



Bangladesh Bureau of Statistics Newsletter



BBS Release No: 15 April-June, 2013 BNC, BBS Web: www.bbs.gov.bd

BBS Conducted the Survey on Uses of Remittance 2013

Bangladesh Bureau of Statistics (BBS) has conducted an inception workshop to finalise the questionnaire of 'Survey on Uses of Remittance 2013' on 3 April 2013 at BBS conference room. Hon'ble Minister for Expatriates' Welfare & Overseas Employment, Engineer Khandaker Mosharraf Hossain, MP was present as Chief Guest while Mr. Masud Ahmed,

all possible impacts of the financial crisis by nature of the remittance-earning households and their present family due to remittance earnings, its uses and expenditures. The survey will determine the economic and social impacts of overseas migration and provide policy recommendations based on the results of the survey.



Hon'ble Minister Engineer Khandaker Mosharraf Hossain, MP (middle); Mr. Md. Nojibur Rahman, Secretary, SID (2nd-right); Mr. Golam Mostafa Kamal, DG, BBS (right-corner); Mr. Masud Ahmed, Member, Planning Commission (left-corner) and Dr. Wahiduddin Mahmud, Eminent Economist (2nd-left) are seen on Dias.

Member, Planning Commission and Prof. Dr. Wahiduddin Mahmud, Eminent Economist attended the workshop as Special Guests. Mr. Md. Nojibur Rahman, Secretary, SID chaired the session. Mr. Golam Mostafa Kamal, DG, BBS was Co-chair. Distinguished personalities from different civil societies, NGOs, researchers and government officials from ministries and departments were present in the workshop.

The main objectives of the survey are to assess data on the economic & social impacts of remittance and its uses in the economy. This survey will explore the magnitude and patterns of overseas migration, their current socio-demographic profile and other concern information on household members living in Bangladesh. In this survey, data will also be collected on the costs of going abroad, assess the earnings, savings and remittance-sending behaviour of workers while they stay in abroad including the channels they use for transferring the amounts of remittance. The survey will provide information on

In the inaugural speech, Hon'ble Minister appreciated BBS for taking the initiative to conduct the survey in time. He urged for identifying the specific fields of expenditures with the remittance of the households. He pointed out that a huge amount of remittances is coming to Bangladesh each year and government is keenly interested to know how these remittances are being used by the households, particularly in the rural areas. He added that government would provide all sorts of support to rural people for enhancing their living standards through effective use of the remittances.

This remittance survey is carrying on in remittance-receiving households, where single or more members are working abroad. Each year Bangladesh is sending a large number of unskilled & skilled workers, service providers and professionals to abroad.

Minister Met the Press on the Economic Census 2013

Hon'ble Minister for Planning, Air Vice Marshal (Retd.) A K Khandker, BU, MP, briefed the journalists of print and

motivate the general mass through wide coverage of census events for active participation of the mass, which in turn would



Hon'ble Minister for Planning, Air Vice Marshall A K Khandker, BU, MP (middle) is speaking to the press. Mr. Md. Nojibur Rahman, Secretary, SID (left-corner) & Mr. Golam Mostafa Kamal, DG, BBS (right-corner) are seen beside him on Dias.

help the country in socio-economic development. Mr. Md. Nojibur Rahman, Secretary, SID, Mr. Golam Mostafa Kamal, Director General, BBS, Director of Census Wing & Project Director and other senior officials of SID and BBS attended the press briefing.

Before the press conference, Hon'ble Minister for planning

opened the 'Horse-cart' rally, which was arranged for creating public awareness among the general mass at Dhaka City. In census, BBS used different modes of publicity campaigning press conference, press release, talk-show, jingle programme, TV scrolling, street songs, display board, drama, posters, booklets, leaflets, placards, souvenir, mugs, T-shirts, miking, etc.



Planning Minister is cutting a tape on the horse-cart opening ceremony at the BBS gateway. Mr. Md. Nojibur Rahman, Secretary, SID DG, BBS and other BBS & SID officials are seen in the occasion.

Planning Minister Unveiled the New Web Portal of SID



Hon'ble Minister for Planning, Air Vice-Marshal (Retd.) A K Khandker, BU, MP, unveiled the new web portal of Statistics and Informatics Division (SID) on 13 June 2013 in an inauguration ceremony held at the conference room of SID. In

Hon'ble Minister for Planning is opening the SID website. Mr. Md. Nojibur Rahman, Secretary, SID; Mr. Golam Mostafa Kamal, DG and Mr. Md. Mizanur Rahman, DDG, BBS and other SID & BBS officials are seen in the occasion.

the same morning, the Hon'ble Minister reviewed the on-going core activities of SID and BBS. He expressed his satisfaction on the performance of BBS and SID and assured his whole-hearted support to the officials for their future development and making BBS a centre of excellence under the close guidance of SID. Mr. Md. Nojibur Rahman, Secretary, SID, reiterated his commitment to make BBS and SID as vibrant organizations through timely and qualitative output.

Hon'ble Planning Minister Launched the *LAS* Report

The report on "Literacy Assessment Survey (LAS)-2011" CAMPE were also present in the launching ceremony. Mr.



Hon'ble Minister for Planning (middle); Mr. Md. Nojibur Rahman, Secretary, SID (2nd-right); Dr. Rasheda K. Chowdhury, CAMPE (2nd-left); Dr. Kazi Kholequzzaman, Chairman, PKSF (right) and Mr. Md. Mizanur Rahman, DDG, BBS are seen on the Dias.

was launched by Hon'ble Minister for Planning, Air-Vice Marshal (Retd.) A K Khandker, BU, MP on 30 June, 2013. Two eminent educationists namely, Dr. Kazi Kholequzzaman Ahmmad, Chairman, PKSF & Rasheda K. Chowdhury of

Md. Nojibur Rahman, Secretary, SID presided over the ceremony and Mr. Md. Mizanur Rahman, DDG, BBS were also present. The LAS report provides information on literacy status for adults aged of 11-45, in particular the

skills of reading, writing, understanding and numeracy of the adults. The survey followed special methodology following cognizance test of ability according to UNESCO guidelines.

Workshop Held on Statistical Classification

A dissemination 'Workshop on Statistical Classification (Products & Occupation)' was held on 11 April 2013 at BBS auditorium. Mr. Md. Abdul Mannan Howlader, Member, Industry and Energy Division, Planning Commission, attended the workshop as chief guest while Mr. Md. Nojibur Rahman, Secretary SID was present as special guest. Bangladesh Central Product Classification (BCPC) has been developed to serve as an instrument for assembling and tabulating all kinds of statistics requiring product details. This statistical classification may cover

production, intermediate & final consumption, capital formation, foreign trade or prices. The workshop was chaired by Mr. Golam Mostafa Kamal, DG, BBS and welcome



Mr. Md. Nojibur Rahman, Secretary, SID (left-corner); Mr. Md. Abdul Mannan Howlader, Member, Industry and Energy Division, Planning Commission (middle) and Mr. Golam Mostafa Kamal, DG, BBS (right-corner) are seen.

address was delivered by Mr. Md. Shamsul Alam, Director Industry & Labour Wing. Bangladesh Standard Classification of Occupation (BSCO) has been prepared according to country needs following the International Standard

Classification of Occupation (ISCO) system. These classifications are important for statistical analysis for uniform occupational and product comparison and proper identification of among countries worldwide.

Inception Workshop Held on Rural Credit Survey 2013

An inception workshop was held on 30 June 2013 at BBS auditorium to discuss on draft questionnaire for 'Rural Credit Survey 2013' based on the findings of a pretest. The purpose of this survey is to evaluate the current pattern of rural micro-

issues of the incidence of rural credit, the supply of credit by sources, demand for credit according to purposes, patterns of interest rates of credits, etc. After a brief outline on the methodological issues, the main theme of the survey questionnaire is discussed in the workshop. The survey will provide data on various aspects of rural credit viz. distribution of credit according to sources, purpose of credits, types of collateral, size and terms of credits, interest rate, purposes of borrowings, schedules of repay, etc. In this scenario, experts and participants extended their valuable suggestions and comments.



Mr. Md. Nojibur Rahman, Secretary, SID (2nd-right); Mr. Md. Azizur Rahman, Additional Secretary, SID (left-2nd); Dr. Kazi Kholequzzaman Ahmmad, Chairman, PKSF (middle) & Mr. Md. Mizanur Rahman, DDC (right) are seen.

credit and its impact on the rural economy considering functionaries about the importance of micro credit as an effective tool towards poverty alleviation of the country. The survey questionnaire was designed to address the major

BBS has realized the importance of vast rural credit programmes, which has immense impact on socio-economic development and has undertaken this survey.

Workshop on Pineapple Survey

BBS has undertaken a programme to conduct the cost of production on different crops. An inception workshop was held at BBS auditorium on 16 May 2013 to finalise the questionnaire and sampling design of the pineapple survey being conducted for the first time in BBS. Mr. Md. Nojibur Rahman, Secretary, SID attended the workshop as chief guest while Mr. Md. Jahir Uddin Ahmed, ndc, Chairman, BADC, was present as special guest. Mr. Golam Mostafa Kamal, DG, BBS chaired the workshop. The stakeholders were present in the workshop and

discussed on the sample design and questionnaire and finalized it. Senior officials of BBS & SID and experts from different organisations participated in the workshop.



Mr. Md. Nojibur Rahman, Secretary, SID (2nd-right); Mr. Golam Mostafa Kamal, DG, BBS (right-corner); Mr. Md. Jahir Uddin Ahmed, ndc, Chairman, BADC (2nd-left) and Mr. Md. Mizanur Rahman, DDC (left) are seen on Dias.

Workshop on Finalisation of Slum Census Questionnaire

BBS is going to conduct the 'Slum Census 2013' in the country for determining the number of slum dwellers, their

BBS conducted the slum census earlier in 1985-86 and 1997. Findings of the pretest on draft questionnaire were discussed



Mr. Golam Mostafa Kamal, DG, BBS (2nd-left); Dr. Abdul Jalil, Joint Secretary, SID (left-corner); Mr. Md. Mizanur Rahman, DDG, BBS (speaking on dias) and Mr. Zahid Hossain, Director, BBS (3rd-left) are seen. housing, demographic and socio-economic characteristics.

in the workshop. Mr. Golam Mostafa Kamal, DG, BBS attended the workshop as chief guest, Dr. Abdul Jalil, Joint Secretary, SID and Mr. Md. Mizanur Rahman, DDG, BBS were present as special guests. Mr. Zahidul Haque Sarder, Director, Census Wing of BBS chaired the workshop. Distinguished researchers, academics and officials from concerned departments, BBS and SID participated in the workshop.

BBS' Press Conference on Monthly CPI

At the national level, the food inflation slightly increased to 8.26% in June 2013 as compared to 8.13% in May 2013 while it was 8.68% in April 2013. The non-food inflation rates were 7.75% in June, 7.76% in May and 7.91% in April 2013. At the national level, general inflation was 8.05% in June 2013.



It is seen that the general inflation rates for this quarter (April-June/2013) were 7.80%, 7.42% and 7.53% respectively in rural areas. On the other hand, general inflation rates for urban areas are 9.45%, 9.04% and 9.08% respectively during the same period.

KOICA & SID Signed MM for Statistical Capacity Development

Korea International Cooperation Agency (KOICA) has developed a multi-year capacity development programme, titled 'Capacity Building and Empowerment Programme' for Bangladesh Bureau of Statistics (BBS). The programme is aimed at sharing and strengthening statistical capacity of BBS for establishing accurate economic and social development strategy through an improved National Statistical Policy and the system. In this regard, a Minutes of Meeting (MM) was signed between Mr. Md. Azizur Rahman, Additional Secretary, SID and Ms. Kim Bok-Hee, Resident Representative of KOICA for Bangladesh on 10 July, 2013. Under this agreement, a total of 45 participants will join the multi-year training programme (2013-15) starting in October this year.



Mr. Md. Azizur Rahman, Additional Secretary, SID (3rd-right); Mr. Abdul Jalil, Joint Secretary, SID (2nd-right); Ms. Kim Bok-Hee, Resident Representative, KOICA (middle); Mr. Md. Mizanur Rahman, DDG, BBS (4th-left); Mr. Md. Aminul Bor Chowdhury, Joint Secretary, SID (right), and others are seen.

Courses Conducted by Statistical Staff Training Institute (SSTI)

SL	Name of Training Course	Duration	Rank of Trainees	Number
1	Orientation Course on Statistical Act 2013 and UN Fundamental Principles of Official Statistics	07/04/2013	Journalists & Reporters	30
2	Secretariat Manual	11/04/2013	Officers-I & II	20
3	Orientation Course on Information Acts, 2009	30/05/2013	Officers-I & II	30
4	Fundamental Training Course (1st Batch)	02/06/2013 – 06/06/2013	ASO/USO	30
5	Fundamental Training Course (2nd Batch)	09/06/2013 – 13/06/2013	ASO/USO	30

Participation of BBS Officials Outside the Country:

Name and Designation	Duration, Country Visited	Programme Attended
1. Mr. Golam Mostafa Kamal, Director General, BBS	05 – 06 April, 2013, India	International Workshop on Green National Accounting
2. Ms. Aziza Parveen, Director	16-19 April, 2013, Japan	Workshop on Improving Integration of a Gender Perspective into Official Statistics
3. Mr. A K M Fazlul Hoque, Deputy Director	18-19 April, 2013, Thailand	Global Summit on Civil Registration & Vital Statistics
4. Mr. Kabir Uddin Ahmed, Deputy Director 5. Mr. Akhtar Hossain, Statistical Officer 6. Ms. Aziza Begum, Statistical Officer 7. Mr. Abdul Matin Howlader, Asstt. Statistical Officer	21-27 April, 2013, China	Training Programme on Labour Force Survey
8. Mr. Md. Shamsul Alam, Director, 9. Mr. Md. Mashud Alam, Joint Director 10. Mr. Md. Azadul Islam, Deputy Director	23 April - 3 May, 2013, Norway and Russia	Study Tour on Quarterly Labour Force & Industrial Statistics to Norway and Russian Federation
11. Mr. A K M Tahidul Islam, Deputy Director	3 May, 2013, Australia	Global Burden Diseases Study 2010 Symposium
12. Mr. Md. Shahidul Islam, Statistical Officer	7 – 17 May, 2013, Greece	Global Burden Diseases Study Scholarship
13. Mr. Md. Shahabuddin Sarkar, Statistical Officer	14 – 16 May, 2013, Indonesia	Capacity Development Workshop on Measuring Social Protection in Jakarta
14. Mr. Md. Mahabubur Rahman, Deputy Director 15. Mr. Ikhtiar Uddin Ahmed, Deputy Director	14–15 May, 2013, India	Workshop on Measuring the Informal Economy in New Delhi
16. Begum Salma Hasnayan, Deputy Director 17. Mr. Towfail Ahmed, Statistical Officer	27–31 May 2013, Thailand	Workshop on National Accounting and Producer Price Index Compilation Issues
18. Dr. Dipankar Roy, Deputy Director 19. Mr. Mohammad. Shaheen, Deputy Director 20. Mr. Md. Shaidur Rahman, Statistical Officer	27-31 May, 2013, Cambodia	Study Visit on Monitoring the Situation of Children & Women at NIS, Phnom Penh, Cambodia
21. Mr. Golam Mostafa Kamal, Director General, BBS 22. Mr. Kabir Uddin Ahmed, Deputy Director	24-28 June, Brazil	Policy Dialogue & the Training Programme on Quarterly Labour Force Survey
23. Mr. Md. Moazzem Hossain, Senior Programme 24. Mr. Md. Enamul Hoque, Maintenance Engineer	17-19 June, 2013, China	International Workshop on the DDI Meta Data Standard & the IHSNA Micro-data Management Toolkit
25. Mr. Ghose Subabrata, Director	19-21 June, 2013, China	China International and on the 2010 Round of Censuses, Hangzhou, China
26. Mr. Md. Abdul Latif, Statistical Officer 27. Mr. Md. Abdur Rashid Howlader, programmer 28. Mr. Suranjit Kumar Ghosh, Asstt. Statistical Officer	23-27 June, 2013, Thailand	MICS Data processing Workshop of UNICEF, Bangkok, Thailand

Released BBS Publications within the Quarter, 2013

1. Report on Survey of Business Service 2012, June 2013
2. Literacy Assessment Survey 2011, BBS, May 2013
3. Industrial Production Statistics (IPS, February/2013), BBS, May 2013
4. Monthly Statistical Bulletin-Bangladesh (October/12), BBS, May 2013
5. Monthly Release: Consumer Price Index (CPI, March/13), BBS, April 2013
6. Monthly Release: Consumer Price Index (CPI, April/13), BBS, May 2013
7. Monthly Release Consumer Price Index (CPI, May/13), BBS, June 2013

Major Quarterly Activities of BBS

Agriculture Wing:

- District wise area estimation of Boro rice for the year of 2012-13 is progressing;
- District wise area estimation on different varieties of wheat & potato for the year of 2012-13 has been submitted for approval;
- Forecasting survey on wheat, potato and Boro rice for the year of 2012-13 is completed;
- Estimation of agricultural wages for the month of May, 2012 has been approved.

Census Wing:

- Questionnaire of 'Rural Credit Survey 2013' has been finalized and technical committee meeting on the survey programme is completed;
- A total number of 25 officers have been imparted training on Sampling Technique;
- Preparatory work on Slum Census & Rootless Population Counting 2014 is going on;
- Report on 'Literacy Survey Assessment 2011' is published;;

Computer Wing:

- Data editing of 'Average Value Added of Export & Import 2011-12' is in progress and Value Based Tables for the month of April 2013 has sent to concerned desk of National Accounting Wing;
- Seven different categories of training have been provided to 96 BBS officials and staff using ICTLab-1 & 2 at different dates;
- Corrections have been made on geo-codes for 38 districts related to Economic Census 2013 and 30 tally entries of the Census are completed;
- Data entry of SVRS 2013 is completed;
- At the field area verification & editing of Gazipur City Corporation have been completed and the landmarks of Upazila headquarters, Paurashavas and City Corporations on maps have been pointed out properly and preparation of thematic maps are completed;
- Field verification of adjacent unions of Dhaka City Corporation is done and editing of maps for Rangpur & Gazipur City Corporation is completed;
- All sorts of activities on 'Data Recovery & Preservation Programmes' and 'Development of Web-based GIS Software & Linkage with BBS Website are going on;
- A large volume of Web-based survey data, tender documents, blog messages and time to time information and publications have been uploaded to Web-site in this quarter;
- A large number of BBS PC and its Hardware & Software trouble shooting are being removed and maintenance are being done regularly;
- BBS museum is under construction and recently Statistics and Informatics Division (SID) based website www.sid.gov.bd has been uploaded immediately after opening the website by Hon'ble Minister for Planning.

Demography and Health Wing:

- Master Trainers' Training was completed on 14-15 June, 2013 at BBS auditorium and later on, they provided fundamental training to local registers & supervisors on 17-20 June 2013 at the field. This training schedule was carried out under the programme of Monitoring the Situation of Vital Statistics Survey, Bangladesh (MSVSB);
- Report on 'Sample Vital Registration Survey 201' is under process for publication after reviewing it by the Editorial Forum;
- Listing of households & sketch mapping operation at field is completed at 1500 PSUs, which is newly reorganized under IMPS Design;
- Data collection from 55,200 households all over the country under 'Multiple Indicator Cluster Survey (MICS) 2012-13' have been completed in April 2013. The survey results will provide information on 78 important indicators covering education, health, environment, accommodation, sanitation, child development & discipline, etc. regarding mother & children related to major indicators of MDG goals;

- MICS 2013 data submission and processing is in progress at the BBS Training Labs;
- A study tour was undertaken at Cambodia National Institute of Statistics (NIS) in Phnom Penh with participation of 5 officers from SID & BBS during 27-31 May 2013 under the “Monitoring the Situation of Children and Women Project”;
- On 23-27 June 2013, 3 officers from SID & BBS participated in the workshop of MICS on data processing held at Bangkok in Thailand organized by UNICEF;
- The total number of 20 BBS participated in the training course of Applied Statistics for 3 weeks beginning on 10 June 2013 at ISRT of Dhaka University;
- Data collection of the 10th Round (2nd phase) PEC under ‘Food Security-Nutritional Surveillance Component Project’ has been completed and data collection on the 1st phase of 11 Round PEC is going on;
- The report on ‘Health & Demography Survey 2012’ has been finalized.

Industry and Labour Wing:

- Field level data collection on child labour, labour force and youth transition to work are completed;
- The report on ‘Informal Sector Survey’ is published and it has been uploaded in the ADB website;
- Data validation checking of ‘Time Use Pilot Survey-2012’ has been completed and draft report is being prepared now.
- Tabulation of collected data of ‘Cottage Industry Survey 2011’ under the ‘Strengthening the industrial Statistics (manufacturing) Project’ has been completed and a draft report has been prepared;
- The report on ‘Selected Business Service has been finalized and printed. It was disseminated on 30 June 2013;
- Data processing of the Survey of Manufacturing Industries (SMI) 2012 and Business Register (BR) is going on.

National Accounting Wing:

- National Accounts Statistics (Provisional Estimates of GDP 2012-13 and Final Estimates of GDP 2011-12 have been approved;
- GDP rebasing based on 2005-06 is nearly finalised;
- Draft reports of five surveys under MTBF, which was undertaken for strengthening national accounts by covering 5 sectors and providing benchmark data for rebasing of GDP base year 2011-12 are prepared;
- Monthly Quantum Index of Industrial Production (QIP) Large, February/13 has been approved and preparing the index of QIP for March/13 is in progress;
- Monthly Release on prices & wages for the month of May/13 is on the process of publication;
- Editing, posting and estimation of average values and wage collected on five categories of schedules for the month of May/13 are completed;
- Monthly Release of (IPS) for the month of February/13 is published and IPS for March/13 is going on;
- Report on ‘Productivity and Employment Index’ for January/13 has been approved;
- Indexing of construction materials for the month of December/12 for Chittagong, Rajshahi, Khulna, Sylhet and Barisal is completed;
- House rent Indexing for this quarter (January-March, 2011-12) is completed and wage rate indexing for month of May/13 is in progress;
- Data on imports & exports from Bangladesh National Board of Revenue have been collected for the month of April/2013 and presently they are under official use;
- ‘Foreign Trade Statistics of Bangladesh 2010-11’ is under the process of publishing.

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Estimation of Gross Capital Formation or Investment: BBS Practice

1. Conceptual framework

According to the System of National Accounts 1993 (SNA-93), Gross Capital Formation (GCF) or Investment (I) is the aggregate of gross additions to fixed assets (gross fixed capital formation, GFCF) and increase in stocks or inventories during the accounting period (ΔS) and net acquisition of valuables (V).

i.e, $GCF \text{ or } I = GFCF + \Delta S + V$

The components or boundary of GCF or Investment is slightly different from one edition to another edition of SNA.

SNA	Components of GCF or I
SNA 1968	$GCF \text{ or } I = GFCF + \Delta S$
SNA 1993	$GCF \text{ or } I = GFCF + \Delta S + V$
SNA 2008	$GCF \text{ or } I = GFCF + \Delta S + V + O$ (Where 'O' includes Weapons system, Research & development (R&D) and intellectual property)

Details of major components of the GCF are as under:

Component # 1: Gross Fixed Capital formation (GFCF) consists of

- (a) Tangible fixed assets;
- (b) Intangible fixed assets;
- (c) Major improvements to tangible non-produced assets such as land, subsoil assets, non cultivated biological resources; and
- (d) Costs of ownership transfers of non-produced assets (e.g. fees paid to surveyors, engineer, lawyers, commission paid to agents etc.).

(a) Tangible fixed assets consist of

- (1) Dwelling;
- (2) Other building and structures including irrigations;
- (3) Machinery and equipment;
- (4) Cultivated assets;
 - Changes in livestock used in production year after year (i.e. breeding stock, dairy cattle, draught animals etc.) and
 - Changes in trees that are cultivated year after year (i.e. rubber, fruit trees).

(b) Intangible fixed assets consist of

- (1) Mineral exploration (costs of actual test drilling, aerial or other surveys, transportation costs, etc.);
- (2) Computer software and large databases to be used in production for more than one year;
- (3) Literary and artistic originals of manuscripts, films, sound recordings, etc.; and
- (4) Other intangible fixed assets (new information, specialized knowledge etc.).

Component # 2: Change in inventories or stocks (ΔS)

According to SNA 1993, inventories consist of:

- (a) Stocks of output that are still held by units/enterprises that produced them prior to their being further processed, sold, delivered to other units or used in other ways and

(b) Stocks of products acquired from other units that are intended to be used for intermediate consumption or for resale without further processing.

Classification Inventories / stocks are classified into

- (1) materials and supplies,
- (2) finished goods,
- (3) work-in-progress and
- (3) goods for resale.

Component # 3: Valuables

The 1993 SNA includes a third category of capital formation called “acquisitions less disposal of valuables” covering expenditures on produced assets that are not used primarily for production or consumption, but acquired and held as stores of value: Examples,

- (1) Precious metals and stores (diamonds, platinum, silver etc.),
- (2) Antiques and other art objects (paintings, sculptures)
- (3) Other valuables (jewellery, fashioned out of precious stones and metals)

As per SNA 2008 additional elements / components of GCF are the

Costs/ value of

- (1) Weapons system/ military hardwares and
- (2) Research and development (R & D)

Details components of GCF / investment as per SNA-2008; item #

1. Dwellings
2. Other buildings and structures
3. Major improvement of non-produced tangible assets (land improvement
4. Machinery and equipment including transport equipment
5. Cultivated assets
6. Weapons system
7. Costs of ownership transfer on non-produced assets
8. Mineral exploration
9. Computer softwares and database
10. Research and development
11. Entertainment, literacy, artistic originals diamonds etc.
12. Intellectual property
13. Change in inventories
14. Acquisitions less disposable of valuables

Component-wise estimation of GCF/ Investment: Methods and data sources

Bangladesh Bureau of Statistics (BBS) currently estimates investment or GCF based on SNA-1993. Investment estimates are done for public and private sectors only. Various secondary data sources and extrapolation method are used for estimation of different components of investment.

Dwelling, other building & structures (item # 1 &2):

Construction is the major component of investment which represents about 75% of the total investment. Construction is also an important sector of the GDP. Construction is divided into 3 categories viz. dwellings, non-dwellings (buildings) and other structures. Dwellings and non-dwellings are further categories into pucca/semi-pucca and kutcha construction.

Pucca/semi pucca houses: These are houses built entirely or partly with bricks and cement. Again, houses and structures used for residential and non-residential purposes in urban as well as rural areas are included. The value of output of pucca and semi-pucca dwelling and non-dwellings construction is estimated using commodity flow approach. This approach envisages estimation of production of commodities used in construction after adjusting them for inputs in other industries, changes in stocks, imports and exports so as to obtain the net availability of commodities for construction purposes.

The commodities available for construction are valued at prices paid by the builders at the site of construction. Distributors' margins are added to allow for dealers' profit, transport and other charges. Base year data of domestically produced items are obtained from the annual reports of Census of Manufacturing Industries (SMI) and Annual Institutional Establishment Survey (AIES), BBS. Quantum Index and Price Indices of major construction items are used for non SMI year. Expenditure on net Imports of major construction items are taken from National Board of Revenue (NBR) and Foreign Trade Statistics.

Construction of kutcha houses: Kutcha houses are those which do not use bricks and cement; these include houses used as dwellings or otherwise (e.g. shop, educational institutions, mosques, etc.) in both rural and urban areas. The expenditure on

kutcha house construction is estimated in an indirect way, based on the estimated increase in the stock of such houses and the cost of construction of an average quality house.

Major improvement of non-produced tangible assets – Land (item # 3) This includes private investment in agriculture construction and installation of irrigation equipment. Private investment in agriculture construction includes both monetized and non-monetized investments in land improvements and construction of farm-sheds. The investment for installation of irrigation equipment includes the cost of pump house construction and sinking of tube wells (including the cost of pipes and other accessories, but not of pump machines and engines which are treated as machinery).

Private investment in agriculture construction: Investment per acre of cultivated land as estimated from survey data is blown up to get the national aggregate.

Installation cost of irrigation equipment: Number of tube wells/pumps sunk is multiplied by per unit cost.

Machinery and equipment (item #4) Machineries and equipment comprise all types of machineries such as agricultural machinery, power generating machinery, manufacturing plant machinery; transport equipment, furniture and fixtures. The estimates include all relevant items of new capital goods. The estimate of investment is derived entirely on the basis of the commodity-flow approach. Expenditures on machinery and transport equipment are estimated from the value of domestic

production and retained imports of capital goods. Distributors' margins are added to allow for dealers' profit, transport and other charges. Estimates of domestically manufactured machineries and transport equipment are obtained from the annual reports of Census of Manufacturing Industries (SMI) and Annual Establishment Institutional Survey (AEIS), BBS. Quantum Index and Price Indices of machineries and transport equipment are used for non SMI year. Expenditure on imports of machineries and transport equipment are taken from National Board of Revenue (NBR). The cif values of imports of capital goods are adjusted by markups to arrive at purchasers' prices.

Cultivated assets (item # 5) : This includes livestock for breeding, dairy and draught animals. Livestock that are cultivated for the products they provide year after year. They include breeding stock dairy cattle, draught animals, animal used for transportation, Trees (fruits trees, trees for bark and leaf products) etc. Only public sector data is available in Govt. Budget book. Private sector data are not yet included in the estimation.

Weapons System (item # 6) This is a new item of GCF as per SNA-2008. It will be included in the estimation of gross capital formation while adopting SNA 2008.

Cost of ownership transfer of non-produced tangible assets (item # 7): Transfer costs of land, which include stamp duties, legal fees, fees paid to surveyors, engineer, lawyers, commission paid to agents are included in GFCF. Expenditure on stamp duties, legal fees and others are computed on the basis of the number of transfer cases registered with the sub-registers office and the average transaction value of the property and the average rate of charges. Govt. Budget Book is the source of data. It is not yet included in the estimation but it will be included in the revised estimation.

Mineral Exploration (item # 8) It is public sector expenditure and necessary data are available in Government development and Revenue Budgets.

Computer Software (item # 9): Only public sector data is available based on Govt. Budget Book. Private sector is not yet included in the estimation. An ICT Survey is planned to conduct for collection of required data.

Research and Development (item # 10): It is a new component of GCF as per SNA-2008. Public sector data on R & D is available from the Govt. Budget Book. A pilot survey can be undertaken to estimate output and expenditure for R & D in private sector.

Entertainment, Literary and artistic originals (item # 11) Only public sector data is available based on Budget Book. Private sector data is not yet included in the estimation. Attempt to be made to sort out the components and methods and sources for data collection.

Other Intellectual property (item # 12) It is a new component of GCF according SNA 2008. Will identify the method and sources of data

Change in Inventories/ Stocks (item # 13) (Major component # 2) Not yet included in the estimation. A survey on change in stocks is going on. The survey data will be available at the end of June 2013. This survey findings will be incorporated in the estimation

Acquisitions less disposable of valuables (item # 14) (Third major component #3)

This component is not yet included in the estimation due to lack of data. In HIES 2010, valuables were found very insignificant at household level. Other institutional sectors (except HH sector) survey can be undertaken to capture information on available.

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