )

Having been assigned to the Government of Belize, I joined the Project "Assistance to Economic Planning Unit" on June 3 as Statistician, (National Accounts). The post carries the following duties:

"The expert will be attached to the Economic Planning Unit, Ministry of Finance and Economic Development, and, in close cooperation with the General Economic Planner, will:

1. Take charge of the collection and compilation of basic statistical data needed for the planning and monitoring of economic and social development and for the estimation of national accounts;
2. Improve the national accounts estimates and, in particular, initiate the establishment of national accounts series at constant prices;
3. Train local personnel in the collection and compilation of basic statistics and the estimation of national accounts."

The Head of the Economic Planning Unit desired that I should devote my time to compile national accounts of the Belize economy for 1973 at current prices and build up the series at constant (1973) prices for three or four years, viz 1970, 1971 and 1972.

National accounts of the Belize economy, it was decided, should follow the conceptual framework as recommended by the United Nations in "A System of National Accounts" (Series F No. 2 Rev 3 - 1968). A quick review of the available economic statistics of Belize, however, soon established that a simple version of the elaborate UN System of National Accounts was the only practical proposition to proceed with and extensions could be sought subsequently along with development of data base which almost does not exist. Accordingly, the system of national accounts as set out in the Annex was suggested as a first exercise with the following objectives in view:

1. To produce a reasonably reliable and consistent set of basic economic aggregates which can form the basis of plan formulation,
2. To provide an insight into serious data gaps and the existing data system and lead to evolving a scientific system which could ensure a regular flow of basic economic statistics, and
3. To train personnel of the Economic Planning Unit with the help of a simple conceptual framework of national accounts.

A work schedule for the remaining seven months of 1975 was drawn up and finalized in consultation with the Head of the Economic Planning Unit. Work was immediately started on compilation of domestic product by industry of origin. Agriculture, livestock, forestry, fishery and electricity and water supply industries were taken up first. Analysis of government accounts and public enterprises was also taken on hand. The progress in these sectors is reviewed below:



**Agriculture and livestock industries:-** Estimates of production in physical terms have been prepared. Estimates of prices have also been compiled with the assistance of the Ministry of Agriculture. These have, however, to be cross-checked in the field. Data on inputs of these industries do not exist. Suitable estimates are being developed in consultation with the Ministry of Agriculture. Accounts of cooperative societies engaged in agriculture are also being analysed for the purpose.

**Forestry:-** Output and input data have been culled out from the records of the Forestry Department.

**Fishery:-** Commercial accounts of cooperative societies engaged in preserving and processing of fish and similar foods have been analysed and detailed production accounts of this industry have been compiled. Estimates of output and input of fishery industry were obtained as by-product. Input estimates remain to be tested in the field.

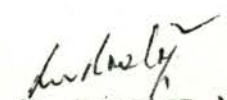
**Electricity and water supply:-** Estimates of domestic product have been compiled, based on the reports of the Electricity Board and Water Authority.

**Communication:-** Estimates of domestic product in postal services have been completed.

**Government accounts:-** Production account, income and outlay account and capital finance account of government sector including departmental enterprises and local governments (Belize City Council and six Town Boards) have been completed. Estimates of gross capital formation by type of assets in the government sector and purpose classification of government expenditure have been finalised.

In the case of public enterprises accounts have been analysed for Development Finance Corporation and Belize Electricity Board. It is expected that the remaining work in this sector will be completed in September.

On the whole, the progress has been very slow because of the serious gaps in data base. These gaps can be bridged only by conducting surveys and enquiries. There is absolutely no data on savings and capital formation in the private sector. A survey of income, saving and investment is therefore urgently needed. This survey will provide not only the estimates of saving and investment but also a cross-check for the national income estimate arrived at by following the production approach. Similarly, there is urgent need for conducting surveys of manufacturing, transport, banking and insurance, distributive trade, hotels and restaurants and construction activities. This calls for proper strengthening of the Economic Planning Unit and re-organization of the data system. Data System is being studied and I hope to submit concrete proposals in this regard very soon.

  
( L. N. RASTOGI )



## ANNEX

### NATIONAL ACCOUNTS OF BELIZE - 1973

#### PROPOSED FRAMEWORK

1. Gross/net domestic product at current factor costs by industry of origin.
2. Distribution of gross domestic product by factor shares.
3. Share of public sector in gross domestic product.
4. Gross/net national product at factor cost/market prices.
5. Gross capital formation by type of assets.
6. Savings - Public Sector, Financial Enterprises, Private Corporate Sector, and Households including <sup>un</sup>incorporated enterprises and private non-profit institutions serving households.
7. Consolidated Accounts of the Nation
  - (i) Gross domestic product and its expenditure
  - (ii) National disposable income and its appropriation
  - (iii) Capital Finance
  - (iv) External transactions
8. Accounts of the public sector
  - (i) Consolidated accounts
  - (ii) Accounts of government
  - (iii) Accounts of enterprises
9. Economic and purpose classification of government expenditure.
10. Estimates of gross domestic product and gross capital formation at 1973 prices for the back years.