

**Cayman Islands Government**

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# **ESO STRATEGIC PLAN 2018-2021**

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**March 2019**



**The Economics and Statistics Office  
Ministry of Finance and Economic Development**

George Town, Grand Cayman, Cayman Islands

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## 1. Introduction

The **Economics and Statistics Office (ESO)** is the official national statistics office of the Cayman Islands. It is the lead provider of statistical services and reports on census of population and housing and macro-economic statistics. Its independent Economics Section monitors and reports on the macro-economy and provides projections of key macroeconomic indicators.

Although it is not easily recognized, information provided by national statistical and economic research agencies can have significant impacts on the lives of people through various uses of their outputs and services such as the following:

**evaluating the actual health of the economy, its people's quality of life including its environmental conditions;**

**providing a basis for setting and monitoring the impact of fiscal policy (the government's budget and priorities), health, education, environment and other sector policies and programs;**

**guiding public sector investment, private sector business planning and marketing decisions;**

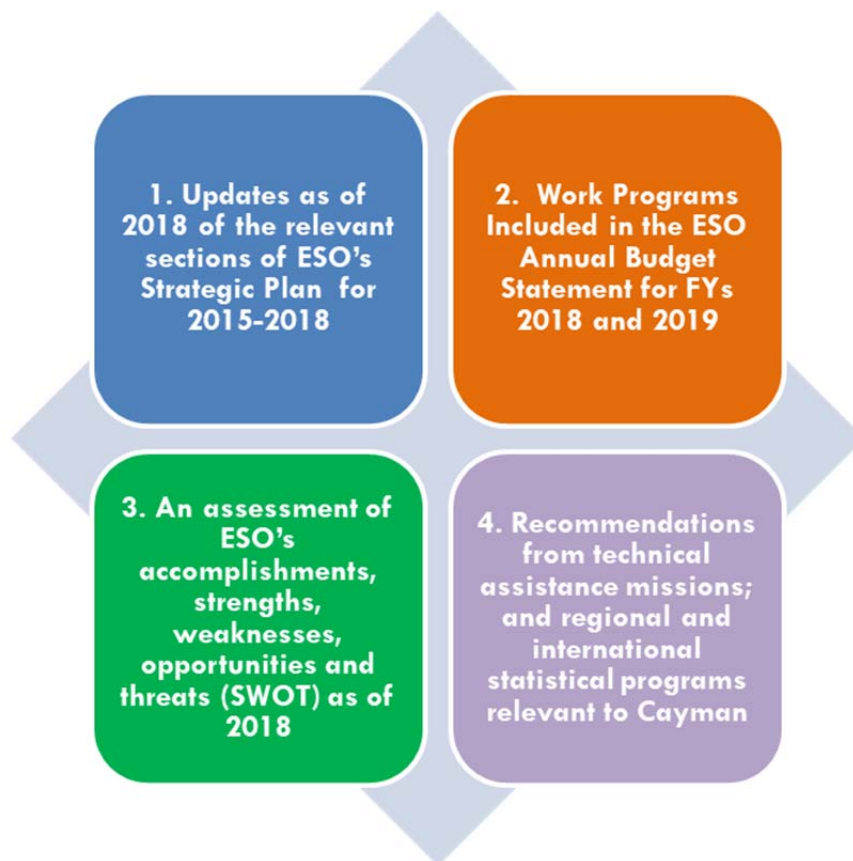
**informing the progress of programs aimed at assisting the youth, elderly and other target groups;**

**providing a basis for setting prices, salaries and other contractual terms**

For many leading economies, knowledge has developed into the third factor of production, next to capital and labour. The rapidly emerging environment of the "information economy" further underpins the importance of the ESO's role as an information resource. In the new information economy, greater focus is being centred on the generation and use of economic information as a resource, in addition to a greater emphasis being placed on human capital as the principal producer, repository, and disseminator of information. Organisations continually aim to maximize profitability or value for money, and performance, and increase the productivity of human resources. To achieve this objective, an even greater reliance is placed on the utilization of sound information. In short, good statistics allied to appropriate government policies, business and individual plans can change things radically for the better.

## 1.1 Planning Process

This *Strategic Plan for 2018-2021* was prepared using key inputs as follows:



Recommendations by regional and international agencies regarding improvements in the scope and quality of statistics include recommendations from the Caribbean Regional Technical Assistance Centre (CARTAC) July 2015 System of National Accounts Mission, and the CARTAC May 2017 Balance of Payments Mission. In addition, the CARICOM Regional Statistics Work Program, Action Plan and the Regional Strategy for the Development of Statistics (RSDS) are initiatives of relevance to the Cayman Islands as a CARICOM Associate Member.

## 1.2 Our Key Stakeholders

### Government



- The Cabinet as the key official user of statistics and economic reports, and the provider of adequate financial resources, and other Departments/Ministries as users of statistics
- The Ministry of Finance and Economic Development as facilitator in the provision of budgetary, HR, logistical, advocacy, and policy support.
- ESO management and staff as the key implementers of this Plan.
- Other producers of statistical information in the public sector including members of the National Statistics Coordination Committee

### Local community



- Businesses, non-government organizations, and the general public as key users of statistics and survey respondents, advocates and providers of feedbacks/ recommendations
- Public-private sector committees whose specific data needs are addressed through ESO's statistical programs

### Statistical Bodies



- International and regional organizations as providers of technical assistance especially with regards to the implementation of international or regional statistical standards, and as users of ESO's statistics and reports especially for global and regional economic surveillance.

## 2. Business Model

The **ESO** is a department of the Ministry of Finance and Economic Development of the Cayman Islands Government, and is made up of two technically independent units:

- the **Statistics Section** comprising of three Units (**External Sector Statistics, System of National Accounts and Social Statistics**) is responsible for producing the country's official national socio-economic statistics and for providing statistical assistance to third parties, mainly government organizations. It liaises with international and regional bodies on statistical matters. Its statistical operations are governed by the Statistics Law (2016 Revision); and
- the **Economics Section** is responsible for generating the official macroeconomic forecasts mandated in the Public Management and Financial Law, and the requisite macroeconomic modeling, monitoring, reporting and research. It also provides research and other technical assistance to other agencies.

### 2.1 Vision and Mission



## 2.2 Legislative Framework

The statistical services of the ESO are mandated by **the Statistics Law (2016 Revision)** [https://www.eso.ky/UserFiles/page\\_docs/files/uploads/statistics\\_law\\_2016\\_revision.pdf](https://www.eso.ky/UserFiles/page_docs/files/uploads/statistics_law_2016_revision.pdf). The Law:

- Explicitly designates the Economics and Statistics Office as the Unit of the Ministry for Finance in charge of collecting data for census and other national surveys as specified under Section 7 of the Law;
- Mandates the data collection for a comprehensive set of socio-economic statistics including the system of national accounts and the balance of payments;
- Provides that all individual information collected under the Law are confidential information and to be used exclusively for statistical purpose only;
- Mandates the issuance of an annual publication and dissemination calendar; and
- Prescribes updated fines for non-compliance by respondents and for the breaching of confidentiality by survey staff.

## 2.3 Strategies

Our general approach in implementing our mission includes:

- Adhering to legal mandates, primarily the Statistics Law (2016 Revision);
- Improving the robustness of currently produced statistics and developing new statistics based on local needs and according to international standards to the extent possible;
- Building internal human and statistical resources;
- Promoting community ownership through outreach programs and wider public access to information such as through our website [www.eso.ky](http://www.eso.ky);
- Coordinating with local producers of statistics, through the National Statistical Coordination Committee, in promoting the development of a national statistical system underpinned by good statistical practices; and
- Networking with regional and international statistical bodies and economic organizations, and participating in their projects that are beneficial to the Cayman Islands' statistical system.

## 2.4 Services and Products

ESO produces three (3) broad types of goods and services:

- **Publication of statistical reports and conduct of statistical services;**
- **Monitoring and reporting on the economy; and**
- **Policy and technical advice on economic and statistics matters.**

The **Statistics Section's publication of reports and conduct of statistical services** are in accordance with the Statistics Law (2016 Revision) and internationally accepted standards. Among these are:

- Population and housing census, the most recent of which was held in 2010 and the next to be held on 2020;
- Labor force surveys;
- Household budget surveys;
- Consumer price index (CPI) surveys;
- Overseas trade, international investment position and balance of payments;
- Gross domestic product(GDP) estimates using production and income approaches;



- Household register;
- Business register; and
- Compendium of sector statistics compiled from various sources.

**For FY 2018-21 and the next two fiscal years, statistical publications and services are envisioned to include:**

- Expenditure-based estimation of GDP;
- Census 2020;
- Quarterly GDP;
- Supply and use table;
- Trade and producer's price indices; and
- SNA satellite accounts (e.g. tourism satellite accounts).

The **Economics Unit** monitors and reports on the economy by providing the following:

- Quarterly economic reports that summarize trends of national indicators (imports, employment, CPI, money supply and credit to sectors) and sector indicators (finance, tourism, housing and property transfers);
- Annual economic reports comprising of: (a) the global and regional economic performance and outlook including global tourism and finance; (b) local macroeconomic performances; (c) fiscal performance, sector developments and (d) outlook for the following year;
- Country data requested by international and regional agencies, and by the private sector;
- Economic policy and technical advice which includes the preparation of forecasts of GDP growth, inflation, employment and the current account of the balance of payments as presented in the Strategic Policy Statement of the government; and
- Economic studies or research including economic impact studies which are conducted depending on requests by the government or regional organizations.

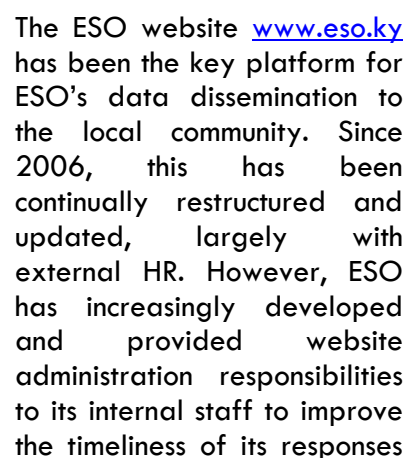
## 2.5 Business Environment

A number of major local, international and regional trends support the growing importance of a sound statistical and socio-economic analysis program for the Cayman Islands. These include:

- **The information economy.** With greater reliance on information to provide the value-added in business, government and our personal lives, the need for an accurate, timely information base is more crucial. Statistics are one element of the infrastructure needed to operate effectively in this new economy. Good statistics coupled with good analysis produce useful information for decision-making. The demand for new statistics over the long-term will drive a demand for new statistical skills, expertise and services at ESO.
- **Increased competition in the global economy.** With globalization comes increased competition, greater rules on trade and transactions, and increased demands from international agencies and oversight committees, all of which require information that are compliant with international standards.



- **Greater reliance on and benefits from information technology and telecommunications.** Technology can help lower costs of collecting, processing, analyzing and disseminating data. The speed at which all of these activities can take place has increased and providing access to the results has improved. With technology providing benefits to people in so many aspects of their lives, client-users are also demanding better timeliness of and access to statistics and information products.



- **Heightened awareness of privacy and confidentiality issues.** The public demands that all information collected remains secure. Those individuals, businesses, households, and organizations that provide survey information need to be assured that the information they provide is not shared with other parts of government or third parties. They need to be confident that any information produced by statistical agencies will never be linked back to the individual or business, household or organization. The Statistics Law (2016 Revision) provides this much needed security as it mandates that all individual or identifiable information collected by ESO through surveys of households and businesses are confidential. Accordingly, ESO staff must at all times maintain the highest level of professionalism.
- **Financial management initiative.** The FMI has brought to the fore the importance of economic statistics in national policy-making. The Public Management and Finance Law require the Strategic Policy Statement (SPS) to provide forecasts for five (5) key economic indicators: economic growth, inflation, unemployment, employment and the current account position of the balance of payments. These forecasts are required in the

context of medium-to-long term financial projections. At any time, the ESO must have the technical expertise among its staff that will enable the delivery of these statutory requirements.

- **National economic risks assessment and management.** Another rationale for developing the macroeconomic data infrastructure of the Cayman Islands emerged from the recent experience in measuring the economic impact of hurricane Ivan in September 2004, and hurricane Paloma in November 2008. A more systematic or detailed impact assessment of these disasters on the economic growth for each sector, or on the flow of household income and expenditures and balance of payments were not made possible as required, due to the lack of the requisite accounts. Economic planning for national risk management or post-disaster reconstruction work can be better undertaken with the use of these accounts should the need arise in the future. Thus, it is important to ensure the availability of ESO staff with specialist skills in compiling macroeconomic accounts, forecasting and economic impact analysis.
- **Global financial and macroeconomic risks.** The recent period of global financial crisis which precipitated from the sub-prime mortgage crisis in the United States and spread to other major financial centres emphasizes the need for more robust comparative data on the various economic sectors which could only be generated from a system of national accounts (SNA). Such data set facilitates a comparative assessment of the vulnerability of the local sectors to the crisis, and informs the government's policy response. This factor reiterates the need to put a high priority on the development of skills in SNA estimation and macroeconomic forecasting.
- **Growing demand for statistics by local users.** Over the years, private sector use of statistics produced by ESO has grown. To name a few, businesses and the public sector pension plan have been relying on the consumer price indices. Private consulting firms have used SNA/GDP estimates for economic impact studies. Population and demographic information have been requested for business planning and educational planning. This growing interaction with local users highlight the need for a strategic plan to ensure that ESO should have the motivation, planning and management skills to steer the organization towards more user-based statistical development.
- **Scarcity of resources.** Funds available for government activities are limited. Policy and program decisions will need to be based on objective indicators and monitored to show they are meeting their objectives. Administrative data can be used to complement survey data in program monitoring to reduce costs and minimize the response burden wherever possible. The response burden especially for enterprises must be kept as low as possible. ESO's key staff must be specialists to preserve the integrity of their statistical outputs and at the same time, they must be flexible in providing value-added skills to other parts of the ESO statistical production process.

- **Regional and international statistical initiatives.** As an Associate Member of the Caribbean Community (CARICOM), the statistical program for the Cayman Islands is expected to be influenced by regional initiatives such as the Regional Statistical Work Program, the Action Plan for Statistics and the Regional Strategy for the Development of Statistics (RSDS). In particular, the 2030 Sustainable Development Goals (SDGs) has been adopted by the membership of the United Nations. At the regional level, the RSDS adopted the SDGs as a key driver. **Should the Cayman Islands Government adopt the SDGs, it will be incumbent for the local statistical work program to implement the SDGs indicator system. This will impact on the work program of the ESO, as well as its budgetary requirement.**
  
- **The need for a national statistical system.** The national statistical system (NSS) is *“the ensemble of statistical organizations and units within a country that jointly collect, process and disseminate official statistics on behalf of national government”*<sup>1</sup>. The producers of statistics within the public sector reside in several entities - ministries and departments and a few statutory authorities and government corporations. Currently, there is no National Strategy for the Development of Statistics; however, a coordinating agency was established to pave the way for this initiative within the period 2018-2021 (see Box 1). The Cayman Islands national statistical system is part of the CARICOM statistical system.

<sup>1</sup> The Organization for Economic Cooperation and Development (OECD) Glossary of Terms  
<https://stats.oecd.org/glossary/detail.asp?ID=1726>

**Box 1:**

**The National Statistical Coordination Committee**

Cooperation among government agencies is increasingly expected to facilitate a more efficient use of public sector resources in data collection. As espoused in the UN Fundamental Principles of Statistics (Principle 8), “coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.”

In the Cayman Islands, this shall be facilitated by the National Statistical Coordination Committee (NSCC) which was established in February 2013 and convened in May 2013. It has four (4) core functions:

- a. ***Foster closer relations and linkages among producers of data in the public sector.*** This includes establishing cooperative agreements regarding the sharing of data and statistical resources within the bounds of the agencies’ operational laws and policies.
- b. ***Promote international statistical standards, classification systems, procedures and methods.*** This may specifically involve the preparation of proposals for external funding of projects that can assist in the adoption of international standards, classification systems, methods and procedures.
- c. ***Facilitate capacity building, statistical planning and prioritization.*** This would include technical assistance and training from external organizations such as CARICOM, and from among member agencies. NSCC shall also be invited to make recommendations on the prioritization of statistical programs to be pursued by ESO, to ensure that these will be driven by local data needs.
- d. ***Conduct statistical dissemination and outreach.*** The NSCC shall plan and implement joint activities that will broaden the understanding and use of statistics in the community, and engender a wider support for statistical activities. These activities will include the celebration of the Annual National Statistics Week.

## 2.6. Organizational Structure

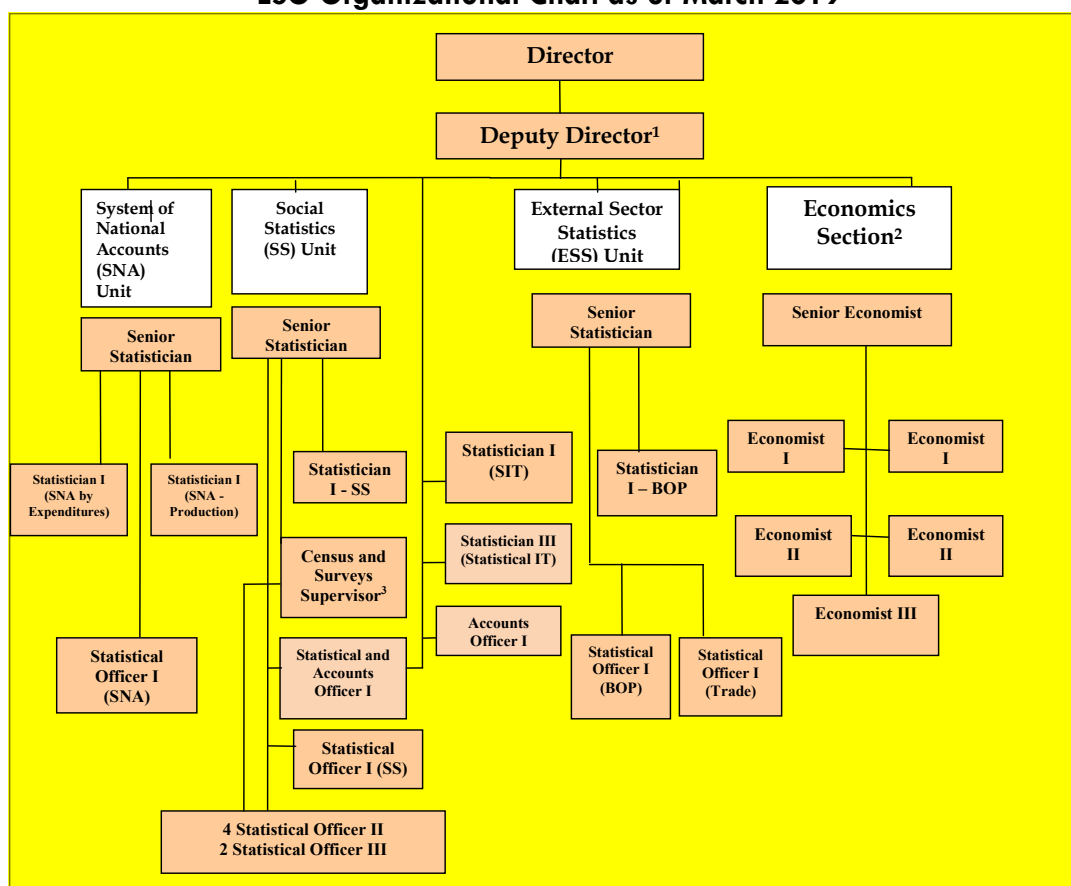
Human resources (HR) comprise the key infrastructure of ESO. Over the years, the size, composition and structure of ESO's HR have changed to meet the increasing demand for its services as mentioned above, and the introduction of changes in statistical methodologies in compliance with standards.

From 11 posts in 2006, this has grown to 30 as of August 2018 although 7 positions are currently not filled. The key changes since 2006 were mainly in the Statistics Section which has grown from a core staff of 5 positions in 2006 to 20 positions arising from the following<sup>2</sup>:

- The setting up of the System of National Accounts Unit, now comprising of four positions;
- The setting up of the External Sector Statistics Unit, now comprising of four positions;
- The setting up of the Social Statistics Unit, now comprising of nine positions; and
- Statistical IT sub-unit under the Office of the Director, comprising of 1 position with another to be added in 2019.

The current organizational structure is presented below:

**ESO Organizational Chart as of March 2019**



<sup>1</sup> Also serves as Chief Statistician.

<sup>2</sup> Economics Section is technically independent from the Statistics Section and the technical supervision of the Chief Statistician.

<sup>2</sup> In 2006, the Statistics Section had a core staff of one Chief Statistician, one Statistician 1, one Survey Supervisor and two Statistical Officers.

## 2.7 Core Values and Principles of Official Statistics

Consistent with the provisions of the Statistics Law (2016 Revision), the Personnel Regulations for Public Service Values and Conduct, the following values serve to govern the operations and conduct of the management and staff of the ESO:

Our Core Values at ESO
<p><b>Confidentiality:</b> in keeping with the Statistics Law (2016 Revision), we maintain strict confidentiality in the management of all data provided by primary data collection (survey) respondents. Breach of confidentiality is an offence under the Law.</p>
<p><b>Integrity:</b> We maintain professionalism and objectivity in the provision of statistics and policy advice by adhering to international and/or regional standards in data compilation and dissemination, and by using verifiable tools of analysis.</p>
<p><b>Community ownership:</b> We promote the participation and ownership of the local community, policy-makers, households, non-government organizations, business sectors and the public sector- as active users of data on one hand, and as sources of data with critical roles to play in raising Cayman's national statistics to international standards.</p>
<p><b>Transparency and accountability:</b> We maintain transparency in the treatment of statistical data and economic information, namely, methods used, operations, concepts, and sources.</p>

In addition, as a national statistics office, the ESO adheres to the United Nations Fundamental Principles of Official Statistics.

## Box 2

### **UN Fundamental Principles of Official Statistics**

**Principle 1.** *Official statistics provide an indispensable element in the information system of a democratic society, serving the Government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honor citizens' entitlement to public information.*

**Principle 2.** *To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations, including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.*

**Principle 3.** *To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.*

**Principle 4.** *The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.*

**Principle 5.** *Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.*

**Principle 6.** *Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.*

**Principle 7.** *The laws, regulations and measures under which the statistical systems operate are to be made public.*

**Principle 8.** *Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.*

**Principle 9.** *The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all official levels.*

**Principle 10.** *Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.*

Source: UN Statistical Division



### 3. SWOT Analysis

In an attempt to assess the ability of the ESO to implement this Plan, an analysis of its current strengths, weaknesses, opportunities and threats was conducted. The following is a summary of the findings as of December 2018:

#### 3.1 Strengths

##### Users and uses of statistics

1. The use of census and survey data has expanded to notable uses. Census 2010 data was continuously requested by a varied set of users including for the following:
  - the review of the electoral boundaries;
  - preparation of life tables used for actuarial calculation of pensions;
  - business planning by private sector entities;
  - roads and transport planning;
  - strategic planning for the elderly;
  - strategic planning for persons with disabilities;
  - national energy policy; and
  - education sector planning.
2. Economic data from surveys has been used for, among others:
  - Wage reviews, including the 2016 minimum wage review;
  - Public pension rate and electricity rate reviews;
  - Debt sustainability analysis;
  - Sovereign debt rating reviews;
  - Sector economic performance reviews;
  - Economic impact analyses; and
  - Business planning.
3. The business sector, credit rating agencies, regional and international organizations are among those provided with data, in addition to public authorities.
4. Moving forward, the implementation of the statistical program for 2018-2021 including Census 2020 is expected to further broaden the users and uses of data produced by ESO.

##### Services

5. Continued expansion and improvement of the statistical services and publication, as follows:
  - Rebasings of the GDP-Production accounts (with 2015 as the new base period), introduction of the GDP-Expenditure series, and completion of the Supply-and-Use table (the first for Cayman);
  - The International Investment Position Report, the first edition of which was published in 2015 and covering the years 2012-2014;
  - Labour Force Survey Report (Spring edition) which re-started in Spring 2014 after its suspension due to budget constraints in 2008;
  - The Consumer Price Index (CPI) is now based on an updated basket (September 2017 is the new base period); and

- The Occupational Wage Survey 2017 which is the first comprehensive survey of its kind in the Islands covering employees from the central government, statutory authorities and government corporations, private businesses, non-profit institutions and households as employers
6. Broadening the scope of economic growth projections (or advance estimates) to include GDP growth by industry for the current year and succeeding year, and their publication on a quarterly basis.
  7. The timing of statistical reports continues to adhere as close as possible to the Statistical Publication Calendar which is considered a good practice in the International Monetary Fund's General Data Dissemination System GDDS.
  8. Continued improvement of the dissemination system through [www.eso.ky](http://www.eso.ky). Databases on Excel have been made available since 2016.
  9. The metadata of all major statistics are included as part of the statistical reports, to facilitate better understanding of the data sets. In addition, the metadata for GDP compilation has been published based on the IMF's GDDS template. Moving forward, similar templates for trade, balance of payments, consumer price index and labour force will be published.

#### Capacity-building and adoption of updated international standards

10. Updating of essential statistical infrastructure:
  - A new Consumer Price Index (CPI) basket was completed in 2016, based on the results of the Household Budget Survey (HBS) 2015;
  - The CPI data processing software *CPIPro* was upgraded given the new CPI basket;
  - The LFS and CPI surveys have been administered on tablets since 2014;
  - The Business Register and Household Register have been digitalized;
  - The Business Register is updated on a monthly basis;
  - The Household Register has been fully updated every two years, and was last updated in 2018
  - Adoption of recent classification systems: International Standard Industrial Classification of All Economic Activities (Revision 4); International Standard Classification of Occupations (2008); and
  - Updating of the Cayman Islands' Classification of Individual Consumption According to Purpose in 2017.
  - Greater alignment of Cayman SNA with SNA 2008.
11. In 2017, three new staff positions were funded – two for the External Sector Statistics Unit and one for the System of National Accounts Unit. These are in addition to the Statistician I (Statistical IT) position created in 2016. Moving forward, a Statistician III (Statistical IT) will be added in 2019.
12. The competence of ESO staff members have so far led to six staff members (or 27% of total staff complement) receiving the Chief Officer's Choice for the Employee of the month, and three staff members received the Deputy Governor's Employee of the Month.

13. The flexibility of staff members in conducting new surveys have allowed ESO to implement new projects (such as the HBS 2015) as well as new methodology for existing surveys with minimal external consulting work.
14. There is an increasing pool of trained enumerators, particularly among Caymanians, achieved through continuous recruitment and training for household surveys.
15. ESO staff members continue to have access to CARICOM and CARTAC training programs depending on the subject and area of specialization, although some of the CARICOM training programs require funding from internal ESO budget which are not sometimes available.
16. ESO has provided assistance to other statistical offices in the region, such as hosting study visits and providing technical advice on labour force survey. Other offices have also used published ESO reports as models/examples in preparing their own reports.

### **3.2 Weaknesses**

17. Lack of full compliance to the Enhanced General Data Dissemination Standards (E-GDDS) which replaced the General Data Dissemination Standards as of 2015 as shown in Box 3, particularly with regards to real sector indicators (GDP), external sector indicators, macroeconomic data (production and producers' price indices), and demographic/social indicators (sustainable development goal (SDG) indicators). The latter is due to the non-adoption of the Cayman Islands Government of the goals. (The fiscal and financial sector indicators are not within the purview of the ESO).
18. Limited number of actual staff/statistical expertise and related resources vis-à-vis recommended staff requirement towards the above E-GDDS.
19. Limited access to administrative records from other government departments to support the system of national accounts and balance of payments accounts.
20. Limited scope of population and vital statistics for the Cayman Islands. A key example is the lack of Caymanian migration database.
21. Delays in retrieval of records-based data from other agencies for the Compendium of Statistics.
22. Delayed documentation of methodologies of censuses and surveys due to multiple workloads of staff members.
23. Lack of published quality standards.
24. Lack of an active succession planning.
25. Very limited use of the social media.

**Box 3: Enhanced General Data Dissemination Standards:  
Data Coverage, Periodicity and Timeliness<sup>3</sup>**

Data Categories	Components	Periodicity	Timeliness
<b>Macroeconomic and Financial Data: Encouraged</b>			
<b>Real sector</b>			
National accounts (GDP)	<ul style="list-style-type: none"> <li>GDP in current prices and volume by production approach, or by expenditure approach.</li> </ul>	Quarterly	1 quarter
Consumer price index		Monthly	2 months
<b>Fiscal sector</b>			
General government operations	<ul style="list-style-type: none"> <li>Statement of government operations <ul style="list-style-type: none"> <li>revenue;</li> <li>expense;</li> <li>gross operating balance;</li> <li>net operating balance;</li> <li>net acquisition of nonfinancial assets;</li> <li>net lending (+)/net borrowing (-)</li> <li>net acquisition of financial assets: <ul style="list-style-type: none"> <li>(1) domestic;</li> <li>(2) foreign;</li> </ul> </li> <li>net incurrence of liabilities: <ul style="list-style-type: none"> <li>(1) domestic;</li> <li>(2) foreign;</li> </ul> </li> <li>statistical discrepancy</li> </ul> </li> </ul>	Annual	3 quarters
Central government operations	<ul style="list-style-type: none"> <li>Statement of government operations <ul style="list-style-type: none"> <li>revenue;</li> <li>expense;</li> <li>gross operating balance;</li> <li>net operating balance;</li> <li>net acquisition of nonfinancial assets;</li> <li>net lending (+)/net borrowing (-)</li> <li>net acquisition of financial assets: <ul style="list-style-type: none"> <li>(1) domestic;</li> <li>(2) foreign;</li> </ul> </li> <li>net incurrence of liabilities: <ul style="list-style-type: none"> <li>(1) domestic;</li> <li>(2) foreign;</li> </ul> </li> <li>statistical discrepancy</li> </ul> </li> </ul>	Quarterly	1 quarter
Central government gross debt	Domestic and foreign gross debt	Quarterly	2 quarters
<b>Financial sector</b>			
Depository corporations Survey	<ul style="list-style-type: none"> <li>Broad money;</li> <li>Domestic claims; and</li> <li>Net foreign assets.</li> </ul>	Monthly	1 quarter
Central bank Survey	<ul style="list-style-type: none"> <li>Monetary base;</li> <li>Domestic claims; and</li> <li>Net foreign assets.</li> </ul>	Monthly	2 months
Interest rates	Short and long-term government security rates, policy-oriented rate	Monthly	

<sup>3</sup> International Monetary Fund, Enhanced General Data Dissemination System: Guide for Users and Participants

Data Categories	Components	Periodicity	Timeliness
Stock market (if applicable)		Monthly	
<b>External sector</b>			
Balance of payments <sup>1</sup>	<ul style="list-style-type: none"> <li>Current account;</li> <li>Capital account;</li> <li>Financial account; and</li> <li>Net errors and omissions.</li> </ul>	Quarterly	1 quarter
External debt <sup>1</sup>	<ul style="list-style-type: none"> <li>Public and publicly guaranteed external debt, broken down by maturity (short-term and long-term); and</li> <li>Private external debt not publicly guaranteed, broken down by maturity (short-term and long-term).</li> </ul>	Quarterly	2 quarters
Official reserve assets	Gross official reserve assets	Monthly	1 month
Merchandise Trade	Total exports and total imports	Monthly	12 weeks
International investment position (IIP) <sup>1</sup>	Assets and liabilities, disaggregated by: <ul style="list-style-type: none"> <li>direct investment;</li> <li>portfolio investment;</li> <li>other investment; and</li> <li>reserve assets (included only in assets).</li> </ul>	Annual	3 quarters
Exchange rates	Spot rates	Daily	
<b>Macroeconomic and Financial Data: Supplementary Data</b>			
Production index	Manufacturing or industrial, primary commodity, or sector coverage, as relevant.	Monthly (as relevant)	12 weeks
Labor market	Employment, unemployment, wages/earnings, as relevant.	Annual	3 quarters
Producer price index		Monthly	2 months
Financial soundness indicators (FSIs)	<ul style="list-style-type: none"> <li>Regulatory Tier 1 capital to risk-weighted assets</li> <li>Regulatory Tier 1 capital to assets</li> <li>Nonperforming loans net of provisions to capital</li> <li>Nonperforming loans to total gross loans</li> <li>Return on assets</li> <li>Liquid assets to short-term liabilities</li> <li>Net open position in foreign exchange to capital</li> </ul>	Quarterly	1 quarter
<b>Demographic and Selected Socio-Economic Indicators</b>			
Population	Population characteristics: size	Annual (Census every ten years)	3–6 months for annual updates; 9–12 months for Census
Selection of socio-demographic indicators	Sustainable development goals and other indicators of the authorities' choosing		
<sup>1</sup> Based on <i>BPM6</i> categories; <i>BPM5</i> data should be presented in equivalent detail.			

### 3.3 Opportunities

26. Continuing demand for economic statistics and forecasts by public authorities, primarily the Cabinet, Ministry of Finance and Economic Development; credit rating agencies; and businesses; particularly with new data sets from the implementation of Census 2020, the publication of the Occupational Wage Survey 2017 results, the compilation of GDP-Expenditures, and completion of the SUT.
27. Increasing demand for ESO technical assistance from other government agencies for surveys, such as rider surveys to the LFS.
28. Available technical assistance from the Caribbean Technical Assistance Centre (CARTAC) and other regional organizations, particularly for providing training and technical guidance to staff.
29. Improving participation in surveys, particularly the household sector; however, there remains a need for sustained improvement in the response rate for business surveys including among companies registered as exempt companies in the Companies Law. Per Section 7 of the Statistics Law, the latter's participation is on a voluntary basis; hence, persuasion anchored on the need to measure the direct contribution of these companies to the Islands' economy remains key in soliciting better response rates.
30. Sustained interest in the National Statistics Coordination Committee, which can pave the way for the development of the Islands' national statistical system.
31. The regular holding of Statistics Week on an annual basis to highlight the role of official statistics in everyday life.

### 3.4 Threats (Challenges)

32. The ESO has focused on the continuing development of economic statistics in compliance to the Public Management and Finance Law, with the required budgetary resources provided by the Ministry of Finance and Economic Development. However, there is a growing demand from the regional and international community for the participation of territories in the UN 2030 **Sustainable Development Agenda (SDGs)** which, if adopted in the Cayman Islands, would require the ESO to expand its statistical work program to social development statistics.
33. In the area of economic statistics, the key challenges are (a) further improvement towards compliance to the GDDS; and (b) the demand for assistance by other departments for both economic advice and statistical services. Both of these require an increase in the number of ESO staff. Alternatively, there is a need to consider the transfer of key statistical compilation to appropriate data collection agencies similar to the general compilation practices in most countries; this move would free resources at ESO for equally important data categories.
34. Continued need for greater private sector participation (higher response rate, and improved quality of responses) especially among businesses including exempt companies. (The latter can only be asked to participate on a voluntary basis in view of the Companies Law.)

## 4. Goals and Strategies

The four inter-related goals of the ESO along with the strategies for FY 2018-2021 and the next two fiscal years are as follows:

**Goal 1:** Continuous upgrade of the scope and quality of national socio-economic information in the Cayman Islands in response to local needs and in compliance to relevant international/regional standards.

### Strategies:

- **The implementation of the Census of Population and Housing in October 2020.**  
Given the approval by Cabinet in August 2018, this will comprise the following phases of work:
  - Phase 1: Census planning and organisation (2018) which involved the establishment of the Census Advisory Committee as the consultative technical body for the questionnaire preparation.
  - Phase 2: Technical preparation (2018-2020) which will include the review/redrawing of enumeration of maps, preparation of the tablet-based questionnaires and a Pilot Census;
  - Phase 3: Publicity campaign and enumerators' training (2019-2020);
  - Phase 4: Census field work (October 2020); and
  - Phase 5: Data processing, publication and dissemination (2021)
- **Further development of economic statistics:**
  - Improvement of the GDP compilation methodology towards the continuing adoption of SNA 2008, continued compilation of GDP by expenditures, preparation of a quarterly GDP series, and preparation for a tourism satellite accounts;
  - Preparation for a household budget survey to be conducted in 2022 or 2023; and
  - Production of key trade and other price indices recommended in the international Enhanced-General Data Dissemination Standards (E-GDDS).
- **Development of new social statistics** in coordination with relevant national and regional agencies, e.g. gender statistics program and the Sustainable Development Goals (SDGs) indicators system (conditional on Government's adoption of SDGs), and other statistics included in the Regional Statistics Work Program in the context of the Regional Strategy for the Development of Statistics
- **Preliminary estimates of quarterly GDP** by the Economics Sections, based on actual indicators.



**Goal 2:** Sustained building of statistical infrastructure for socio-economic data compilation and dissemination.

**Strategies:**

- Conduct of regular updates of the Business Register and Household Register; and
- Continuous technical training of staff through externally-sponsored and internal programs.

**Goal 3:** Greater local use and ownership of the official statistical system.

**Strategies:**

- Providing the data needs of local organizations

ESO will continue to support community and business organizations which aim to promote the improvement and use of statistics. The website will be further improved in terms of user-friendliness, particularly in allowing users to generate their own graphs, tables and other data presentations online.

- Facilitating the wide use of the census database

The census database is the most comprehensive source of socio-economic and demographic information for policy-making and planning. ESO shall continue providing a public use file of the census database to the general public through its website, and extend appropriate technical assistance to agencies that may have more specific data needs.

- Expanding outreach to data users through an active social media

The contents of the ESO website shall be promoted through social media to generate a wider internet user base.

- Development of a national statistical system

The ESO is not the only producer of statistics in government. In fact, ESO uses a number of administrative data produced by other departments. Some departments also conduct surveys on their own with assistance from ESO. Therefore, the development of official statistics and the requisite statistical capacity-building in Cayman should not only focus on ESO but should be extended to other agencies, particularly the members of the National Statistics Coordination Committee (NSCC). It is therefore important for ESO to facilitate and coordinate an inclusive statistical development program. This is also consistent with Principle 8 of the UN Fundamental Principles of Official Statistics as shown in Section 2 of this document.

## 5. Critical Success Factors

The implementation of this Strategic Plan is contingent on the following factors:

- Availability of budget support. For FY 2018 and 2019, the approved budget for ESO operations amounts to \$2,031,110 and \$2,218,168 inclusive of budget for Census 2020 preparation.
- Active and full cooperation from the community and business leaders particularly for the business surveys.
- Policy and other support from the Ministry of Finance and Economic Development.
- Technical assistance from relevant statistical bodies, mainly the Caribbean Technical Assistance Centre (CARTAC), and the CARICOM Statistical System (conditional on the qualification of the Cayman Islands being an Associate Member, as recipient of funded programs).
- Maintaining the low level of turnover among senior technical staff.

The strategies detailed in Section 4 are also meant to facilitate these critical factors.