Update of the 2008 SNA - Consolidated List of Recommendations

Update of the 2008 System of National Accounts

Consolidated List of Recommendations

Cover Note for Global Consultation on Comprehensibility and Consistency

The attached document provides the full set of consolidated recommendations for the update of the 2008 System of National Accounts (SNA), as agreed by the Advisory Expert Group (AEG) on National Accounts. As the update of the 2008 SNA is proceeding in parallel with the update of the Sixth Edition of the IMF's Balance of Payments and International Investment Position Manual (BPM6), a significant number of recommendations also have implications for balance of payments statistics. These recommendations have been agreed with the IMF Committee on Balance of Payments Statistics. This will ensure harmonisation between the 2025 SNA and BPM7, as the updated versions of the two manuals will be labelled.

As mentioned in the document, the recommendations for changing and clarifying the 2008 SNA have been arrived at after extensive technical research and broad consultation, including global consultation on each of the recommendations. For the most part, the consultations demonstrated overwhelming support for the recommendations; however, in a limited number of cases, divergent views were expressed. In these latter cases, the AEG on National Accounts tended to favour the views of the majority while ensuring the conceptual soundness of the recommendations and their consistency with established SNA principles. For a number of issues there is an agreement to develop practical guidance for national accounts compilers.

The full set of consolidated recommendations is now being put forward for global consultation. The purpose of this consultation is to ensure that the recommendations are clear, straightforward, unambiguous and consistent. Consistency is taken to mean that:

- There is consistency among the recommendations.

- There is consistency between the recommendations and the existing text in the 2008 SNA that will be retained in the 2025 SNA.
- There is consistency between the recommendations and other statistical standards for macroeconomic statistics such as ISIC, CPC and BPM.

This global consultation has been envisaged since the outset of the update process as a necessary step to ensure the internal integrity of the 2025 SNA and its alignment with other statistical standards for macroeconomic statistics.

Because this global consultation follows on from the extensive work and consultation undertaken in arriving at these recommendations, please focus your comments and suggestions on any recommendations where you have concerns about clarity and consistency, and not on recommendations with which you may disagree on other grounds.

The results of this global consultation will be considered by the AEG on National Accounts and the Inter-Secretariat Working Group on the National Accounts (ISWGNA). The consolidated list will be updated as necessary and then submitted by the ISWGNA to the United National Statistical Commission for endorsement at its fifty-fifth session, to be held on 27 February – 1 March 2024.

We thank you in advance for your participation in this review.

SNA 2008 Update Project Team

Questions for Global Consultation

1 Are the recommendations clear, straightforward, and unambiguous?

Yes
No

If no, please state the recommendation(s) regarding which you have concern and provide a brief explanation of your concern:

2 Are the recommendations consistent (as defined above)?

Yes
No

If no, please state the recommendation(s) regarding which you have concern and provide a brief explanation of your concern:

3 Do you have any other concerns about the recommendations?

No
Yes

If yes, please state the recommendation(s) regarding which you have concern and provide a brief explanation of your concern:

The Full Set of Consolidated Recommendations

The Recommendations by the Advisory Expert Group (AEG) on National Accounts for the Update of the 2008 System of National Accounts (2008 SNA)

Draft Version for Global Consultation

Update of the 2008 SNA

Full set of consolidated recommendations

Section 1. Introduction

1 This document provides an overview of the changes and clarifications to the 2008 System of National Accounts (SNA), to arrive at updated international standards for compiling national accounts, the 2025 SNA. The update of the 2008 SNA is closely aligned with the update of the Sixth Edition of the Balance of Payments and International Investment Position Manual (BPM6). This will result in consistent sets of updated guidance for these two major macro-economic statistics.

2 Following the structure of Annex 3 of the 2008 SNA, which provides an overview of the changes from the 1993 SNA, the changes and clarifications to the 2008 SNA are grouped together into eight sections, each of them highlighting the impact of the changes and clarifications on certain parts of the system of national accounts, as follows:

A. Generic issues
B. Further specifications of statistical units and revisions in institutional sectoring
C. Further specifications of the scope of transactions including the production boundary
D. Extensions and further specifications of the concepts of non-financial assets, capital formation and consumption of fixed capital/depletion, including changes related to other transactions in goods and services
E. Further refinement of the treatment and definition of financial corporations, financial instruments and financial assets
F. Further specifications of the scope of transactions concerning government and public sector
G. Broadening the framework of national accounts to capture wellbeing and sustainability
H. Other issues

More detailed information on the update of the 2008 SNA can be found on the webpage Towards the 2025 SNA.

3 As far as possible, a distinction is made between changes and clarifications affecting the sequence of economic accounts (i.e., the "core framework") and those which result in additional supplementary items and tables and/or extended/thematic accounts and tables. In some cases, such a distinction is not always clearcut. For example, a further breakdown of corporations into public corporations, foreign-controlled corporations and national private corporations could be viewed upon as part of the sequence of economic accounts, but could also be considered as supplementary items. Similar considerations are relevant to breakdowns of the households' sector.

4 More generally, it should be noted that the SNA provides guidance with the aim that it will be followed by as many countries as possible, in order to facilitate international comparability. However, the SNA does not have the power of law and so it is not possible to speak of some items as being "mandatory" in contrast to others that are "optional". Where there is any question of doubt, the descriptor "standard" is used, or reference is made to the sequence of economic accounts, to indicate items and tables that the SNA recommends that all countries follow. When the descriptor is "supplementary" or "extended/thematic", the SNA recognises that it is unlikely that all countries will

supply this degree of detail but suggests that those countries that can provide extra detail, and choose to do so, would follow the relevant recommendations to ensure comparability even on the basis of a limited number of countries.

5 This document is organised as follows. First, Section 2 provides an overview of the process leading up to the update of the 2008 SNA. Section 3 then follows with a concise overview of the changes affecting the structure of the SNA. Section 4 contains the substance of this document, by presenting the changes and clarifications to the 2008 SNA. Section 5 provides a summary of the changes and clarifications to the 2008 SNA, including two tables presenting the impact of these changes and clarifications. Annex 1 provides an overview similar to the one in Section 4, but here the changes and clarifications are grouped by guidance note, and other documents providing recommendations for updating the guidance in the 2008 SNA.

Section 2. Process leading to the update of the 2008 SNA

6 The update of the 2008 SNA is overseen by the Inter-Secretariat Working Group on National Accounts (ISWGNA)[1], assisted by the Advisory Expert Group (AEG) on National Accounts. To advance the research agenda of the 2008 SNA, an ISWGNA Task Force was established in 2018 to formulate a way to resolve issues related to globalization, digitalization, and well-being and sustainability, as well as to identify additional research issues outside these three areas in the context of updating the 2008 SNA. The Task Force reviewed research agenda items related to issues that were under discussion in the AEG on National Accounts, the list of issues presented in annex IV of the 2008 SNA, and the research agendas related to balance of payments statistics, government finance statistics, environmental-economic accounting, and trade and business statistics.

7 On the basis of feedback received from the Task Force and the AEG on National Accounts, a consolidated list of SNA research issues was established and grouped according to the following categories: (i) globalization; (ii) digitalization; (iii) well-being and sustainability; (iv) cross-cutting issues; (v) compilation issues; and (vi) the long-term SNA research agenda. This research agenda was endorsed by the United Nations Statistical Commission (UNSC) at its 51st session, held on 3 – 6 March 2020.[2]

8 After the endorsement of the research agenda for the update of the 2008 SNA, several Task Teams were established to develop Guidance Notes with the objective of providing recommendations for updating the 2008 SNA. The following list of Task Teams have been instrumental in further elaborating the changes and clarifications needed to arrive at up-to-date guidance for national accounts (and balance of payments statistics). Task Teams with a high relevance for both the update of the 2008 SNA and the update of BPM6 are denoted as a “joint” task team.

- Digitalization Task Team
- Wellbeing and Sustainability Task Team
- Joint Globalization Task Team
- Joint Communications Task Team
- Joint Financial and Payments Systems Task Team

[1] The ISWGNA consists of representatives of the following five international organisations, in alphabetical order: European Commission (Eurostat), International Monetary Fund (IMF), Organisation for Economic Co-operation and Development (OECD), United Nations (UN), and the World Bank.
[2] See pages 21 – 65 of the relevant document.

- Joint Informal Economy Task Team
- Joint Islamic Finance Task Team

9 In addition, three Task Teams were established to deal with issues specific to the update of BPM6:

- BPM Balance of Payments Task Team
- BPM Current Account Task Team
- BPM Direct Investment Task Team

Although the issues discussed in these latter Task Teams specifically focussed on issues relevant for the update of BPM6, some also have an impact on the update of the 2008 SNA. The Guidance Notes produced by these Task Teams have also been included in the analysis in this report.

10 Annex 1 lists the Guidance Notes developed by the Task Teams, including a summary of recommendations. In Section 4, these recommendations are summarised in an overview of the main changes and clarifications to the 2008 SNA. In doing so, the relevant Guidance Notes are consistently referenced.

11 After initial endorsement by the AEG on National Accounts, and – where relevant – the IMF Balance of Payments Statistics Committee (BOPCOM), the Guidance Notes were subject to a global consultation process. The feedback provided from the global consultation round was then considered by the AEG on National Accounts (and BOPCOM), before final endorsement. The global consultations were very successful. 176 countries participated in at least one consultation, with many Guidance Notes receiving feedback from more than 75 countries.

12 In 2022, the progress on the agreed research agenda was assessed to determine if all of the main issues for changing and clarifying the current guidance of the 2008 SNA had been addressed. This assessment resulted in several action points, which were put forward to the UNSC for its consideration at the 54th session, held on 28 February – 3 March 2023.[3] To this list of action points, a small number of minor issues resulting from the master-log of changes to the 2008 SNA were added.[4] Some of the action points were taken forward in the form of separate issue notes, while other minor ones were addressed in a consolidated document. When action points would lead to more substantial changes to the 2008 SNA, they were also put forward for global consultation. In the case of (minor) clarifications, the issues were handled by the AEG on National Account and – where relevant – the BOPCOM. In Annex 1, reference has been made to these action points.

13 Finally, to complete the list of changes and clarifications to the 2008 SNA, updated guidance agreed at past meetings of the AEG on National Accounts, some of which have been published in SNA News & Notes, are also included. Also included are changes resulting from the document on the structure of the 2025 SNA, which was also presented to, and endorsed by, the UNSC at its 54th session, held on 28 February – 3 March 2023.[5]

[3] See pages 14 – 33 of the relevant document.
[4] The master-log, developed by the Lead Editor of the Update of the 2008 SNA, contains an overview of all (potential) changes to the 2008 SNA, cross-classified with the chapters according to the agreed proposal for the overall outline of the 2025 SNA.
[5] See pages 3 – 13 of the relevant document.

14 The research on the agreed list of issues has now been finalized, and will be reflected in updated guidance in the 2025 SNA. The drafting of the chapters is in progress. Up to now, the focus has been on the drafting of the new chapters and the significantly revised chapters, which will shortly undergo global consultation. The other chapters, mainly relating to the sequence of economic accounts, will be put forward for global consultation in the course of 2024. However, different from the new and significantly revised chapters, the revisions will be highlighted in the form of track changes, to accommodate a smooth and transparent consultation for each of the chapters. In the second half of 2024, the whole document containing the updated international standards for compiling national accounts, the 2025 SNA, will undergo a global consultation, before being put forward, for final endorsement, to the UNSC at its 56th session in March 2025.

15 In updating the 2008 SNA, it is possible that additional issues may arise that need to be taken into account. It is expected that these issues will mainly consist of minor clarifications, not changing the substance of the SNA. They will be addressed according to standard procedures. If possible, such clarifications will be added to the consolidated list of changes and clarifications, before being submitted to the UNSC, for endorsement at its 55th session in March 2024. Further clarifications after this meeting will also be communicated in a clear and transparent way.

Section 3. List of changes to the overall structure of the SNA

16 All proposals affecting the overall structure of the SNA, as included in the document on the proposed structure of the 2025 SNA, are summarised in this section. [6]

17 The following new chapters will be introduced in the 2025 SNA:

- Chapter 2: National accounts and measures of well-being and (environmental) sustainability
- Chapter 21: Communicating and disseminating economic statistics
- Chapter 22: Digitalisation
- Chapter 23: Globalisation
- Chapter 26: Islamic finance (see also subsection A of section 3 below).
- Chapter 29: Financial corporations
- Chapter 34: Measuring well-being
- Chapter 35: Measuring sustainability of well-being

18 The quite lengthy 2008 SNA Chapter 17 on Cross-cutting and other special issues will be split into three chapters in the 2025 SNA, as follows:

- Chapter 24: Insurance and pensions
- Chapter 25: Selected issues on financial instruments
- Chapter 27: Contracts, leases, licenses and permits

[6] See foot-note 5. Also note that, except for the introduction of new chapters, these changes have also been included in the Annex to this document; see items X.19 – X.31).

19 The resulting chapters in the 2025 SNA will be grouped together by introducing six main groupings of chapters:

- Introduction and overview
- The main foundations
- Structure of the framework and the sequence of economic accounts
- Cross-cutting issues
- Institutional units and sectors in more detail
- Extended and thematic accounts and tables
- Supplementary material (annexes)

21 Changes to Chapter 1, containing the introduction to the 2025 SNA, include: paying more attention to the role of supply and use tables, labour accounts and capital services (similar changes will be made in 2025 SNA Chapter 3 on Overview of the integrated framework); adding concise text on the basic identities of the system (to be further elaborated in 2025 SNA Chapter 3); giving more prominence to volume and price measures; paying more attention to net measures; providing concise information on the links with other statistical standards and manuals, and also on the links with business and public sector accounting standards (by further extending the current Sections E and F); re-allocating relevant text from the current Section H to 2025 SNA Chapter 2 on National accounts and measures of well-being and (environmental) sustainability; and concluding the chapter with a concise reader's guide for the 2025 SNA.

22 2008 SNA Chapter 18 on Elaborating and presenting the accounts (2025 SNA Chapter 20) will be refocused, restricting the coverage of this chapter to the following topics, in a more elaborated way than currently done: (i) temporal disaggregation; (ii) territorial disaggregation; and (iii) regular and benchmark revisions, and the compilation of time series data. In doing so, more attention will be paid to institutional sector accounts. Section C of 2008 SNA Chapter 18 on accounts in volume terms will be re-allocated to 2025 SNA chapter 18 on Measuring prices, volumes and productivity. Section F on presentational issues will be integrated into the new 2025 SNA Chapter 21 on Communicating and disseminating economic statistics.

23 The material on labour in 2008 SNA Chapter 19 on Population and labour inputs will be included in the 2025 SNA Chapter 16 on Labour, which will be primarily focusing on labour accounts, while the material on population in Section B of the 2008 SNA Chapter 19 will be re-allocated to 2025 SNA Chapter 5 on Residence, institutional units and sectors.

24 2008 SNA Chapter 20 on Capital services and the national accounts (2025 SNA Chapter 17 on Capital services) will be refocused, by putting less emphasis on valuation of non-financial assets. The relevant text on valuation will be moved to elsewhere (e.g., annex to 2025 SNA chapter 14 on Balance sheet, or possibly new general section on valuation, as an annex to 2025 SNA chapter 4 on Flows, stocks and accounting rules); see also the item on valuation principles and methodologies below, in Subsection A of Section 4.

25 2008 SNA Chapter 27 on Links to monetary statistics and the flow of funds (2025 SNA Chapter 37 on From-whom-to whom tables and related financial analysis) will be significantly amended, by changing the focus to from-whom-to-whom tables for current and capital transactions and for financial transactions and positions; including text on new types of analysis for capturing financial risks and

vulnerabilities and the IMF balance sheet approach; and re-allocating the current text on the links to monetary statistics to the new 2025 SNA Chapter 29 on financial corporations.

26 The content of 2008 SNA Chapter 28 on Input-output tables and other matrix-based analyses (2025 SNA Chapter 36) will be changed, by removing the current Section D on social accounting matrices, because of its overlap with from-whom-to-whom tables (to be presented in 2025 SNA Chapter 37); and by adding a section on worldwide input-output tables, given its importance for certain types on analysis (Trade in Value Added, ecological footprints, etc.).

27 2008 SNA Chapter 29 on Satellite accounts and other extension (2025 SNA Chapter 38 on Thematic accounts) will focus on describing the general format for compiling thematic accounts and tables for certain themes (e.g., tourism, transport).

28 The current text on productivity will be re-allocated (and extended), from the 2008 SNA chapter on Population and labour inputs to the 2025 SNA Chapter 18 on Measuring prices, volumes and productivity. Regarding the latter chapter, a section will also be added on the volume and price measurement of specific products, similar to section F of 2008 SNA Chapter 6 on the Production account (see also Subsection H of Section 4 below).

29 Concise text on balancing the accounts will be added to 2025 SNA chapter 19 on Summarizing, integrating and balancing the accounts.

30 Finally, a new annex will be added on the relationships between macro-economic standards.

Section 4. List of changes and clarifications to the 2008 SNA

31 This section includes a list of changes and clarifications to the 2008 SNA, to arrive at the updated version of the international standards for compiling national accounts. The changes and clarifications have been grouped into eight categories, as presented in paragraph 2 above.[7] For each change or clarification, reference is made to the Guidance Notes and other documentation listed in Annex 1.

A. Generic issues

1. Giving more prominence to net measures (CM.4)

32 More focus will be put on net income measures. In this respect, the volume change of net domestic product (NDP) will be identified as the conceptually preferred measure of economic growth, not replacing but sitting alongside the volume change of gross domestic product (GDP). In relation to net measures for domestic product, a distinction is made between "domestic product, net of consumption of fixed capital" and "net domestic product", the latter being adjusted for both consumption of fixed capital and depletion of natural resources. See also Subsection D.4.

[7] These categories are similar to those used in the 2008 SNA to describe the changes made to the 1993 SNA.

2. Valuation principles and methodologies (AI.1, X.24 and X.53)

33 The principles and methodologies for valuing transactions and stocks/positions will not be changed in the 2025 SNA. However, more explicit guidance regarding the following issues will be added:

- The main principles for valuing transactions, for which a preference is given to the term "exchange values", defined as "*the values at which goods, services, labour or assets are in fact exchanged (between two independent parties) or else could be exchanged for cash*". In this respect, it is also considered important to make a clear distinction with the methods to value transactions via the use of <u>observed</u> exchange values/market prices.
- The use of the notion of capital services or – as framed in the International Public Sector Accounting Standards (IPSAS) – the current operational value, for valuing non-financial assets.
- The appropriateness of market conditions, when using observed market prices to arrive at market-equivalent prices. This first and foremost concerns issues related to the maturity of the markets and/or the markets not being distorted by, for example, government interventions. It does not relate to market structures (competitive, monopolistic, oligopolistic, monopsonistic or other types of markets), regarding which macro-economic statistics are typically indifferent.
- The application of the sum-of-costs method, in particular concerning the estimation of labour input provided by owners and family members of unincorporated enterprises; the extent of capital services to be included; and the rate to be used in estimating the return on invested capital. See also Subsection C.3 below.
- The application of the net present value method for valuing certain non-financial assets, in line with what is included in System of Environmental Economic Accounts (SEEA) Central Framework 2012, including the more detailed recommendations for valuing mineral and energy resources. See also Subsection D.4 below.
- To further elaborate the concept of nominal value, in line with the guidance currently included in Government Finance Statistics Manual (GFSM) 2014 and the Public Sector Debt Guide (PSDG), thereby also including clarifications on the measurement of nominal values for zero-coupon/deep-discounted securities and other debt instruments that do not accrue interest.
- To provide more details on alternative valuation methodologies for transactions and positions beyond the sequence of economic accounts. This particularly concerns unpaid household services and human capital. See also Subsection G below.
- To provide more details on the relationship between the SNA and business and public sector accounting standards, when it comes to valuation of transactions and stocks/positions; see also Subsection A.5 below.

3. Islamic Finance (IF.1)

34 A new Chapter 26 on Islamic finance will be introduced in the 2025 SNA, providing a concise description of the main Islamic financial instruments, the main economic agents active in Islamic finance, and the application of the concept of economic ownership in Islamic finance. For the impact on the definition of interest, see Subsection C.6 below.

4. Informal economy (IE.1 and X.32)

35 The 2008 SNA Chapter 25 on Informal aspects of the economy (Chapter 39 on Informal activities in the 2025 SNA) will be redrafted, in order to improve the alignment with the latest resolutions of the International Conference of Labour Statisticians (ICLS).

5. Relationship between national accounts and standards for business and public sector accounting (X.53)

36 In addition to concise and generic text on the relationships between the SNA and standards for business and public sector accounting to be included in 2025 SNA Chapter 1, more details on these relationships will be provided in 2025 SNA Chapters 28 on Non-financial corporations and Chapter 30 on General government and the public sector, respectively, although this further elaboration will also remain relatively short, by summarising major differences.

B. Further specifications of statistical units and revisions in institutional sectoring

1. More granular information on corporations and households (WS.2, G.2, G.4, G.7 and F.7)

37 In order to put more emphasis on issues related to well-being, distributional information on household income, consumption, saving and wealth is considered highly relevant (see also Subsection G). Therefore, it is recommended to have, as a standard, additional breakdowns of the households' sector. As a minimum, compilers should aim to provide breakdowns based on (current) disposable income and on wealth, showing income and wealth decile groups, a median and, if possible, results for the top 5 per cent and the top 1 per cent. Alternative breakdowns by main source of income, household type, housing status and by age of the reference person are also recommended, as supplementary items.

38 To arrive at an improved accounting for the impact of globalization on the measurement of economic activity, generation and distribution of income, standard breakdowns for the corporations' sectors are recommended, as follows: foreign-controlled corporations, public corporations, and national private corporations. In relation to the latter group of corporations, separately distinguishing national private corporations which are part of domestic multinational corporations is also recommended. These breakdowns should also be included, if relevant, in the extended supply and use tables (eSUTs); see Subsection H.4. More generally, the definition of control will be further aligned between the SNA and BPM, by defining control of a corporation as follows: "*Ability to determine general corporate policy of a corporation. In practice, control is determined to exist if an investor owns more than 50 percent of the voting power in an enterprise. The control may be direct (through ownership of voting power) or indirect (through ownership of enterprises that in turn have voting power)*".

39 For countries where the presence of Special Purpose Entities (SPEs) is significant, a separate identification of SPEs, as an of which item, is recommended as supplementary information. For a definition of SPEs, see Subsection B.3 below. Further breakdowns of sectors, for Fintech-related activities, are recommended as supplementary items for countries where these activities are significant. For more granular information on the financial corporations sector, see also Subsection E.1 below.

2. Statistical units (X.18)

40 The SNA distinguishes two types of institutional units: the establishment for the recording of production, including the inputs used in production; and the institutional unit for the accounting of transactions and (other changes in) stocks/positions in the institutional sector accounts. Research has been done into the possible alignment of these statistical units. While no firm conclusions could be reached, more guidance will be provided, in the 2025 SNA, on the usefulness and practicalities of using the concepts of enterprises and establishments in the relevant parts of the sequence of economic accounts.

3. Treatment of certain groups of economic agents (G.4, B.3, X.4, X.39 and X.54)

41 A more specific definition is recommended for Special Purpose Entities (SPEs), as follows:

- *An SPE, resident in an economy, is a formally registered and/or incorporated legal entity recognised as an institutional unit, with no or little employment up to maximum of five employees, no or little physical presence, and no or little physical production in the host economy.*
- *SPEs are directly or indirectly controlled by non-residents.*
- *SPEs are established to obtain specific advantages provided by the host jurisdiction with an objective to (i) grant its owner(s) access to capital markets or sophisticated financial services; and/or (ii) isolate owner(s) from financial risks; and/or (iii) reduce regulatory and tax burden; and/or (iv) safeguard confidentiality of their transactions and owner(s).*
- *SPEs transact almost entirely with non-residents and a large part of their financial balance sheet typically consists of cross-border claims and liabilities.*

In addition, it is recommended that SPEs incorporated in the same economic territory as their parents are not termed as SPEs, but instead be known by their specific type of activity (e.g., domestic securitization vehicle). Such units are usually not consolidated on account of them being autonomous.

42 Additional guidance will be provided on the definition and treatment of trusts and similar asset pools under third party management. In particular, clarifications will be included regarding the institutional unit test of trusts, investment funds and pension schemes, and the related classification of the relevant funds. The following criteria will be introduced for treating these types of funds as separate institutional units, or not: whether or not the fund manager is exposed to the risks and rewards of the accumulated assets; and if this is not the case, whether there is one beneficiary or multiple beneficiaries. If the fund manager is exposed, the fund would need to be consolidated with the fund manager. If the fund manager is not exposed, and there is only one beneficiary, the fund would need to be consolidated with the beneficiary. More specific criteria will also be introduced for the institutional unit test of defined contribution pension schemes and defined benefit pension schemes, as follows: whether or not the pension scheme is funded; whether or not the pension scheme has a single pension manager/sponsor; and whether or not a clearly separated unit exists, because of legislation or a regulatory framework. In all cases, decision trees will be presented to support the guidance.

43 In addition to clarifications regarding the institutional unit test, recommendations will be added on the treatment of specific cases: real estate investment funds, asset management provided

by banks, and multi-employer pension schemes. Regarding real estate investment funds, it is clarified that such funds should be classified in the non-financial corporations sector, if they primarily own, and rent out, dwellings and/or commercial property. For asset management services, the treatment would depend on who runs the risks and rewards of the invested funds: the bank or the investor. In the case of multi-employer pension schemes, it will be made clear that, different from the current guidance in the 2008 SNA, such schemes may also constitute separate institutional units. Finally, clarification will also be provided on the possibility of quasi-corporations being set up as trusts.[8]

44 Further clarifications will be included on the treatment of head offices and holding companies. In line with SNA News & Notes 37, clarifications are provided on three issues. First, in determining the institutional independence of holding companies and head offices, it is recommended to apply the following principles: (i) the standard criteria for an institutional unit; (ii) entities owned by non-residents are always to be considered institutional units; (iii) for entities wholly owned by a single resident unit, "no employees and no compensation of employees" is not a sufficient criterion to conclude that there is a lack of institutional independence, although it can be used as an indicator for their lack of independence; and (iv) having multiple parents or shareholders is a sufficient qualification for a unit being an institutional unit. Second, regarding the distinction of holding companies and head offices, it is recommended that an entity having at least 50 per cent of its assets consisting of equity vis-à-vis its subsidiaries can be considered as a practical indicator for the identification of such units. Third, in respect of distinguishing between holding companies and head offices, it is recommended to follow a strict definition of holding companies (in the sense that holding companies do not provide any management services) when classifying institutional units as holding companies. As information on variables like management control may not be available, it is recommended that the distinction between head offices and holding companies should be based on employment-related criteria.

45 In relation to the treatment of centralized currency unions, slightly more detailed guidance will be provided on the treatment of national agencies, including the notional resident units, as residents of the economies of their location. Transactions between the national agency and resident units of the same member economy settled through accounts at the currency union central bank will thus be recorded/imputed in the balance sheets of the national agency for statistical purposes, and treated as transactions and positions between residents. This ensures that in each economy, monetary activities with residents of the currency union are carried out by national agencies (which resemble in its operations a national central bank) having their own assets and liabilities.

46 Some clarifications will be added on the residence and the recording of transactions of offshore banks. More specifically, it is recommended to treat offshore banks as residents of the country where they are incorporated or registered. They are to be classified as deposit-taking corporations except the central bank subsector (S.122). In addition to explicit fees, some of their output and exports may have to be calculated according to the methodology for estimating financial intermediation services indirectly measured (FISIM).

[8] Additional research is still needed on the treatment of individual pension trusts, especially whether they constitute a social insurance type of scheme, which may warrant a treatment distinct from other trusts. Further clarification may also need to provided regarding the treatment of crypto funds.

C. Further specifications of the scope of transactions including the production boundary

1. Clarifications in relation to the recording of digital activities (DZ.8 and DZ.9)

47 A relatively new phenomenon concerns cloud computing. The phenomenon as such does not lead to any conceptual changes to the sequence of economic accounts. However, further clarification will be provided on the current treatment of software licenses, including its distinction between intermediate consumption and gross fixed capital formation, long-term access to servers and other resources, own-account production of IT-equipment, and cross-border flows. More specifically, it will be recommended to treat payments for software subscriptions as purchases of a service, unless long-term licenses for software hosted in cloud computing data centres are more likely to represent software assets of the user. Furthermore, clarification will be provided on the recording of gross fixed capital formation of data centres, including IT-equipment, for own final use. Finally, as major suppliers of cloud computing have globe-spanning networks of computing facilities and clients, recommendations will be included regarding the measurement of the international transactions in cloud computing services across these networks, where plausible estimates may be calculated on the basis of estimates of each country's consumption and production of cloud computing services.

48 Further clarification will also be provided for the definition of digital intermediary platforms, as follows: "*Business that operate online interfaces that facilitate, for a fee, the direct interaction between multiple buyers and multiple sellers, without the platform taking economic ownership of the goods or services that are being sold (intermediated)"*. Regarding the recording of their activities, it is recommended to record output on a net basis, i.e., the fees charged for their intermediary role, and not a gross recording where the output of a digital intermediary platform would be equal to the total price paid by the consumer, with the services provided by the actual producer recorded as intermediate consumption of the platform.

2. Treatment of global production arrangements (G.7 and C.4)

49 Further clarifications will be provided on the recording of global production arrangements, in line with the UNECE Guide to measuring global production. In this respect, additional guidance will also be provided for the recording of inverse merchanting, which is different from ordinary merchanting. An example concerns a merchanting enterprise resident in country A that is buying goods in country B and is selling the goods without physical transformation to another economic agent in country B. For this type of merchanting, also the country where the inverse merchanting activity is taking place (country B) has to adjust its data on imports and exports in order to appropriately reflect the change of economic ownership of the goods.

3. A more consistent application of the sum-of-costs method (AI.2 and X.55)

50 In relation to the application of the sum-of-costs approach, it is recommended (i) to include a return to capital in all cases, including non-market output; (ii) to expand the scope of assets for which a return to capital should be recognised, thus including work-in-progress, other inventories (where significant) and non-produced non-financial assets that are used in production; (iii) to exclude a return to capital for city parks and historical monuments on pragmatic grounds; (iv) to add, where relevant, depletion of natural resources as a cost to the sum-of-costs approach; and (v) to add, where relevant, payments of rent as a cost to the sum-of-costs approach.

4. Changes and recommendations in relation to the measurement of specific services (F.14, X.3 and X.10)

51 For conceptual reasons, the references to financial intermediation services indirectly measured (FISIM) in the estimation of central bank output will be removed. Furthermore, the recommendations on the typical services provided by central banks will be updated, by also recognising other services, for instance those related to promoting financial stability and monitoring the payments system. In addition, it is recommended to treat all services provided by central banks as collective services, valued using the sum-of-costs method. Any transfers in relation to these services from the financial corporations' sector to the central bank should be recorded as current transfers (instead of sales/purchases of services), and – importantly – the collective services produced by the central bank should be allocated to the final consumption expenditure of the central bank (instead of being allocated to government, requiring a concomitant imputation of current transfers).

52 In relation to the measurement of FISIM, it is recommended to (implicitly) include maturity risk, by using a single reference rate. Recommendations will be provided on the choice of reference rate (single exogenous rate, a weighted basket of exogenous rates, or endogenous interest rate)[9], including guidance on reviewing the applicability of the reference rate in very volatile periods. For the calculation of imports and exports of FISIM, it is recommended to use at least two groups of currencies. Regarding the inclusion/ exclusion of credit default risk, no firm conclusion could be reached, so this issue will be put on the post-2025 SNA research agenda. The same holds for the application of alternative approaches for determining the reference rate (costs of funds, vintage), and the scope of financial instruments and units.

53 Guidance, currently non-existing in the SNA, will be provided on the recording of factoring transactions. This relates, amongst others, to the measurement of output, which – as a default option – is to be set equal to the factoring income (i.e., the difference between the nominal value of the underlying trade credits and the actual advances made by the factor), recognising that this method may not work in special circumstances of very high inflation and credit risk environments. It is recommended to not include FISIM in the measurement of output, for conceptual reasons. Regarding the classification of financial instruments, it will be recommended that the indirect financing by the factor to the debtor is treated as a loan.

5. Recording of deferred or waived payments (X.44 – X.46)

54 In line with the recommendations put forward for the accounting of certain economic phenomena during the COVID-19 pandemic, clarifications will be included on the time of recording of deferred or waived rental payments, depending on whether or not the deferral is related to a modification of the lease terms. Similarly, the recording of output and consumption in the case of deferred deliveries (payments) will be clarified, distinguishing between cases where the product is delivered or not. Finally, further clarifications will be included on the impact of deferred interest payments on FISIM, as well as the recording of capital transfers in the case of mutual agreement on non-payment of interest. For more details, see the documents on the following webpage.

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[9] The endogenous reference rate could either be a simple average rate or a weighted rate.

6. Recording and measuring interest (F.15, IF.1 and X.6)

55 In line with SNA News & Notes 39/40, it is recommended to treat negative receipts of interest as negative investment income, and not as positive expenditures of interest.

56 It is recommended to only record a transfer element for concessional lending in the sequence of economic accounts in the case of concessional loans provided by employers to employees. In these cases, the interest rate will be adjusted to market interest rates, with a concomitant increase of compensation of employees. The special cases of interest rates set by central banks (see paragraphs 7.122 – 7.126 of the 2008 SNA) will be removed, for conceptual reasons. Finally, it is recommended to compile, as supplementary items, information on concessional lending by government and international organisations, where the implicit transfer in the provision of loans at lower interest rates is to be recorded as capital transfers at inception, as in these cases it typically concerns an explicit policy decision to provide a lower interest rate at the start of the loan, or to change the conditions of relevant loans at a later stage.

57 In addition, the term and definition of interest in the sequence of economic accounts will be changed, to accommodate certain arrangements which are common to Islamic finance. The new term will be "interest and similar returns", with the following definitions (including a reference to paragraphs numbered according to the 2008 SNA), in which the underlining highlights the changes from the 2008 SNA:

- Paragraph 7.113: *Interest <u>and similar returns</u> is a form of <u>investment</u> income <u>or interest-like income</u> that is receivable by the owners of certain kinds of financial assets, namely: deposits, debt securities, loans, (possibly) other accounts receivable, <u>and similar financial instruments in the case of Islamic finance</u>, for putting the financial asset at the disposal of another institutional unit. Income on SDR holdings and allocations is also treated as interest <u>and similar returns</u>. The financial assets giving rise to interest <u>and similar returns</u> are all claims of creditors over debtors. Creditors lend funds to debtors that lead to the creation of one or other of the financial instruments listed above. The amount the debtor owes the creditor is known as the principal. Over time, the amount due to the creditor declines as the debt is repaid and increases as interest <u>and similar returns</u> accrues. The balance at any time is referred to as the principal outstanding.*
- Paragraph 7.114: *Interest <u>and similar returns</u> may be a predetermined sum of money or a fixed or variable percentage of the principal outstanding, <u>or, in the case of Islamic finance, a pre-determined share of profit related to the sourcing or the use of certain types of funds</u>. If some or all of the interest <u>and similar returns</u> accruing to the creditor is not paid during the period in question, it may be added to the amount of the principal outstanding or it may constitute an additional, separate liability incurred by the debtor. However, the interest <u>and similar returns</u> may not necessarily be due for payment until a later date and sometimes not until the loan, or other financial instrument matures.*

7. Treatment and recording of dividends and retained earnings (F.2, D.16 and D.17)

58 In the case of foreign direct investment (FDI), the retained earnings of a foreign-controlled enterprise are treated as being distributed, and subsequently reinvested. From a conceptual point of view, preference is given to treat all retained earnings in a similar way, not only in the case of FDI relationships, but also in the case of portfolio investment and other direct investment. However, from a feasibility perspective, the implementation of such a fundamental change in the conceptual guidance

for national accounts is considered too challenging for the present time. Therefore, it will only be recommended to include the compilation of reinvested earnings estimates for all corporations in line with the treatment of FDI as supplementary information items.

59 In relation to the recording of distributed income of FDI enterprises, it is recommended to only record exceptional payments of distributable income to the parent company as withdrawal of equity, if they relate to the sales of assets. Distributions of income from accumulated reserves would thus be recorded as dividends. This is different from the treatment of exceptional payments of dividends by other corporations (including public corporations to government), for which the distributions of income out of accumulated reserves would continue to be recorded as withdrawals of equity. These so-called "super dividends" are defined as large and irregular payments or payments that exceed the entrepreneurial income of the relevant accounting period, and are funded from accumulated reserves or sales of asset. This inconsistent treatment is considered acceptable, because in the case of FDI all distributable income is anyhow recorded as part of investment income, so the change has no impact on the income measure. To facilitate comparisons between FDI and other dividends, compilers are advised, if feasible and relevant, to break down FDI-related dividends into payments as defined for non-FDI corporations and others.

60 Further clarifications will be provided on the estimation of reinvested earnings for FDI and investment funds, in particular regarding the possible impact of provisions, and the measurement of reinvested earnings further down the ownership chain. In respect of the former issue, no conceptual changes will be introduced, but it is recommended to introduce supplementary information on provisions in the case of FDI. Moreover, although from a conceptual point of view, the attribution of all the earnings generated below the direct investment ownership chain as reinvested earnings is kept, the practical challenges are acknowledged as well. Finally, clarification will be provided on the measurement of investment income attributable to collective investment fund shareholders, including the way in which to record explicit fees (as cash payments to the relevant financial auxiliary) and implicit fees (as being paid by the shareholders from funds of the investment fund).[10] On the latter, it is recommended to treat those payments as directly paid to the relevant financial auxiliaries, which also implies the introduction of imputed dividends payable by the investment fund to the shareholders equal to the amount of such expenses.

8. Delineation and recording of rent (DZ.6 and AI.2)

61 In the 2008 SNA, rent relates to the income receivable by the owner of a natural resource for putting the natural resource at the disposal of another institutional unit for use of the natural resource in production. Rent was thus restricted to natural resources, as these resources (supposedly) had an infinite life. In the 2025 SNA, the definition of rent will be broadened to cover all payments/receipts related to the use of non-produced non-financial assets (regardless of their life span). This would also include payments related to obtaining observable phenomena.[11] The current location of the recording of rent, in the allocation of accrued (primary) income account, will not be changed.

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[10] For more details on the estimation of investment income attributable to collective investment fund shareholders, including reinvested earnings, reference is made to paragraphs 23 – 28 of Guidance Note D.16 on Treatment of retained earnings, to be found on the following webpage.

[11] Observable phenomena are facts or situations, whose characteristics and attributes may be recorded. As such, they are often the objective of collecting data.

9. Delineating individual insurance and social insurance (F.12)

62 The treatment of hybrid insurance, while not leading to a change of the conceptual guidance, will be clarified. While insurance products with a saving component are typically classified as life insurance, and products where claims are paid only if the insured event occurs are classified as non-life insurance, hybrid products would be allocated to one category or the other depending on which features are predominant.

63 Further clarification will be provided on the treatment of employer-independent schemes, as being part, or not, of social insurance. In the case of pension schemes, these schemes would only be classified as social insurance if they constitute autonomous pension funds in which accumulated contributions are set aside for retirement income, and the schemes are subject to regulation or supervision in line with or similar to employer-related pension schemes/funds. Similar conditions will be elaborated for non-pension related schemes for self-employed.

64 Recommendations will also be provided on the treatment of provident funds, which can be defined as "*compulsory saving schemes that maintain the integrity of the contributions for individual participants. Some governments create provident funds rather than providing social insurance benefits. Under provident fund arrangements, the compulsory contributions of each participant and of their employer on behalf of each participant are kept in a separate account and could be withdrawn under specified circumstances, such as retirement, unemployment, invalidity, and death. These contributions are then managed and invested to obtain a return for each participant*". In general, it will be recommended to treat these funds as part of social insurance, with the relevant funds classified in the financial corporations' sector.[12]

65 In addition to the above considerations, the language for the delineation of social insurance will be reviewed more generally, to arrive at a more consistent phrasing with less ambiguities.

10. Accounting for insurance and pensions (X.5, X.8, X.12, X.35 and X.41)

66 In relation to measuring output and investment income attributable to insurance policyholders/investment income payable on pension entitlements, further clarification will be introduced:

- for non-life insurance, to measure investment income attributable to insurance policy holders as actual investment income on investments from the funds available through insurance technical reserves, excluding holding gains and losses;
- to record reinsurance and standardised guarantee schemes in line with non-life insurance;
- for life insurance, to treat all income which is allocated to the life insurance policy holders as property income, whether or not this income originates from investment income or from holding gains (or losses)[13];
- for pension schemes, to make a distinction between defined contribution pension schemes and defined benefit pension schemes, whereby in the former case the investment income should

[12] The final decision on the treatment of provident funds is still pending in view of further discussion with the Government Finance Statistics community.

[13] An exception may be made for with profits life insurance schemes where all returns on investment, after a reduction for the services provided by the insurer, are allocated one-to-one to the policy holder, thereby basically transferring all risks and rewards to the policy holder. In this case, investment income would be calculated excluding holding gains and losses.

exclude any holding gains and losses, and in the latter case the investment income should be set equal to what has been allocated to the pension entitlements, disregarding the source of the income;

- for autonomous multi-employer pension schemes, to provide simpler guidance for the measurement of output of autonomous pension schemes, in line with the sum-of-costs method;
- to provide further clarifications on the treatment of holding gains and losses more generally.

67 In line with SNA News & Notes 39/40, specific recommendations will be included regarding the calculation of (imputed) investment income on the claim between a pension fund and its manager/sponsor, as the difference between the unwinding of the pension liabilities and the actual investment income received. The relevant investment income is classified as a separate subcategory: "D444 Imputed investment income attributable to the surplus/shortfall in defined benefit pension funds". Further guidance will also be included on the treatment of holding gains and losses and other events affecting the claim between the pension fund and its sponsor.

68 In relation to dealing with catastrophes in recording non-life insurance, it is recommended to determine at the national level whether or not a catastrophe is an exceptional event (including the classification of claims arising from a catastrophe), while recognising that this may lead to inconsistencies in the recording of international transfers. To avoid such inconsistencies, it is recommended to apply a relatively strict delineation of major catastrophic events. It is also recommended to extend the recording of capital transfers in the case of catastrophic events to claims related to inventories and non-financial assets other than dwellings, building and structures. Clarification will be introduced on the recording of reinsurance claims which are related to catastrophic events as well as the recording of claims in the case of damage to consumer durables. More details will also be included regarding the treatment of non-life insurance in the context of distributional national accounts.

69 Finally, some minor inconsistencies in terminology in the 2008 SNA will be addressed, while some clarification will be added on the recording of refunded premiums as a financial transaction (cash versus decrease of insurance technical reserves).

11. Other changes affecting output and other current and capital transactions (C.7 and C.8)

70 The unbundling of the various services in the case of travel packages and health-related travel, and also the unbundling of taxes and fees in the case of passenger tickets, will be clarified.

71 Recommendations will also be provided regarding the definition of fines/penalties as payments that are "punitive in nature", to be more clearly distinguished from payments of compensation, which are intended to compensate for injury or damages. In respect of the latter, it is recommended to record major compensation payments as capital transfers (instead of current transfers) if they are intended to recover losses incurred over a multi-year period or to replace an asset (financial or non-financial). Furthermore, given the number of appeals that often follow an initial ruling, it is clarified that fines and penalties should not be recorded until the unit issuing the fine or penalty has an unconditional claim to the funds; if a judgment or ruling is subject to further appeal, an unconditional claim only exists when the appeal is resolved.

D. Extensions and further specifications of the concepts of non-financial assets, capital formation and consumption of fixed capital/depletion, including changes related to other transactions in goods and services

1. Extending the asset boundary for intellectual property products (DZ.6 and G.9)

72 The information content of electronic data collected and used in production will be included in the asset boundary, as a new asset category – data – under (produced) fixed assets, thus impacting the compilation of GDP. In respect of the calculating output and fixed capital formation, it is recommended to value these investments by using the sum-of-costs method. The treatment of copies of data is similar to the treatment of software copies (see paragraph 10.100 of the 2008 SNA).

73 In the 2008 SNA, marketing assets (and goodwill) are recognised as non-produced non-financial assets. The measurement and recording is limited to explicit purchases and sales of the relevant assets (or implicit purchases and sales when a corporation is purchased at a price higher than its net worth). In the 2025 SNA, marketing assets will be recognised as produced non-financial assets, valued using the sum-of-costs method. As a consequence, GDP will increase, as more marketing assets will be recorded, given the fact that a very substantial part of these assets is produced in-house for own final use.

2. Recording of crypto assets without a corresponding liability designed to act as a general medium of exchange (F.18)

74 Crypto assets without a corresponding liability designed to act as a general medium of exchange (CAWLM), and those designed to act as a medium of exchange within a platform only (i.e., payment tokens without a corresponding liability)(CAWLP), will be treated as non-produced non-financial assets in SNA 2025, classified as a separate category (see AN.22 in Table 1 below). For the recording of crypto assets with a corresponding liability, see Subsection E.2 below.

3. Recording of non-fungible tokens (DZ.10)

75 The following guidance will be provided on the recording of non-fungible tokens (NFTs): (i) NFTs that only grant personal use and display rights are to be recorded as consumption (but may transform to valuables at a later stage); (ii) NFTs that grant limited commercial rights should be recorded as non-produced non-financial assets (contracts, leases and licenses), if the owner can derive economic benefits from these rights (e.g., some form of royalties); and (iii) NFTs that grant full ownership rights should not be separately recorded, assuming that the associated assets or products have already been recorded.

4. Accounting for mineral and energy resources (WS.6, WS.10 and WS.11)

76 The asset boundary for mineral and energy resources will be explicitly extended with the recognition of renewable energy resources (solar, wind, etc.). For the valuation of these resources, the net present value of future resource rents (applying the residual value method), or the "least-cost alternative" method in the case the residual value method is inappropriate due to subsidization or other market distortions, is recommended.

77 The delineation of non-renewable mineral and energy resources will be clarified, by recommending the use of the same three resource classes as in SEEA Central Framework 2012 (i.e., "commercially recoverable resources", "potentially commercially recoverable resources" and "non-commercial and other known deposits").

78 More generally, the calculation of net present values for mineral and energy resources will be clarified, by explicitly referring to Chapter 5 of the SEEA Central Framework 2012. Moreover, recommendations will be introduced regarding the sensitivity of results to the choice of the discount rate; the heterogeneity of extraction costs across space, for which, as a consequence, the value of resources should be compiled at a disaggregated level if possible; constraints imposed on mineral and energy production at the micro level by initial investments in physical capital; and the importance of using long-term averages of resource rents (applying the residual value method), to avoid volatility in the value of mineral and energy resources as a result of short-run price fluctuations of commodity prices.

79 In allocating the value of mineral and energy resources, the split-asset approach is recommended, in line with the appropriation of resource rents by both the legal owner (reflected as receipts of rents) and the extractor (reflecting the residual value of the resource rent). In doing so, it is recommended to record transfers of parts of the resources as other changes in the volume of assets and liabilities, and not as capital transfers.

80 Importantly, depletion of mineral and energy resources will be recorded as a cost of production, instead of other changes in the volume of assets and liabilities. Consequently, net domestic product (NDP) will not only be affected by consumption of fixed capital, but also by the amount of depletion; see also Subsection A.1 above. The attribution of depletion costs to the legal owner and the extractor is to be recorded in line with Chapter 5 of the SEEA Central Framework 2012.

5. Accounting for biological resources

81 The asset boundary for biological resources will not be changed. However, the 2025 SNA will include a change in the distinction between cultivated (produced) and non-cultivated (non-produced) resources. Migrating biological resources yielding once-only products, such as fish in open waters, are to be treated as non-cultivated assets, while non-migrating resources, such as trees for timber production, are always considered as cultivated assets. In respect of the latter, the relevant resources are looked upon as a continuum from intensely managed to totally undisturbed, instead of the discretionary choice between either managed and controlled or not managed and controlled by economic agents.

82 As a consequence of the above, the regeneration of biological resources will be recorded as gross fixed capital formation, while – similarly to mineral and energy resources – depletion will be treated as a cost of production. Further clarification will be introduced regarding the compilation of work-in-progress for biological resources yielding once-only products, in particular the need to eliminate the possible inclusion of resource rents linked to the underlying asset (e.g., forest land).

6. Accounting for the atmosphere as an asset (WS.7)

83 Given the continuing discussion on the treatment of the atmosphere, this issue, in particular the treatment of the atmosphere as a sink, will be put on the post-2025 SNA research agenda.

7. Transfer of ownership (G.5 and X.9)

84 To determine economic ownership of, in particular, previously produced intellectual property products (IPPs), within multinational enterprises, a decision tree in line with Chapter 4 of the UNECE Guide on Measuring Global Production will be introduced. More generally, the concept of (economic) ownership will be further clarified at various places.

85 In relation to work-in-process, the recording of the transfer of ownership will not be restricted to buildings and other structures, but will also be recommended for other non-financial assets where production takes several years. Guidance will also be introduced on the conceptually preferred recording of work-in-progress, i.e., to only record a transfer of the relevant in the case of an effective transfer of ownership; to record partially completed structures as work-in-progress, also after a partial hand-over; and to record differences between stage payments and the effective transfer of ownership as other accounts payable/receivable. In relation to the latter, possible exceptions to the conceptually preferred recording are allowed in the practical implementation, using stage payments as a proxy for transfer of ownership. As issues may also arise in relation to continuing to record work-in-progress after the partial handover, the recording as gross fixed capital formation may have to be applied as a default.

8. More general clarifications related to the measurement of non-financial assets (X.52, and X.56 – X.58)

86 More attention will be paid to the recording of transfers of leased assets. Clarification will be provided on the treatment of the transfer of leased assets at the end of the lease period. In this respect, it is recommended, from a conceptual point of view, to record these transfers as the building up of a financial claim, which is extinguished at the time of the transfer of the leased asset. However, it will also be recognised that such a recording may be difficult to apply in practice, in which case the recording of such transfers as capital transfers is also considered appropriate. Clarification will also be included on the possible transfers of the economic ownership of natural resources.

87 In addition, clarification will be added, where relevant, on the treatment of costs of ownership transfers for different types of assets; the dual use of consumer durables and fixed assets; and the distinction between maintenance and capital repairs, in particular for intangible assets.

9. Measuring consumption of fixed capital and capital services (CM.4, X.7 and X.9)

88 Further clarifications will be provided on the measurement of consumption of fixed capital. In this respect, it is explicitly recommended to use geometric depreciation as the default option for calculating capital stocks and consumption of fixed capital. In relation to military weapon systems, it is recommended that the depreciation profiles reflect the expected service lives of such assets, thereby taking account of expected losses, noting that the relevant service lives may need to be reviewed in times of conflict. The loss of military weapon systems in military operations should be recorded as other changes in volume of assets.

89 More explicit guidance will be introduced on the measurement of capital services for inventories. The measurement of capital services will also be updated in view of the changes in the

accounting for natural resources (see Subsection D.4 above). There will be additional discussion on the rate of return, including clear and consistent guidance on the use of discount rates.

10. Revised classifications and definitions of assets (DZ.7, WS.11 and WS.12)

90 In view of the emerging phenomenon of artificial intelligence, the following definition will be introduced: *Computer programs operating a system capable of recognition, reasoning, communication, and prediction emulating human recognition, reasoning, and communication.* Artificial intelligence is classified as part of software, by introducing two classes of assets under computer software and databases: (i) computer software, including artificial intelligence systems; and (ii) data and databases. Some additional clarifications on the treatment of certain expenditures related to artificial intelligence, such as the exclusion of the cost of producing training datasets and the cost of recurring data services from artificial intelligence, is also included.

91 Furthermore, the overarching category of intellectual property products is redefined in view of the additions of not only artificial intelligence but also data and marketing assets, as follows: *Assets resulting from research, development, investigation, innovation or marketing, leading to knowledge, reputation, or the creation of artificial intelligence systems that the developers can market or use to their own benefit in production because use of this knowledge or system is restricted by means of legal or other protection. They are considered produced non-financial assets, when used in production*.

92 More focus will be put on the recognition of natural capital, by treating it as a separate asset class, next to financial assets, produced non-financial assets (excluding natural capital), and other non-produced non-financial assets (excluding natural capital), while also recognising ecosystem assets, human capital and social capital as separate asset classes, albeit outside the SNA asset boundary. Moreover, for certain asset categories, "of which" items will be included, as supplementary information, to separately identify certain investments which are considered highly relevant for the transition of the economy in coping with climate change.

93 The classification of non-financial assets is also be affected by the updated guidance on data, crypto assets, non-fungible tokens, mineral and energy resources, and biological resources. The full suite of asset categories, including a provisional coding, is presented in Table 1, at the end of the main part of this document.

11. Valuation of imports and exports (G.1)

94 The issue of changing the valuation of imports and exports from cif/fob to invoice values has been discussed extensively. In the end, it was not possible to arrive at a consensus on this change, so the valuation of imports and exports will not be changed. However, reference will be made to using invoice values as the new principle for valuing imports and exports in the future, after further research on the feasibility of implementing this principle in practice.

E. Further refinement of the treatment and definition of financial corporations, financial instruments and financial assets

1. Non-bank financial intermediation (F.1, F.6)

95 The great financial crisis in 2008 – 2010 and subsequent developments revealed the importance of adequately capturing non-bank financial intermediation (so-called “shadow banking”), to arrive at an improved picture of financial risks and vulnerabilities. For this purpose, more detailed breakdowns of the financial corporations sector and additional granularity for specific financial instruments will be described. For more information on the details, reference is made to Annexes I – IV of Guidance Note F.1. With these recommendations, compilers would have guidance on how to delineate the additional subsectors and instruments, as supplementary items, in case their separate identification is relevant for their economies.

2. Recording of crypto assets with a corresponding liability (F.18)

96 Recommendations will be provided on the classification of crypto assets with a corresponding liability, as follows:

Crypto assets designed to act as a general medium of exchange, with a corresponding liability:
- issued by a monetary authority – to be classified as currency under “currency and deposits” (AF.2)
- not issued by a monetary authority – to be classified under a separate new financial asset class

Crypto assets that only act as a medium of exchange within a platform or network (i.e., payment tokens):
- with a corresponding liability – to be classified as a separate subcategory under “debt securities” (AF.3)

Security crypto assets (which always have a counterpart liability):
- Debt security crypto assets (and utility tokens) – to be classified under “debt securities”, possibly with a separate subcategory for utility tokens (AF.3)
- Equity crypto assets – to be classified under “equity and investment fund shares and units” (AF.5)
- Derivative crypto assets – to be classified under “derivatives and employee stock options” (AF.7)

3. Debt securities (F.8)

97 Explicit guidance will be introduced for compiling stocks of debt securities at nominal value for liability positions, including their reconciliation with the corresponding entries at market value in the balance sheets. In addition, it is recommended to show the debt securities component of foreign direct investment (FDI) inter-company lending as a supplementary item.

4. Loans (F.9)

98 The valuation of loans at nominal values will be maintained. However, the possibility to re-assess the value of loans, allowing for a value reset beyond cases of bankruptcy and liquidation, when there is public evidence of loan deterioration beyond cases of bankruptcy and liquidation, will be recognised.

5. Equity and investment fund shares/units (F.16 , WS.9 and B.12)

99 Explicit guidance, which does not exist in the 2008 SNA, will be provided on the recording of (equity) subscription rights, as part of equity.

100 Whereas the 2008 SNA recommends to treat equity in international organisations in the form of shares, as part of the asset category “unlisted shares” (AF.512), the 2025 SNA will treat all equity in international organizations, both equity in the form of unlisted shares and equity in the form of non-negotiable equity, as part of “other equity" (AF.519). In line with this recommendation, the term “other equity” will be changed to “other equity, including equity in international organizations”.

101 The valuation of unlisted equity will also be clarified — namely, in the absence of an observed market prices, the theoretical exchange value for the corporation. In doing so, the following methods will be presented in order of preference: own funds at book value, recent transaction prices, and market capitalization, as explained respectively in bullets e, a and d of paragraph 13.71 of the 2008 SNA. For choosing the appropriate method, a decision tree will be introduced to guide compilers. In addition, some guidance will be added on provisions and negative equity, also based on additional reflections in the context of Guidance Note WS.9 (see Subsection E.9 below).

6. Accounting for pension entitlements (X.14 and X.16)

102 It was not possible to resolve the issue of recognising, in the sequence of economic accounts, entitlements related to unfunded social security schemes, including employment-related schemes which are intertwined with these social security schemes. This issue will continue to feature on the post-2025 SNA research agenda. It has been agreed, however, that more consistent guidance should be provided regarding the recognition of pension entitlements for all employment-related schemes which are not intertwined with social security type of schemes. In relation to such schemes provided by public employers, no exceptions should be made, if the latter schemes are similar to those provided by private employers – in particular, in respect of the terms and conditions of compensation, both current and future after retirement.

103 The 2008 SNA contains a supplementary table showing the amount of pension entitlements for all pension schemes, whether included in, or excluded from, the sequence of economic accounts. In addition, the 2025 SNA will recommend a supplementary table on household retirement resources. The scope of assets to be included in such a table may differ across countries, so it is recommended to have detailed information on the various arrangements to improve the possibilities of comparing the results across countries.

7. Financial derivatives (F.4 and F.5)

104 Three breakdowns of financial derivatives will be included, as supplementary items: (i) by market risk (interest rate risk, foreign exchange risk, equity and commodity price risk, and credit risk or risks to other underlying instruments); (ii) by instrument (options, forwards and related instruments, futures, swaps, credit derivatives, marketable employee stock options and other instruments); and (iii) by trading venue (exchange traded, over-the-counter (cleared), and over-the-counter (not cleared)). In addition, the importance of having information on the currency composition of notional values will be emphasised.

105 More generally, additional guidance will be provided on the recording of novation and portfolio compression.[14] The cases where a net recording (i.e., assets minus liabilities) is acceptable will also be clarified. For more details, reference is made to Annex III of Guidance Note F.4 on Financial derivatives by type, which can be found on the following webpage.

106 Regarding the classification of credit default swaps, it is recommended that these financial instruments are to be classified as “options” within the instrument-based breakdown and as “credit derivatives” under the market risk breakdown. Additional clarifications on credit default swaps will be added in line with paragraphs 7 – 10 of Guidance Note F.5, to be found on the following webpage.

8. The treatment of some specific transactions (F.3, F.10, D.18, X.37 and X.59)

107 In relation to the recording of reverse transactions, no conceptual changes will be included in the 2025 SNA, with the exception of the recording of “manufactured” interest/dividends.[15] In these cases, it will be recommended to record, in addition to the positive credit in interest/dividends for the security lender, negative credit in interest/dividends for the security borrower. In addition, further clarifications will be included on the recording of reverse transactions, e.g., the recording of negative assets for short-sales; the recording of different types of reserve transactions; the recording of reserve transactions on commodities; and the separate identification of repo-related transactions.

108 Regarding the treatment of securities (and gold bullion) under reverse transactions, it is recommended to exclude securities provided as collateral, which are not readily available for meeting balance of payments financing needs, from the cash borrower’s reserve assets and to reclassify these securities to portfolio investment assets. In the case of gold swaps, this reclassification leads to a demonitisation of the gold bullion, and thus to a reduction in the value of monetary gold.

109 As split views emerged regarding the treatment of cash collateral, it will be recommended to allow for a flexible interpretation of the nature of cash collateral liabilities. To arrive at consistent guidance in the SNA and BPM, the updated versions of paragraph 11.124 of the 2008 SNA and paragraph 5.94 of BPM6 will include the following language: … *Repayable margin payments in cash are classified as deposits (if the debtor’s liabilities are included in broad money), other accounts receivable/payable or loans. Some compilers may prefer to classify these margins within loans or other accounts receivable/payable in order to reserve the term deposits for monetary aggregates. ….* It will also be recommended that this treatment is extended to cash-collateral agreements other than repayable margins, except for securities lending with cash-collateral and repos (whose current treatment is left unchanged).

110 Cash pooling arrangements provided by banks allow corporations to externalize the intra-group cash management, and thus, manage their global liquidity more effectively and with lower costs. The

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[14] Novation is a process in which a bilateral over-the-counter derivative contract between two market participants is replaced by two bilateral contracts between each of the market participants and a central counterparty. Portfolio compression refers to a bilateral or multilateral process in which the counterparties wholly or partially terminate the derivatives submitted for inclusion in the portfolio compression and replace the terminated derivatives with new derivative(s) whose combined notional value is less than the combined notional value of the terminated derivatives.

[15] If a reverse transaction covers the period when dividends or interest are payable by the issuer, the security taker (borrower) is typically obliged to pass on the payments to the security provider (lender). Payments to the security lender to compensate for the dividends/interests, when on-selling is involved (i.e. when the borrower has not received the payment), are called “manufactured” interest/dividends.

2025 SNA will contain short descriptions of the main types of such arrangements: single legal account, physical cash pool, and notional cash pool.

111 It is recommended to treat off-market central bank currency swap arrangements as an exchange of deposits with maintenance of value. However, if the central banks conduct the transaction as a standard (market priced) currency swap, then it is recommended to record the swap as an exchange of deposits with the simultaneous creation of a financial derivative (i.e., a forward contract).

9. Constructive liabilities, contingent liabilities and provisions (WS.9 and X.14)

112 In a change from the guidance in the 2008 SNA, it will be made clear that constructive liabilities are generally not recognised in the 2025 SNA, with the exception of standardised guarantees.

113 More detailed guidance will be introduced on provisions. Three categories of provisions (financial assets related, non-financial assets related, and provisions unrelated to assets) will be distinguished in a supplementary table. This does not lead to any conceptual changes for the treatment of provisions related to financial assets. However, for terminal costs (non-financial assets related), the treatment from IAS 37/IPSAS 19 will be adopted, which leads to an inclusion of the expected terminal costs in the value of the relevant fixed assets. Regarding compensation costs (non-financial assets related provisions), the treatment from IAS 37/IPSAS 19 will be adopted, which recognises these costs if the conditions of a fair assessment of timing and amounts apply, and the liability is deliberately accepted as part of an investment decision. More generally, provisions are classified as a special kind of liability for which a corresponding asset is not identified.

114 Explicit guidance will be provided on the phenomenon of stranded assets, i.e., to record adjusted extraction paths due to changing energy markets as revaluations.

10. Sustainable finance (WS.12)

115 To arrive at an improved accounting for sustainable finance, supplementary items will be introduced for loans, bonds, and equity and investment fund shares/units for which the use of the funds is restricted, in whole or in part, to finance or refinance activities that sustain or improve the condition of the environment or society (ESG-related). Similarly, supplementary items will be introduced for relevant financial instruments which are specifically earmarked to raise money for climate and environmental projects (green). Non-money-market investment funds which primarily invest in financial instruments with an environmental, social and governance (ESG) label, and those which primarily invest in financial instruments with a green label will also be shown, again as supplementary items.

F. Further specifications of the scope of transactions concerning government and public sector

1. Emission permits (WS.7)

116 More explicit guidance will be provided on the recording of recording of emission permits, as financial assets (other accounts receivable/payable), with taxes on production recorded at surrender, valued at issuance prices.[16]

2. Stability fees (X.11)

117 For stability fees, when determining whether payments to stability schemes should be classified as a tax or as a payment for an insurance-type of transaction, the criterion of proportionality between payments and the provision of an insurance-type of services (including payments for the risk element) should be examined on a case by case basis. The existence of a fund functioning on insurance rules with a full set of accounts may indicate proportionality, while in the case that the payments are not put aside, or can be used for other purposes, may be used as an indication to treat the payments as a tax. Regarding the appropriation of the assets of financial corporations and the compensation of depositors (shortfalls or excess of assets), it was concluded that many different arrangements exist, so no explicit guidance can be provided.

3. Distinction between taxes and services more generally (WS.14, AI.2)

118 As a default, payments for licenses required under a mandatory process are considered to be unrequited, and thus to be recorded as taxes. However, for cases where the current conceptual guidance for distinguishing between taxes and services is considered more appropriate, further clarifications on its application in practice will be provided.

119 Further clarification will be provided on the treatment of payments related to the use or extraction of natural resources. More specifically, it is recommended that rents received by the economic owner of a natural resource should include any payments from a user/extractor of that resource which are linked to the use/extraction of that resource, in particular to the quantity and/or value of that resource (including royalties, sur-taxes, and permits).

120 Moreover, new guidance on the rerouting of transactions through government will be introduced, in line with the guidance developed in the context of government finance statistics. Possible examples of scenarios where guidance can be given for transactions between two (or more) non-government actors to be rearranged through the government accounts are the following: (i) where government replaces a pre-existing scheme involving payments to and from government with a new scheme under which the payments, which provide a similar economic outcome, are made directly and not through government; (ii) where government mandates cash payments between economic actors that would not take place without the government intervention; and (iii) where government instigates a price cap, or price fix, but has a mechanism to fund the difference between the price cap and the market price (or another price) – perhaps at a future date.

[16] It still needs to be decided how the difference between the observed market prices of the emission permits, and the prices at which the relevant permits have been issued, will be treated: as a revaluation, or as a separate non-produced non-financial asset (contracts, leases and licenses).

121 More generally a decision tree for the classification of payments to government will be introduced in the 2025 SNA.

4. Public-private partnerships (D.8)

122 There will be no conceptual changes to the recording of public-private partnerships (PPPs). However, more detailed guidance will be provided, in 2025 SNA Chapter 30 on General government and the public sector, on the recording of PPPs, building on existing guidance in the 2008 SNA and GFSM 2014 to: (i) update the definition of a PPP and extend the introductory remarks to describe common PPP arrangements; (ii) differentiate between PPPs where payments are made by the public partner for the provision of the public service or asset, and those where the payments are received from users of the public service or asset, noting the different statistical considerations when assessing who is the economic owner of the asset and the different statistical recordings when the asset is deemed to be on the government balance sheet; (iii) highlight differences between the SNA and IPSAS for the recording of PPPs; and (iv) provide more definitive guidance on the statistical recording of PPP-related transactions by describing the preferred treatment (even if other treatments are acknowledged as being appropriate in some circumstances).

5. Treatment of non-resident special purpose entities (SPEs) owned or controlled by general government (D.5)

123 No changes will be made to the principle of recording special purpose entities (SPEs) set up by government as non-resident. However, an enhanced set of imputations will be described, to better reflect the fiscal operations of government controlled SPEs. This entails the following modifications: (i) to record interest expenditure on the imputed debt of government (instead of the current recording of current transfer), against withdrawal of equity in the SPE (i.e., implying recording interest revenue of the SPE, as a mirror to the SPE interest expenditure on the debt levied); (ii) to directly record the SPE expenditure as government expenditure according to their nature and counterpart (e.g., capital transfer to public corporations), against withdrawal of equity in the SPE; (iii) to record the acquisition of assets (like loans or equity) in government accounts, against withdrawal of equity in the SPE; and (iv) to record any/main SPE revenue (e.g., some cases of securitization) directly as government revenue, against an increase in equity in the SPE (and ultimately reduction in debt).

6. Recording of other government-related transactions (B.8, B.9 and X.43)

124 Some clarification will be introduced on the recording of government support to businesses and households, similar to the ones provided in the context of the COVID-19 pandemic, as either other subsidies on production (where the objective is maintenance of business), current transfers (where the objective is income support of households), or reduction of relevant taxes (e.g., in the case of a tax holiday). For more details, see the documents on the following webpage.

125 Guidance will also be introduced on the recording of non-refundable contributions to obtain citizenship, as a transfer (current or capital), due to voluntary nature of these contributions.

126 Some further guidance will be provided on the recording of tax amnesty programmes, in line with the Government Finance Statistics Manual (GFSM) 2014. This concerns in particular the time of recording. Following the accrual basis of recording, any adjustment to taxes due to an under/overestimation should be implemented in the period in which the under/overestimation

occurred. However, in cases where it is not possible to identify the time of the under/overestimation, the adjustment is necessarily recorded when the need for the adjustment is identified.

G. Broadening the framework of national accounts to capture wellbeing and sustainability (WS.1 – WS.5, X32)

127 The 2025 SNA will contain three new chapters on accounting for well-being and sustainability; see also Section 3 above. Chapter 2 will discuss, in more general terms, the role of the SNA in capturing (aspects of) well-being and sustainability, to clearly communicate what role major macro-economic indicators from the system of national accounts can (and cannot) play when it comes to capturing broader aspects of well-being and sustainability. Chapter 34 will include a discussion of the concept of well-being and various approaches/methods to measure it, and how a suite of additional breakdowns and extended/thematic accounts and tables can support this, while chapter 35 will contain a discussion on monitoring sustainability using the capital approach, the main changes to the sequence of economic accounts to better account for natural capital, and provide a short introduction to the System of Environmental-Economic Accounting (SEEA) as a complementary system to monitor environmental sustainability more broadly.

128 Some of the issues related to measuring well-being and sustainability will be addressed in the standard sequence of economic accounts. This relates, for example, to the distribution of household income, consumption, saving and wealth, and to providing a broader set of standard tables for labour input in the form of labour accounts. Other aspects, which are outside of the traditional scope of the sequence of economic accounts, will be addressed via a suite of extended accounts.

129 Regarding distributional information, standard breakdowns of the household sector will be recommended in Chapter 5 on Residence, institutional units and sectors (see also Subsection B.1 above). In addition, a specific section will be introduced in Chapter 32 on Households, which focuses on the compilation of distributional accounts in line with national accounts totals, by highlighting the importance of this type of information; discussing the scope of the work linking the relevant distributional information to relevant parts in the SNA; discussing specific balancing items of relevance and where these may (or may not) deviate from the standard SNA ones; presenting possible distributional breakdowns; and highlighting specific issues in the compilation of distributional results.

130 In relation to labour input, 2025 SNA Chapter 16 on Labour will highlight the importance of providing more detail on labour input in the form of labour accounts, by presenting the scope and coverage of the proposed accounts; linking the labour accounts to relevant parts in the SNA and also to the definitions included in the resolutions of the International Conference of Labour Statisticians (ICLS); and discussing measurement issues. In addition, Chapter 34 on Measuring well-being will introduce extended accounts for education and training, building on existing material, particularly the UNECE Satellite Accounts for Education and Training (SAET), and provide recommendations on starting to develop extended accounts for human capital, in particular compiling cost-based and income-based measures of human capital, in line with UNECE Guide on Measuring Human Capital.

131 Chapter 34 will also include recommendations on compiling an extended account on unpaid household activities, in monetary terms as well as physical units, in line with UNECE Guide on Valuing Unpaid Household Service Work; as well as extended accounts health and social conditions, based on the OECD System of Health Accounts (SHA) 2011.

H. Other issues

1. Price and volume measurement (DZ.1, X.10, X.21, X.22 and X.47)

132 More guidance on the measurement of prices and volumes will be provided for specific products, similar to the guidance on measuring output for certain industries, as provided in 2008 SNA Chapter 6 on Production account. This includes some specific guidance related to the digitalization of products. Further guidance will also be included on the measurement of financial intermediation services indirectly measured (FISIM) in volume terms, as well as ways in which to deal with substantive changes in the provision of education and health (such as the changes driven by the COVID-19 pandemic). For the latter, see the documents on the following webpage.

133 The current text on productivity will be re-allocated (and extended), from the 2008 SNA Chapter 19 on Population and labour inputs to the 2025 SNA chapter 18 on Measuring prices, volumes and productivity.

2. Accounting under conditions of high inflation (X.49)

134 Guidance on accounting under conditions of high inflation, as provided in chapter XIX, section G, of the 1993 SNA, will be re-introduced, with references to the OECD Manual on National Accounting under Conditions of High Inflation. This guidance will most probably be covered in 2025 SNA Chapter 20 on Elaborating the accounts.

3. Digitalization (DZ.3 – DZ.5)

135 To increase the visibility of digitalization in the national accounts, the compilation of digital supply and use tables is recommended. More details on these extended accounts will be provided in 2025 SNA Chapter 22 on Digitalization, based on available guidance, such as the framework proposed by the OECD.

136 In relation to the treatment of “free” digital products, such as Facebook, Instagram and TikTok, there will be no conceptual change. However, further clarification on the treatment of these products, including clarifications regarding the treatment of "assets used to produce services that are free or remunerated indirectly”, will be provided in the 2025 SNA. In addition, it is recommended that extended accounts or supplementary tables for “free” digital products should be developed, either or not as part of digital supply and use tables. In doing so, option 3 in paragraphs 38 – 41 of Guidance Note DZ.4 will be applied.

4. Globalization (G.7 and X.51)

137 To analyse the phenomenon of globalization, and its impact on (the interpretation of) macro-economic statistics and indicators, recommendations will be included, in the new 2025 SNA Chapter 23 on Globalization, on the importance of developing, as supplementary information, new analytical tools, such as extended supply and use tables (eSUTs) and Trade in Value Added (TiVA).

138 Also, the relevance, for certain types of analysis, of compiling statistics according to the nationality concept will be highlighted.

5. Recommendations for changing terminology (CM.2)

139 A number of terms relating to flows, stocks, accounts, etc. will be changed, without amending the content of the relevant terms, following further reflection on the proposals in Guidance Note CM.2 by the SNA and BPM editorial teams, to ensure consistency within and across the 2025 SNA and the updated version of the Balance of Payments and International Investment Position Manual, BPM7. The changes will also be included in the glossary of terms and definitions, which is in the process of being finalised.

6. Introduction of a taxonomy for releases and products (CM.3)

140 The new 2025 SNA Chapter 21 on Communicating and disseminating economic statistics will introduce a taxonomy related to the releases of the various vintages of data, thereby defining terms such as reference period, update period, regular/routine revision, comprehensive revision, benchmark estimate, time-series, etc. It is also recommended that, when reporting updated/revised estimates to users, to categorise and decompose updates of statistics into, for example, conceptual changes, methodological changes, accounting changes, coverage adjustments, source data changes, quality changes (e.g. improved seasonal adjustment, data validation changes, balancing adjustments, etc.) and presentational changes.

141 A classification for products which reflect differences in quality standards (e.g., official statistics versus experimental estimates) as well as a classification for the different parts of the SNA (e.g., sequence of economic accounts, extended accounts, thematic accounts, supplementary items, etc.) will be introduced.

7. Alignment with international standards (CM.1)

142 A framework for assessing the alignment of national macro-economic statistics with international economic accounting statistical standards will be introduced in the new 2025 SNA Chapter 21 on Communicating and disseminating economic statistics.

Section 5. Summary of the changes and clarifications to the 2008 SNA

143 Section 4 contains an overview of all changes and clarifications to the 2008 SNA, to arrive at updated international standards for compiling national accounts, the 2025 SNA. This section provides a summary of the recommendations by looking at the impact of the various items. For this purpose, Tables 2 and 3 have been put together. In both tables, reference is made to the items described in the previous section, by referring to the relevant subsection (as well as the relevant guidance note or other guidance, as listed in the annex).

144 Table 2 mainly focuses on those changes and clarifications that have an impact on the measurement of important macro-economic aggregates, and/or those which require the compilation of additional statistics. In respect of the latter, a distinction has been made between those items which affect the sequence of economic accounts (i.e., the “central framework”), by recommending the

compilation of additional (standard) breakdowns and economic tables; and those items for which the compilation of additional statistics in the form supplementary items/tables, extended accounts/tables or thematic accounts/tables is encouraged.

145 Table 3 provides an overview of changes and clarifications that do not have an impact on macro-economic aggregates or the compilation of additional statistics. Here, a distinction has been made between "clarification", "guidance", and "no change", whereby "clarification" refers to those items which provide further clarification of already existing guidance in the 2008 SNA, and "guidance" refers to the provision of new guidance, currently non-existing in the 2008 SNA. As this may also be relevant for the items in Table 2, similar columns have been added to the latter table.

146 Table 2 is the focus of the discussion in this section, but it is important to acknowledge that more than half of the items providing recommendations for the update of the 2008 SNA can be looked upon as "simply" providing clarifications or additional guidance.

147 Looking at the impact of the updated guidance on important macro-economic aggregates, only a handful of items have an impact on gross domestic product (GDP). Two items which extend the recognition of (produced) non-financial assets may have a more significant impact: data and marketing assets. In addition, the improvement of the consistency in applying the sum-of-costs method to measure non-market output and fixed capital formation for own final use may have a significant impact on the estimation of GDP.

148 Two other items may also have an impact on the measurement of GDP, albeit to a much lesser extent. First, the change in the measurement and recording of output of central banks affects GDP, because the payments by financial intermediaries to the central bank are now generally recorded as current transfers, instead of purchases of services which would imply additional intermediate consumption of the financial intermediaries.[17] [18] The second item concerns the changes in the accounting for biological resources. Here, the asset boundary has not changed. However, the shift from non-produced to produced non-financial assets may have a modest impact on GDP. First, the time of recording of the natural growth of biological resources yielding once-only products (e.g., timber) leads to a different time of recording of the output. Whereas the output of cultivated (produced) biological resources is measured at the time of growth of the resources, the output of non-cultivated resources is recorded at the time of felling/harvesting. Second, the shift from non-produced to produced may lead to additional amounts of gross fixed capital formation of the underlying asset (measured as the net present value of future resource rent after deduction of the work-in-progress).

149 Regarding the impact of the changes on net domestic product (NDP), the additional consumption of fixed capital will neutralize the additional gross fixed capital formation to a large extent. More importantly for the impact on NDP is the recording of depletion as a cost of production. Especially in countries where a substantial part of economic activity concerns the extraction of mineral and energy resources, NDP will be affected to a significant degree.

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[17] The relevant payments typically refer to payments related to, for example, supervision. In some cases, however, the payments by financial intermediaries may actually constitute payments for services, for example, payments for the provision of training courses by central banks. These are treated as such.

[18] Please note that in the case of the ESA, the recommended recording of central bank output would have a much more significant impact on GDP, as currently ESA 2010 prescribes a recording of all central bank output as intermediate consumption of financial intermediaries. As a consequence, the impact on GDP would equal the total central bank output.

150 None of the items have a direct impact on government net lending/borrowing (i.e., government deficit). Net worth will be impacted by the difference between the additional gross fixed capital formation and the additional consumption of fixed capital, as described above, over the service lives of the relevant assets. The updated accounting for biological resources will only lead to shifts between produced and non-produced assets, as well as between work-in-progress and the underlying assets. The total level of biological resources will remain unaffected.

151 Regarding the recommendations to include additional breakdowns or economic tables to the sequence of economic accounts, there are four major justifications. First, it is considered important to arrive at a better understanding of the impact of globalisation on the generation and distribution of income of a country. For this purpose, it is recommended to have breakdowns of corporations into foreign-controlled corporations, public corporations, and national private corporations. In addition to providing additional statistics on the public sector, which is considered important for internationally comparing government-related data, separating foreign-controlled corporations would not only allow for an improved analysis of the production and generation of income by these corporations, but also show how much of this income is flowing to the rest of the world, thus not affecting disposable income of households.

152 The second justification for additional (standard) breakdowns concerns the importance of having statistics on the distribution of household disposable income, consumption, saving and wealth, consistent with national accounts aggregates. For this purpose, it is recommended to have breakdowns for households by income and wealth deciles. Such breakdowns would allow for an improved analysis of the impact of economic growth on the various household groups, especially whether or not this growth leads to improved conditions for the households at the lower end of the distribution. In the context of arriving at an improved accounting for the well-being of people, it is also recommended to have more detailed labour accounts. In addition to gaining more insights in the generation of labour income by industry, it would also provide valuable information on the different types of employed persons who earn this income.

153 The third justification for recommending an extension of the sequence of economic accounts is related to an improved accounting for (environmental) sustainability and the fourth relates to the goal to have an improved accounting of the impact of digitalisation. In addition to putting much more emphasis on natural capital, by separately distinguishing this category of assets, it is also recommended to have additional details for certain types of assets.

154 In addition to the above, a number of supplementary items and tables, and extended/thematic accounts and tables are encouraged. It goes beyond the scope of this section to list all of them, but it is worth mentioning explicitly the extended/thematic accounts and tables, which would provide additional information on issues related to well-being and (environmental) sustainability. Apart from statistics compiled according to SEEA, the compilation of extended/thematic accounts for unpaid household service work, education and human capital, and health is encouraged. Other supplementary data are often related to better monitoring financial risks and vulnerabilities, and the impact of digitalisation.

155 Looking at the rather long list of additional statistics, it is helpful to remember that the SNA does not have the power of law and so it is not possible to speak of some items as being mandatory. It is very important that countries compile their national accounts according to the conceptual framework of the SNA. Apart from providing a comprehensive and internally consistent framework for

tracking economic developments, the international comparability that arises when countries compile their national accounts according to the SNA is perhaps the single most important factor contributing to the success of the SNA.

156 Regarding the details of a country's national accounts, the SNA recommends the compilation of a standard set of data – the sequence of economic accounts – including the (standard) breakdowns and economic tables recommended in the above. In addition, the SNA encourages countries to compile various supplementary data, tables and accounts. However, especially regarding the latter, it is important to take account of national priorities as well as the priorities for the collection of national accounts data by international organisations. Countries and regions may have different priorities, and therefore put emphasis on the compilation of different sets of tables and accounts.

TABLE 1 Classification of non-financial assets

AN.1	Produced non-financial assets (excluding natural capital)
AN.11	Fixed assets (excluding produced natural resources)
AN.111	Dwellings
AN.112	Other buildings and structures
AN.1121	Buildings other than structures
AN.1122	Other structures
of which	Renewable energy installations
of which	Fossil fuel installations
AN.1123	Land improvements
AN.113	Machinery and equipment
AN.1131	Transport equipment
of which	Electric powered transport equipment
AN.1132	ICT-equipment
AN.1133	Other machinery and equipment
of which	Carbon capturing equipment
of which	Nuclear fusion equipment
AN.114	Weapons systems
AN.115	Intellectual property products
AN.1151	Research and development
AN.1152	Mineral exploration and evaluation
AN.1153	Computer software, data and databases
AN.11531	Computer software, including artificial intelligence systems
of which	Artificial intelligence
AN.11532	Data and databases
of which	Databases
of which	Data
AN.1154	Entertainment, literary or artistic originals
AN.1155	Marketing assets
AN.1156	Other intellectual property products
AN.12	Inventories (excluding produced natural resources)
AN.121	Materials and supplies
AN.122	Work-in-progress (excluding biological resources)
AN.123	Finished goods
AN.124	Military inventories
AN.125	Goods for resale
AN.13	Valuables
AN.131	Precious metals and stones
AN.132	Antiques and other art objects
AN.133	Other valuables
AN.2	Non-produced non-financial assets (excluding natural capital)
AN.21	Contracts, leases and licenses
AN.211	Marketable operating leases
AN.212	Permissions to use natural resources
AN.213	Permits to undertake specific activities

AN.214	Entitlements to future goods and services on an exclusive basis
AN.22	Crypto-assets without a corresponding liability
AN.23	Goodwill
AN.3	Natural capital
AN.31	Natural resources
AN.311	Land
AN.312	Mineral and energy resources
AN.3121	Non-renewable mineral and energy resources
AN.31211	Oil resources
AN.31212	Natural gas resources
AN.31213	Other mineral and energy resources
AN.3122	Renewable energy resources
AN.31221	Wind energy resources
AN.31222	Solar energy resources
AN.31223	Water energy resources
AN.31224	Geothermal energy resources
AN.31224	Other renewable energy resources
AN.313	Biological resources
AN.3131	Biological resources yielding repeat products
AN.31311	Animal resources yielding repeat products
AN.31312	Tree, crop and plant resources yielding repeat products
AN.3132	Biological resources yielding once-only products
AN.31321	Migrating biological resources yielding once-only products
AN.31322	Non-migrating biological resources yielding once-only products
AN.31323	Work-in-progress on non-migrating biological resources.
AN.314	Water resources
AN.315	Radio spectra and other natural resources
AN.3151	Radio spectra
AN.3152	Other
AN.32	Ecosystem assets
AN.4	Human capital
AN.5	Social capital

TABLE 2 Update of the 2008 SNA -- Recommendations that impact on the measurement of important national accounts aggregates and/or require the compilation of additional statistics

		Conceptual change					Additional data item/table					Clarification	Guidance
		Impact on GDP	Impact on NDP	Impact on GG NLB	Impact on net worth	Other	Breakdown	Economic table	Supplementary item/ table	Extended table/account	Thematic table/account		
A. Generic issues													
A.4	IE.1 Statistical framework for the informal economy												
B. Further specifications of statistical units and revisions in institutional sectoring													
B.1	WS.2 Distributions of household income, consumption and wealth												
B.1	G.2 Treatment of MNE and intra-MNE flows												
B.1	G.4 Treatment of Special Purpose Entities and residency												
B.1	F.7 Impact of Fintech on macroeconomic statistics												
B.2	X.18 Statistical units												
B.3	G.4 Treatment of Special Purpose Entities and residency												
C. Further specifications of the scope of transactions including the production boundary													
C.1	DZ.9 Incorporating digital intermediary platforms into the SNA												
C.3	A!.2 Treatment of rent												
C.3	X.55 Further alignment of the sum-of costs approach												
C.4	X.3 Treatment of the output of central banks												
C.6	F.15 Debt Concessionality												
C.7	F.2 Asymmetric treatment of reinvested earnings												
C.7	D.17 Identifying superdividends and establishing the borderline between dividends and withdrawal of equity in the context of direct investment												
C.8	AI.2 Treatment of Rent for the "Recording of Data", "Marketing Assets" and "Biological Resources"												
C.9	F.12 Covering hybrid insurance and pension products												
D. Extensions and further specifications of the concepts of non-financial assets, capital formation and consumption of fixed capital/depletion, including changes related to other transactions in goods and services													
D.1	DZ.6 Recording of data in the national accounts												
D.1	G.9 Payments for "knowledge-based capital" (marketing assets)												
D.2	F.18 The recording of crypto assets in macroeconomic statistics												
D.4	WS.6 Economic ownership and depletion of natural resources												
D.4	WS.11 Treatment of renewable energy resources as assets												
D.5	WS.8 Accounting for biological resources												
D.10	DZ.7 Improving the visibility of artificial Intelligence in the national accounts												
D.10	WS.12 Environmental classifications												
E. Further refinement of the treatment and definition of financial corporations, financial instruments and financial assets													
E.1	F.1 More disaggregated institutional sector and financial instruments breakdowns												
E.2	F.18 The recording of crypto assets in macroeconomic statistics												
E.3	F.8 Valuation of debt securities at both market and nominal value												
E.5	B.12 Treatment equity in international organizations that is in the form of unlisted shares or nonnegotiable equity												
E.6	X.16: Accounting for pensions: supplementary table on household retirement resources												
E.7	F.4 Financial derivatives by type												
E.8	X.59 Clarification note on treatment of securities (and gold bullion) under reverse transactions												
E.9	WS.9 Recording of provisions												
E.10	WS.12 Environmental classifications												
G. Broadening the framework of national accounts to capture wellbeing and sustainability													
G	WS.3 Unpaid household service work												
G	WS.4 Labour, education and human capital							x					
G	WS.5 Indicators of health care in the SNA												
H. Other issues													
H.3	DZ.4 Recording and valuing "free" products in an SNA satellite account												
H.3	DZ.5 Increasing the visibility of digitalisation in economic statistics through the development of digital supply-use tables												

TABLE 3 Update of the 2008 SNA -- Other recommendations for clarification or additional guidance

		Clarification	Guidance	No change
	A. Generic issues			
A.1	CM.4 Use of net measures in the presentation of the National Accounts		■	
A.2	AI.1 Valuation principles and methodologies	■		
A.2	X.24 Refocusing 2008 SNA Chapter 20 (Chapter 17 in the 2025 SNA) on capital services and the national accounts		■	
A.3	IF.1 Islamic finance in the National Accounts and External Sector Statistics -- new chapter		■	
A.4	X.32 Establishing clearer links to ICLS resolutions -- informal economy		■	
A.5	X.53 Include text on significant differences between the SNA and IPSAS/IAS		■	
	B. Further specifications of statistical units and revisions in institutional sectoring			
B.1	G.7 Global value chains and trade in value-added	■		
B.3	B.3 Centralised Currency Unions	■		
B.3	X.4 The delineation of head offices and holding companies in the national accounts	■		
B.3	X.39 Output of off-shore banks	■		
B.3	X.54 Draft an issues note on when, and when not, to consider trusts and other types of funds as separate institutional units	■	■	
	C. Further specifications of the scope of transactions including the production boundary			
C.1	DZ.8 Cloud computing	■		
C.2	G.7 Global value chains and trade in value-added	■		
C.2	C.4 Merchanting and factoryless producers; clarifying negative exports in merchanting, and merchanting of services	■		
C.4	F.14 Treatment of factoring transactions		■	
C.4	X.10 FISIM		■	
C.5	X.44 Recording of deferred or waived rental payments		■	
C.5	X.45 Recording of deferred delivery of, and payments for, goods and services		■	
C.5	X.46 Recording of deferred interest payments		■	
C.6	IF.1 Islamic finance in the National Accounts and External Sector Statistics -- measurement of interest	■		
C.6	X.6 The statistical treatment of negative interest	■		
C.7	D.16 Treatment of retained earnings			■
C.10	X.5 Recording of flows between a defined benefit pension fund and its sponsor		■	
C.10	X.8 Definition of catastrophes in the measurement of non-life insurance		■	
C.10	X.12 Accounting for pensions: treatment of holding gains and losses	■		
C.10	X.35 Improve consistency in the use of terminology for insurance	■		
C.10	X.41 Recording of refunded premiums at surrender of insurance policies	■		
C.11	C.7 Treatment of travel packages, health-related travel, and taxes and fees on passengers' tickets	■		
C.11	C.8 Recording penalties and fines	■		
	D. Extensions and further specifications of the concepts of non-financial assets, capital formation and consumption of fixed capital/depletion, including changes related to other transactions in goods and services			
D.3	DZ.10 Non-fungible tokens (NFTs)		■	
D.4	WS.10 Valuation of mineral and energy resources	■		
D.6	WS.7 Treatment of emission trading schemes	■		
D.7	G.5 Economic ownership of intellectual property products -- recording of intra-MNE transactions		■	
D.7	X.9 Recording of work in progress		■	
D.8	X.52 Include text on partitioning of assets	■		
D.8	X.56 Add clarification on the treatment of costs of ownership transfers for different types of assets	■		
D.8	X.57 Add clarification on the distinction between maintenance and capital repairs for intangible assets	■		
D.8	X.58 Issues note on a possible alternative treatment of the transfer of leased assets at the end of the lease period	■		
D.9	CM.4 Use of Net measures in the presentation of the National Accounts -- use of geometric depreciation		■	
D.9	X.7 Service lives of military systems		■	
D.9	X.9 Capital services of assets not contributing to production		■	
D.11	G.1 Valuation of imports and exports of goods			■
	E. Further refinement of the treatment and definition of financial corporations, financial instruments and financial assets			
E.4	F.9 Valuation of loans (fair value)	■		
E.5	F.16 Subscription Rights	■		
E.6	X.14 Accounting for pensions: recognition of pension entitlements relating to social security schemes			■
E.7	F.5 Treatment of credit default swaps	■		
E.7	F.10 Treatment of cash collateral	■		
E.8	F.3 Reverse transactions	■		
E.8	F.10 Treatment of cash collateral	■		
E.8	D.18 Cash pooling in direct investment		■	
E.8	X.37 Recording of central bank swap arrangements		■	
E.9	X.14 Accounting for pensions: recognition of pension entitlements -- contingent liabilities			■
	F. Further specifications of the scope of transactions concerning government and public sector			
F.1	WS.7 Treatment of emission trading schemes	■		
F.2	X.11 The recording of stability fees		■	
F.3	WS.14 Distinction between tax and service transaction and other borderline cases	■		
F.4	D.8 Public-private partnerships		■	
F.5	D.5 Eliminating the imputations for an entity owned or controlled by general government that is used for fiscal purposes	■		
F.6	B.8 Recording citizenship by investment programs		■	
F.6	B.9 Treatment of external assets and related income declared under tax amnesty	■		
F.6	X.43 Government support to businesses and households		■	
	G. Broadening the framework of national accounts to capture wellbeing and sustainability			
G	WS.1 A Broader SNA framework for wellbeing and sustainability		■	
G	X.32 Establishing clearer links to ICLS resolutions -- labour accounts	■		
	H. Other issues			
H.1	DZ.1 Price and volume measurement of goods and services affected by digitalisation		■	
H.1	X.10 FISIM -- price and volume measurement		■	
H.1	X.21 Adding text on productivity measurement to 2025 SNA Chapter 18		■	
H.1	X.22 Adding a section, in the 2025 SNA Chapter 18, on the volume and price measurement of specific products		■	
H.1	X.47 Estimating the volume of non-market output		■	
H.2	X.49 Accounting under conditions of high inflation		■	
H.3	DZ.3 Treatment of "free" products in the "core" national accounts	■		
H.4	G.7 Global value chains and trade in value-added	■		
H.4	X.51 Add text on nationality concept		■	
H.5	CM.2 Terminology and branding of the Economic Accounting statistical standards		■	
H.6	CM.3 A Taxonomy for communicating Economic Statistics, releases, products and product updates		■	
H.7	CM.1 An Assessment Framework to measure alignment with the Economic Accounting statistical standards		■	

Annex 1. List of Guidance Notes, Issue notes, etc.

This annex provides an overview of all recommendations for updating the guidance of the 2008 SNA, to arrive at the 2025 SNA. First the recommendations from the various Guidance Notes are presented, for each of the priority areas of research. Subsequently, changes derived from SNA News & Notes and from other past guidance provided by the Advisory Expert Group (AEG) on National Accounts are listed. The list ends with a recap of changes agreed during the endorsement of the outline of the 2025 SNA and a number of other issues. Where relevant, reference is made to the action points derived from the 2022 assessment of the research agenda, and some other action points derived from the master-log.

Guidance Notes			
Digitalisation			
DZ.1	Price and volume measurement of goods and services affected by digitalization	* More general observations regarding price and volume measurement of goods and services affected by digitalisation * Need to reflect (provisional) guidance, not only in chapter 22 on digitalisation but also in chapter 18 on measuring prices, volumes and productivity (which will also include guidance on prices/volumes for specific products, similar to 2008 SNA chapter 6 on measuring output for certain industries)	
DZ.2	Crypto assets (Combined with GN F.18)	* See Guidance Note F.18	
DZ.3	Treatment of “free” digital products in the "core" national accounts	* No conceptual change to central framework, although it would be good to clarify treatment in the discussion of the production boundary * Moreover, clarifications may need to be added regarding the treatment of "assets used to produce services that are free or remunerated indirectly" (see paragraphs 29 and 39 of the Guidance Note)	
DZ.4	Recording and valuing “free” products in an SNA satellite account	* Recommendation to develop extended accounts or supplementary tables, either or not as part of digital SUTs * As noted in the endorsed version of the Guidance Note, option 3 (i.e., the option which includes user-generated content) is considered the preferable option; see paragraphs 38 - 41 of the combined Guidance Note (see also action point B.1 in the note on resolving minor action points) * Need to add relevant information and clarifications in chapter 22 on digitalisation	
DZ.5	Increasing the visibility of digitalisation in economic statistics through the development of digital supply-use tables	* Proposal for Digital SUTs to be reflected, in more general terms, in chapter 22 on digitalisation	

DZ.6	Recording of data in the national accounts	* Recommendation to consider data as (produced) fixed assets * Impact on the recording and measurement of non-financial assets, as follows: (i) introduction of new asset category, affecting classification and definition (see paragraph 14 of the Guidance Note; (ii) asset generally to be valued using the sum-of-costs method (see paragraphs 24 and 30 of the Guidance Note; (iii) broadening the concept of rent, and including the costs of producing data with payments of rent (not yet decided; see Guidance Note AI.2); (iv) recording payments directly related to obtaining observable phenomena as rent (see paragraph 41 of the Guidance Note); and (v) treatment of copies similar to software (see paragraph 54 of the Guidance Note, with reference to paragraph 10.100 of the 2008 SNA) * Need to add relevant information and clarifications in chapter 22 on digitalisation	
DZ.7	Artificial Intelligence	* Recommendations (i) to change the definition of IPPs; (ii) to include a definition for artificial intelligence; (iii) to classify artificial intelligence as part of software; (iv) to introduce two classes of assets under computer software and databases, as follows: computer software, including artificial intelligence systems; and data and databases; and (v) to include some additional clarifications on the treatment of certain expenditures (see paragraph 25 of the Guidance Note) * Need to add relevant information and clarifications in chapter 22 on digitalisation	
DZ.8	Cloud computing	* No conceptual change to central framework, definition of cloud services included * Recommendation for clarifying the current treatment of software licenses, including its distinction between intermediate consumption and GFCF, long-term access to servers and other resources, and own-account production of IT-equipment * Clarifications needed regarding price/volume measurement as well as the measurement of cross-border flows (topics for future research) * Need to add relevant information and clarifications in chapter 22 on digitalisation	
DZ.9	Digital intermediary platforms	* No conceptual change to central framework, although clarifications are needed regarding the recording of DIPs, e.g. in chapter 7 on the production account * Recommendations (i) for defining DIPS; (ii) recording on a net basis; and (iii) accounting for informal workers * Need to add relevant information and clarifications in chapter 22 on digitalisation	
DZ.10	Non-fungible tokens	* Recommendations to record non-fungible tokens (NFTs) as follows: (i) NFTs that only grant personal use and display rights should be recorded as consumption (but may transform to valuable at a later stage); (ii) NFTs that grant limited commercial rights should be recorded as non-produced non-financial assets (contracts, licenses, or leases), if the owner can derive economic benefits from these rights (e.g., some form of royalties); and (iii) NFTs that grant full ownership rights should not be separately recorded, assuming that the associated assets or products have already been counted	

Well-being and sustainability			
WS.1	A broader SNA framework for Wellbeing and Sustainability	* Recommendation that the relevant chapters of the 2025 SNA, including the new chapter 2, chapter 34 and 35 on well-being and sustainability, and the chapter on the household sector, build on the analysis in this guidance note, explaining the main objectives for enhancing and broadening the SNA framework; priority be given to recommendations impacting the sequence of economic accounts * Not recommended to arrive at a single indicator of wellbeing and/or sustainability	
WS.2	Distributions of household income, consumption saving and wealth	* Recommendation to add a specific section to the SNA, focusing on the compilation of distributional accounts in line with NA totals: (i) to highlight the importance of this type of information; (ii) to discuss the scope of the work linking it to relevant parts in the SNA; (iii) to discuss specific balancing items of relevance for this line of work and where these may deviate from the standard SNA ones; (iv) to present possible distributional breakdowns; and (v) to highlight specific issues in the compilation of distributional results * The results from testing showed that there was no appetite for changing the core definitions	
WS.3	Unpaid household service work	* No recommendation for changes that may have an impact on the sequence of economic accounts * Instead, it is recommended to have an extended account on unpaid household activities, in monetary terms as well as physical units	Guidance Note is in the process of being updated following phase 1 testing; if changes are substantive, to be circulated to AEG for final approval.
WS.4	Labour, education and human capital	* Recommendation that the chapter on labour should (i) highlight the importance of this labour related data; (ii) present the scope and coverage of the proposed accounts; (iii) link the labour accounts to other relevant accounts; and (iv) discuss measurement issues * To introduce extended accounts for education and training, building on existing material, particularly the Satellite Accounts for Education and Training (SAET) * To start developing extended accounts for human capital, in particular cost-based and income-based measures of human capital, in line with UNECE Guide on Measuring Human Capital	The recommendation in paragraph 74 (to have a separate chapter on labour accounts) has been superseded by later decisions on the content and the ordering of chapter 16 on labour.
WS.5	Health and social conditions	* No recommendation for changes that may have an impact on the sequence of economic accounts * Instead, it is recommended to present additional indicators of health based on the system of health accounts in the SHA 2011 in extended accounts (see Box 1 of the Guidance Note) * In doing so, the extended accounts on health care should include all expenditures on health and also social care; furthermore, the production boundary in the extended accounts (non-core) should be expanded to include imputed values for unpaid household production of health care and long-term social care for the years for which this information becomes available; and develop supply and use tables for health care and long-term social care	

WS.6	Economic ownership and depletion of natural resources	* Recommendation to value mineral and energy resources using the NPV of future resource rents (calculated using the residual value method), and to apply a split-asset approach, in line with the appropriation of resource rents (thereby accounting for the transfer of part of the asset as an other change in the volume of assets, and not as capital transfers) * Recommendation to account for depletion as a cost of production * Recommendations on accounting for depletion in physical and monetary terms	
WS.7	Emissions permits: the atmosphere as an asset	* Recommendation to record emission permits as a financial asset with taxes on production recorded at surrender, at issuance prices (option 4; see paragraphs 39-42 of the Guidance Note) * In addition, it has been agreed to draft a separate issue note on the treatment of the atmosphere as an asset (see action point C.2), which includes the following recommendations: (i) to consider the atmosphere to be an asset in those cases where (a) the use of a particular aspect of the atmosphere is exclusive AND (b) licenses or similar arrangements based on commercial arrangements are put into place, which enables a reliable value to be put on the atmosphere; (ii) in those circumstances where the atmosphere is considered to be an asset, to treat payments for licenses that do not constitute an asset as rent; (iii) in the circumstances where the atmosphere is not considered to be an asset, permits to use the atmosphere, either to enable the production of a service such as transportation services or as a sink, should be treated as taxes, while compulsory payments for unauthorised use of the atmosphere, such as noise pollution, should be treated as fines and penalties; and (iv) to put the treatment of the atmosphere as a sink on the post-2025 SNA research agenda	The precise recording of emission permits, in line with option 4, is still pending, awaiting further discussion in a workshop
WS.8	Accounting for biological resources	* Recommendation to apply a split-asset approach, in line with the appropriation of resource rents (see Guidance Note WS.6) * Recommendations (i) to change distinction between cultivated and non-cultivated resources; (ii) to account for regeneration as GFCF and depletion as a cost of production; various other proposals for clarifying the current guidance of the 2008 SNA (e.g., work-in-progress versus underlying asset); and (iv) separate classification of natural resources (see also Guidance Note WS.12)	

WS.9	Recording of provisions	* Recommendation to present information on three categories of provisions (financial assets related, non-financial assets related, and provisions unrelated to assets) in a supplementary table * Recommendation to not include conceptual changes to the treatment of provisions related to financial assets * Recommendation to adopt, for terminal costs (non-financial assets related), the treatment from IAS 37/IPSAS 19, i.e., including the expected terminal costs in the value of fixed assets * Recommendation to adopt, for compensation costs (non-financial assets related provisions), the treatment from IAS 37/IPSAS 19, i.e., to only recognize these costs if the corresponding conditions of a fair assessment of timing and amounts apply, and the liability is deliberately accepted as part of an investment decision * Recommendation to classify provisions as a special kind of liability for which the asset side is not identified * In relation to stranded assets, it is recommended to record adjusted extraction paths due to changing energy markets as revaluations.	
WS.10	Valuation of mineral and energy resources	* Recommendation to include clarifications on the delineation of mineral and energy resources, by relying on the same three resource classes as in SEEA 2012 (i.e., “commercially recoverable resources”, “potentially commercially recoverable resources” and “non-commercial and other known deposits”) * Recommendation to underline that the aim is to compile market(-equivalent) values, not consumer surplus/welfare based measures * Recommendation to add clarifications on the calculation of NPVs for (specific types of) mineral and energy resources, by explicitly referring to Chapter 5 in the SEEA-CF, i.e., to use a constant rate of extraction or the most recent quantity of extraction as forecasts of future production, and to assume that the output price of the extracted resource follows a long-run historical trend * Recommendation to explain that different types of mineral and energy resources may require slightly different NPV treatments * Recommendation to explain that compilers should try to compile the value of mineral and energy deposits at a disaggregated level, ideally at the deposit level * Recommendation to emphasise compilation issues such as the sensitivity of results to the choice of the discount rate, heterogeneity of extraction costs across space, constraints imposed on mineral production at the micro level by initial investments in physical capital; and volatility in the value of mineral assets introduced by short-run price fluctuations of commodity prices	

WS.11	Renewable energy resources	* Recommendation to recognize and clearly define renewable energy resources as an asset, to be classified in a separate asset category * Recommendation to compile estimates of renewable energy resources using the NPV of future resource rents (applying the residual value method), or the "least-cost alternative" method in the case the residual value method is inappropriate due to subsidization or other market distortions * Recommendation to apply a split-asset approach, in line with the appropriation of resource rents (see Guidance Note WS.6) * Note: Also clarification needed on the accounting for production and use of renewable energy	
WS.12	Environmental classifications	* Recommendations for additional breakdowns of loans and securities; rents; contracts, leases and licenses; and, most importantly natural assets (including change in first-digit level breakdown) * Recommendations for the inclusion of illustrative examples of how environmental taxes and subsides can be presented in the SNA, as well as of how produced assets can be presented on a functional basis using environmental-purposed produced assets as the basis for the illustration * Recommendation to recognise natural capital as a separate asset class, next to financial assets, produced capital (excluding produced natural resources) and other non-produced capital, while also recognising ecosystem assets, human capital and social capital as separate asset classes albeit outside the SNA asset boundary	
WS.13	Recording of losses	Dropped	
WS.14	Distinction between tax and service transaction	* Recommendation to treat, as a default, all payments for licenses required under a mandatory process to be unrequited, to be recorded as taxes (option 3), and to provide further clarifications on the current conceptual guidance to distinguish between taxes and services (option 2) * Recommendation to clarify the treatment of payments related to the use or extraction of natural resources, by expanding the guidance on rent and the guidance on permits to use natural resource (see Section II of the Guidance Note) * Recommendation to introduce a decision tree for the classification of payments to government * Recommendation to include new guidance on the rerouting of transactions through government, based on the scenarios in the Guidance Note	Treatment of permits to use natural resources superseded by decision on split-asset approach
Globalisation			
G.1	Valuation of imports and exports	* Discussion about changing cif/fob-valuation of imports and exports to invoice values * No agreement on including this conceptual change in the 2025 SNA; however, clear references should be made to invoice values as the new principle for valuing imports and exports in the future	

G.2	Treatment of MNE and intra-MNE flows	* No conceptual changes recommended * Recommendation to put more emphasis on other macro-economic indicators, especially NNI; no alternative indicators defined * Recommendation on more granular institutional sector accounts, also in the central framework, as well as eSUTs * Need to align definition of MNEs and control to BPM/BD (affects paragraphs 4.81 and 21.47 of the 2008 SNA) * Need to include relevant text in chapter 23 on globalisation	
G.3	Transfer pricing within MNE group (combined with GN G.5)	* See Guidance Note G.5	
G.4	Treatment of Special Purpose Entities and residency	* Recommendations on the definition of SPEs (see paragraph 43 of the GN) * In addition, it is recommended that SPEs incorporated in the same economic territory as their parents are not termed as SPEs and be known on the specific type of activity, and are usually not consolidated with the parent * Recommendation to have a separate identification of SPEs, as an of which item * Need to include relevant text in chapter 23 on globalisation	
G.5	Economic ownership of intellectual property products: recording of intra MNE transactions	* Regarding the economic ownership of previously produced intellectual property products (IPPs), option 4 (use of decision tree), which is in line with the Guide on measuring global production, is recommended; see paragraph 7 of the GN * This also means that SPEs can be economic owners of IPPs * Need to clarify concept of (economic) ownership at various places * Need to include decision tree, most probably best fit in chapter 23 on globalisation	
G.6	Merchanting and factory-less goods producers and recording of their transactions (combined with Guidance Note C.4)	* See Guidance Note C.4	
G.7	Global value chains and trade in value-added	* Recommendation to include further clarifications on the recording of global production arrangements, to be covered concisely in chapter 7 on production accounts, and more extensively, in chapter 23 on globalisation * Recommendation to add information on new analytical tools to be covered in chapter 23 on globalisation, with possibly references to eSUTs and TiVA in chapter 15 on supply and use tables * Importantly, major steps have been made in linking micro data, enabling the GVC satellite and eSUTs presentations * References would also fit in new section on worldwide input-output tables in chapter 36	

G.8	Typology of global production arrangements (combined with Guidance Note C.4)	See Guidance Note C.4	
G.9	Payments for non-produced "knowledge-based capital" (marketing assets)	* Recommendation to treat marketing assets as produced non-financial assets	
Communication			
CM.1	An assessment framework to measure alignment with economic accounting statistical standards	* Recommendation to include a framework for assessing the alignment with international standards	
CM.2	Terminology and branding of the economic accounting statistical standards	* Recommendations for changing certain terms, without amending the content of the relevant terms, and requesting the SNA and BPM editors to incorporate the revised terms in the updated SNA and BPM – giving the SNA and BPM editors the liberty to make adjustments as needed to ensure internal consistency within and across the SNA and BPM	
CM.3	A taxonomy for communicating economic statistics releases, products and product updates	* Recommendations for communicating (i) economic statistics releases / vintages of data, (ii) products, and (iii) product updates to users, to be included in a separate chapter on communication in the 2025 SNA (see chapter 21)	Guidance Note is in the process of being updated to incorporate results from phase 1 testing, and then will be circulated to AEG/BOPCOM for final approval.
CM.4	Use of net measures in the presentation of national accounts	* Recommendations (i) to use geometric depreciation as the default option for calculating capital stocks and consumption of fixed capital; (ii) to have a stronger positioning of net income measures; (iii) to change the content of chapter 17 and related text (see paragraphs 37-47 of the Guidance Note); (iv) to change the notation for gross-net adjustment (see paragraph 50 of the Guidance Note); and (v) to identify that NDP volume is the conceptually preferred measure of economic growth, sitting alongside GDP	
Financial issues			
F.1	More disaggregated definition of the financial sector and financial instruments	* Links to Guidance Notes F.3, F.4, F.6, F.7, G.2 and G.4 * Various recommendations for more detailed breakdowns of the financial corporations' sector and a number of financial instruments * Need to agree which subsectors will be covered in chapter 5 on residence, institutional units and sectors versus chapter 29 on financial corporations	

F.2	Asymmetric treatment of retained earnings between direct and portfolio investment and potential extension to domestic relationships	* Very balanced discussion of various options for treating retained earnings * Preference, from a conceptual point of view, for a consistent treatment in line with the FDI-treatment; however, from a practical implementation perspective, it is considered challenging, therefore recommendation to include it as supplementary information items * Further recommendation to not change the current recording of share buybacks (i.e., a purely financial transaction, without the imputation of a distribution of dividends in combination with a reinvestment of these dividends) and to put this issue in the post SNA 2025/BPM7 Research Agenda, as part of the broader issue of extending the reinvested earnings approach (see also action point B.2 in the note on resolving minor action points)	
F.3	Reverse transactions	* Basically, no conceptual changes are recommended, with the exception of recording of (manufactured) interest/ dividends; see paragraph 23 of the Guidance Note * However, it is proposed to include some clarifications on the recording of reverse transactions, e.g., the recording of negative assets for short-sales (see paragraph 19 of the Guidance Note); the recording of different types of RTs (see paragraph 22 of the Guidance Note); the recording of RTs on commodities (paragraph 28 of the Guidance Note), and the separate identification of repo-related transactions (see paragraph 30 of the Guidance Note)	
F.4	Financial derivatives by type	* Recommendation to include a new classification of financial derivatives by (i) market risk; (ii) instrument; and (iii) trading venue, the first to be considered as the standard-breakdown, while the others are considered as supplementary items; see paragraph 23 of the Guidance Note * Recommendation to emphasise the importance of having information on the currency composition of notional values (see paragraph 24 of the Guidance Note) * Recommendation to not separate exchange rate changes from other revaluations for FX-instruments (less relevant for SNA) * Recommendation to include guidance on the recording of novation and portfolio compression (see paragraph 26 of the Guidance Note) * Recommendation to clarify cases where net recording (i.e., assets minus liabilities) is acceptable	The BOPCOM has decided to move the classification by market risk from standard breakdown to supplementary breakdown for Balance of Payment purposes (see “BPM6 update holistic review”)
F.5	Treatment of Credit Default Swaps	* No conceptual changes proposed, continue to classify CDS as option-type (see paragraph 14 of the Guidance Note), and add clarifications on credit default swaps (in line with paragraphs 7-10 of the Guidance Note) * Recommendation to classify CDS under credit derivatives in the new classification	
F.6	Non-bank financial intermediation	See Guidance Note F.1	

F.7	Impact of FINTECH and other financial innovations	* Links to Guidance Notes B.14, F.1, F.6 and F.18 * No conceptual changes proposed; recommendation to keep the current guidance on (e-)money as is; see paragraphs 27.10 – 27.17 of the 2008 SNA; when considered necessary, also in view of the updated Guidance Note F.10 on Treatment of cash collateral (see action point B.4), some additional clarifications could be added, while drafting (see also action point B.3 in the note on resolving minor action points) * Recommendation to have supplementary data on sectors for countries with substantial Fintech activities * Some of the clarifications could be relevant for chapter 22 on digitalisation	
F.8	Valuation of debt securities at both market and nominal value	* Links with Guidance Notes F.9 and AI.1 * Recommendation to include explicit guidance for compiling stocks of debt securities at nominal value, as a supplement to the existing market valuation (see paragraph 13 of the Guidance Note) * Recommendation to report debt securities component of direct investment inter-company lending as a supplementary item * Recommendation to slightly rephrase the definition of nominal values (see paragraph 18 of the Guidance Note)	The recommendation in paragraph 18 (to use the definition of nominal value in BPM6) has been superseded by the recommendations in Guidance Note AI.1.
F.9	Valuation of loans (fair value)	* Links with Guidance Notes F.8, F.15 and AI.1 * Nominal valuation maintained, however extending the possibilities to re-assess the value of loans, e.g. by a formal, publicly known process (see paragraph 34 of the Guidance Note) * Changes/clarifications needed in paragraphs 12.38-42 of the 2008 SNA, and potentially other sections where valuation of financial instruments is discussed	
F.10	Treatment of cash collateral	* Recommendation to leave the current treatment unchanged, but to introduce slight changes to allow for the views expressed by the BOPCOM and AEG * Recommendation to extend the treatment of cash collateral, which is now circumscribed to margins in financial derivatives, to other cash collateral agreements (e.g. escrow accounts, reserve in factoring) * Possible inclusion of clarifications resulting from BPM, affecting paragraphs 11.59, 11.75 and 11.124 of the 2008 SNA * Links with definition of money; see also Guidance Note F.7 (and action point B.4 in the note on resolving minor action points)	
F.11	Treatment of electricity forwards	Dropped	
F.12	Covering hybrid insurance and pension products	* Recommendation to clarify the treatment of hybrid insurance, not leading to a change of the conceptual guidance; see option 2 in paragraph 13 of the Guidance Note * Recommendation to treat employer-independent autonomous pension funds as part of social insurance provided that they meet specific requirements; see option 3 in paragraph 20 of the Guidance Note * In addition, issue note on action point A.13 provides a further elaboration of the guidance on employer-independent non-pension related schemes and provident funds, and the delineation of social insurance more generally	

F.13	Measurement of margins on buying and selling of financial instruments	* No conceptual changes proposed, only recommendation to provide references to compilation methods	
F.14	Treatment of factoring transactions	* Recommendation to add guidance on the recording of factoring transactions, currently non-existing in the SNA * Further recommendations (i) to adapt the guidance by adding more details on the conceptually preferred recording and the recommended convention as detailed in the Guidance Note (which may not work in special circumstances of very high inflation and credit risk environments (Note: In respect of the latter, one may also want to add more general guidance on the measurement of output under conditions of high inflation, when trade credit cannot be considered as a good proxy for the measurement of output of the supplier; (ii) to exclude, for conceptual reasons, possible financial services indirectly measured (FISIM); and (iii) to further investigate the actual business accounting practice, including available details from annual reports of factoring enterprises (see action point B.5 in the note on resolving minor action points)	
F.15	Debt concessionality	* Links with Guidance Note F.9 * Recommendation to record concessional element by directly recognising grant at the time of loan inception not endorsed * In line with issue note, it is recommended (i) to never record a transfer element for concessional lending in the sequence of economic accounts, except for concessional loans provided by employers to employees (to be recorded as current transfers); (ii) to remove the exception made for loans/deposits by central banks; and (iii) to include supplementary information on concessional lending by government and international organisations (to be recorded as capital transfers at inception, being an explicit policy decision to provide a lower interest rate at the start of the loan, or to change the conditions of relevant loans)	Recommendations in the Guidance Note superseded by issue note with a more holistic view on concessional lending.
F.16	Subscription rights	* Recommendation to add guidance on the recording of (equity) subscription rights, as part of equity, currently non-existing in the SNA * Recommendation to include clarification on the difference in characteristics regarding expiry dates	
F.17	Master risk participation agreements	Dropped	
F.18	Treatment of crypto assets in macroeconomic statistics (combined with GN DZ.6)	* Recommendation to treat crypto assets with a corresponding liability as financial assets, to be classified according to the proposals in paragraph 41 of the Guidance Note * Recommendation to treat crypto assets without a corresponding liability designed to act as a general medium of exchange (CAWLM), and those designed to act as a medium of exchange within a platform only (i.e., payment tokens without a corresponding liability (CAWLP), as non-produced non-financial assets, to be classified as a separate category	Decision on the recording of CAWLM (and CAWLP) based on the outcomes of a global consultation of users.

Informal economy			
IE.1	Statistical framework and classification of informal economy	* The Guidance Note presents a framework for defining and measuring informal activities, with clear links to ICLS and SNA * Recommendations should be reflected in chapter 39 on informal activities * No impact on the sequence of economic accounts	
Islamic Finance			
IF.1	Islamic finance in the System of National Accounts and External Sector Statistics	* More detailed guidance on the recording of Islamic finance to be covered in chapter 26 on Islamic finance * Impact on the terminology and definition of interest * May also need to include additional clarifications in the central framework regarding measurement of output, including FISIM; classification of subsectors within financial corporations; and financial instruments	Awaiting results from testing the application of the FISIM-methodology.
Balance of Payments related issues			
B.1	Nationality concept	Dropped	
B.2	Standardized statistical definition of Net International Reserves	* No impact on SNA, could however be added to chapter 33 on transactions (and positions) between residents non-residents	
B.3	Centralised Currency Unions	* Addresses issues related to recognising institutional units, certainly in the case no national agencies are established; exception/clarification to be included in the core chapters of the SNA (see paragraphs 14-16 of the Guidance Note)? Or only in chapter 33 on transactions (and position) between residents and non-residents?	
B.4	Reconciliation between flows and stocks	* No impact on the SNA, only recommends to arrive at a full and consistent accounting of (changes in) assets and liabilities	
B.5	International accounts supporting the analysis of welfare	Dropped	
B.6	Sustainable finance	* No impact on the sequence of economic accounts, only proposes some supplementary information * It would be good to include relevant text in chapter 35 on sustainability	
B.7	Arrears in IIP	* No impact on the sequence of economic accounts, only contains proposals to add some supplementary information * However, it could be useful to add some of the clarifications (see, for example, paragraphs 12-14 of the Guidance Note	
B.8	Recording citizenship by investment programs	* Recommendation to record non-refundable contributions to obtain citizenship, as either a current transfer or a capital transfer, due to voluntary nature	
B.9	Treatment of external assets and related income declared under tax amnesty in External Sector Statistics	* May need to include a paragraph in the 2025 SNA on the treatment of tax amnesties for taxes on income	

B.10	Auxiliary reconciliation tables	Dropped	
B.11	Other economic flows on insurance and pension reserves	Dropped	
B.12	Treatment of illiquid equity in international organizations in the IIP	* Recommendation to treat all equity in international organizations, both equity in the form of unlisted shares and equity in the form of non-negotiable equity, as part of “other equity"; and to change the term “other equity” to “other equity, including equity in international organizations”	
Current account related issues			
C.1	Recording transactor-based components of services	* No impact on the SNA, only includes recommendations to align BPM to product-based classifications for transactor-based services	
C.2	Goods, services, and investment income accounts by enterprise characteristics	* No impact on the sequence of economic accounts, only includes recommendations to have voluntary breakdowns of imports and exports by enterprise characteristics * It would be good to include relevant text in chapter 23 on globalisation	
C.3	International trade classified by currency	* No impact on the sequence of economic accounts, only includes recommendations to have voluntary/encouraged breakdowns of imports and exports by currency in BPM	
C.4	Merchanting and factoryless producers; clarifying negative exports in merchanting; merchanting of services (Combined with GN G.6)	* Mainly concerns clarifications on the recording of global production arrangements, to be covered in chapter 23 on globalisation * However, one may also want to include some of the guidance in chapter 7 on production accounts, and more importantly, in chapter 15 on supply and use tables * In addition, during drafting of BPM annotated outlines, it was suggested to include discussion of inverse merchanting in the manual. This could likewise be carried into the SNA, in chapter 33 [Inverse merchanting is different from ordinary merchanting (e.g., a merchanting enterprise resident in country A is buying goods in country B and is selling the goods without physical transformation to another enterprise in country B). For inverse merchanting also the country where the inverse merchanting activity is taking place (country B) has to adjust its IMTS data in order to reflect the change of economic ownership of the goods (exports and imports) * Note 1: Some discussion on the recording of (digital) intermediation services (see paragraphs 38-43 and 59 of the Guidance Note), raising the question of consistency with current guidance and guidance provided in other Guidance Notes, such as the one on DIPs (Guidance Note DZ.9) * Note 2: Some concerns have been expressed in relation to merchanting of services	The issue mentioned under note 1 has been resolved (see action point B.7 in the note on resolving minor action points). The issue mentioned under note 2 has been dropped for the time being.

C.5.1	Statistical impact of the change in treatment of operating leases in business accounting	* Links with Guidance Note C.5.2 * No change in conceptual guidance, although it is recommended to include more guidance in the SNA, especially regarding the linkages between SNA and business accounting standards * Moreover, recommendation to further align the guidance in SNA and BPM (see foot-note 10 of Guidance Note C.5.1), including a more general call (Sanjiv) for improving consistency of wording, also within the SNA	
C.5.2	Economic ownership in the context of financial and operating lease transactions pertaining, in particular, to aircrafts	* See Guidance Note C.5.2	
C.6	Trade in services classifications	* No impact on the sequence of economic accounts, only includes recommendations to have some alternative/ additional breakdowns by type of service in BPM	
C.7	Treatment of travel packages, health-related travel, and taxes and fees on passenger tickets	* Recommendations for unbundling the various services included in travel packages, which could be addressed in the section on partitioning transactions, and possibly also in chapter 6 on production accounts	It has been agreed to implement the recommendations of the Guidance Note (see action B.8 in the note on resolving minor action points).
C.8	Recording of penalties and fines	* No explicit conceptual changes, but it may be useful to add clarifications on the recording of fines and penalties as either current transfers or capital transfers, and also on the time of recording of such transactions (see paragraph 18 of the Guidance Note)	
C.9	Valuation of trade under long term contracts	Dropped	
C.10	FISIM	Dropped	
C.11	Valuation of imports and exports (CIF-FOB adjustment) (combined with GN G.1)	* See Guidance Note G.1	
Direct investment related issues			
D.1	Compiling statistics of greenfield investments and extension of capacity	* No impact on SNA, only contains recommendation for a definition of greenfield direct investment (DI) with options for a narrow and a broader definition * Proposal to include recommendations on introducing supplementary information on greenfield investments for FDI-statistics, using the transactions approach	

D.2	Valuation of unlisted equity in direct investment	* Links with Guidance Note AI.1 * Recommendation to explain the concept to be measured — namely, in the absence of market prices, own funds as the difference between assets and liabilities of unlisted corporations to be measured at market prices * Recommendation to treat own funds at book value (OFBV), transaction prices, and market capitalization as the preferred methods to provide estimates of market value and using a decision tree to implement one of the preferred methods * Need to add guidance on negative equity and provisions, the latter also based on additional reflections in the context of GN WS.9	
D.3	Treatment of collective investment institutions	* No impact on SNA, as it mainly concerns the recording of FDI-relationships of collective investment institutions (CIIs), including proposal to redefine FDI, restricting FDI by/into CIIs * May be relevant to include it in chapter 33	
D.4	Corporate inversion	* No impact on SNA, but it may be good to include relevant text in chapter 23 * Recommendation to include a taxonomy and an official definition of corporate inversions * Recommendation to include supplementary statistics for more data on corporate inversions in FDI-statistics * No conceptual changes envisaged	
D.5	Eliminating imputations for an entity owned or controlled by general government that is used for fiscal purposes	* No change in principle of recording SPEs set up by government as non-resident; however, recommendation to introduce enhanced imputations to better reflect the fiscal operations of government controlled SPEs (see option 3, as described in paragraph 15 of the Guidance Note)	
D.6	Ultimate investing economy (UIE) and ultimate host economy (UHE) and pass-through funds	* No impact on SNA, but it may be good to include relevant text in chapter 33 * Recommendation to streamline the definitions of UIE and pass-through funds, and develop supplemental information on UIE, UHE and pass-through funds in DI-statistics, although not yet agreement on underlying concepts (see paragraph 17 of the Guidance Note) * No conceptual changes envisaged	
D.7	Sectoral breakdown of direct investment	* No impact on SNA, only includes recommendations to have (additional) sectoral breakdowns in FDI-statistics, either as standard components, memorandum items, or supplementary information (see Annex 1 of the Guidance Note)	
D.8	Public-private partnerships	* No direct impact on SNA, although clarifications on the treatment of PPPs may be warranted, especially in chapter 30 on general government and the public sector * No conceptual changes introduced, mainly concerns discussions on adding clarifications/guidance on the recording of PPPs, based on existing guidance in SNA and GFSM (see action point A.7 of the note on resolving minor action points), as follows: (i) to update the definition of a PPP and extend the introductory remarks to describe common PPP arrangements; (ii) to differentiate between PPPs where payments are made by the public partner for the provision of the public service or asset, and those where the payments are received from users of the public service or asset; noting the different statistical considerations when assessing who is the economic owner	

		of the asset and the different statistical recordings when the asset is deemed to be on the government balance sheet; (iii) to highlight differences between the SNA and IPSAS for the recording of PPPs; and (iv) to provide more definitive guidance on the statistical recording of PPP-related transactions by describing the preferred treatment (even if other treatments are acknowledged as being appropriate in some circumstances)	
D.9	Reconciling BPM-based direct investment (DI) and activities of MNEs	* No impact on SNA, but it may be good to include relevant text in chapter 23 * Recommendation to develop a framework to support the reconciliation of FDI- and AMNE-statistics, by identifying additional breakdowns, new supplemental presentations, and perhaps additional variables; also recommendation to align the definition of MNE to that in Guidance Note G.2	
D.10	Defining the boundaries of direct investment	* No impact on SNA, apart from definition of FDI-enterprises (see Guidance Note G.2) * Recommendation to retain a numerical threshold in defining DI, retaining this threshold at 10 percent, and maintaining status quo that DI relationships can only be achieved by ownership of equity	
D.11	Removing debt between affiliated insurance corporations and pension funds from direct investment	* No changes proposed, although minor impact on SNA (alignment paragraph 26.87 of the 2008 SNA with BPM); see paragraph 15 of the Guidance Note	
D.12	Including intra-concern [between affiliates] derivatives in direct investment	* No impact on SNA * No conceptual change introduced for DI-statistics: intra-concern derivatives remain to be excluded from DI, only proposal to add supplementary item for derivatives between affiliated DI-enterprises in relevant instrument category	
D.13	Treatment of large construction financed by government	Dropped	
D.14	Financial conduits	* No impact on SNA * No changes proposed but concerns about the recording of lending activities of financial conduits in the SPEs template; no changes proposed * Proposal for a decision tree to derive the functional category of instruments issued by financial conduits (see paragraph 16 of the Guidance Note)	
D.15	Treatment of payments made by non-resident affiliated enterprises on behalf of DI enterprises	Dropped	

D.16	Treatment of retained earnings	* No conceptual changes introduced, however it is recommended to add clarifications on the estimation of reinvested earnings for foreign direct investment (FDI) and investment funds (in particular regarding the possible impact of provisions, and the measurement of reinvested earnings further down the ownership chain) * Recommendation to introduce a memorandum item on provisions * Agreement that from a conceptual and analytical point of view, the attribution of all the earnings generated below the direct investment ownership chain as reinvested earnings should be kept, acknowledging the practical challenges * Further clarifications provided on the measurement of investment income attributable to collective investment fund shareholders, including the way in which to record explicit and implicit fees (see paragraph 28 of the Guidance Note)	
D.17	Identifying super dividends and establishing the borderline between dividends and withdrawal of equity	* Recommendation to adjust the definition of (super)dividends and, implicitly, reinvested earnings, in the context of Foreign Direct Investment: distributions of accumulated reserves would be recorded as ordinary dividends, only exceptional payments recorded as withdrawal of equity in the financial account would only consist of sales of assets * The adjustment results in an inconsistent treatment of dividends; as per issue note, discussed at the 21th AEG-meeting, this inconsistency has been accepted	
D.18	Cash pooling in direct investment	* No impact on SNA * Include a detailed description of the main types of cash pooling arrangements and ways to identify and classify associated debt instruments as either DI or other investment (see paragraph 4 of the Guidance Note)	
Other guidance notes			
AI.1	Valuation principles and methodologies	* Recommendation to clarify the valuation principles for transactions, with a preference for the term “exchange values”; to distinguish the principles from observed exchange values/market prices); and to clarify the principles for valuing non-financial assets, using the notion of capital services * Recommendation to clarify the appropriateness of market conditions, when using observed market prices to arrive at market-equivalent prices * Recommendation to provide clarifications on the application of the sum-of-costs method (link with issue note on action point A.8 (see X.55), and the NPV-method * Recommendation to further elaborate the concept of nominal value * Recommendation to provide more details on alternative valuation methodologies for transactions and positions beyond the central framework of national accounts * Recommendation to provide more details on the relationship between the SNA and business and public sector accounting standards *Recommendation to introduce a more in-depth discussion of valuation principles and methods in Chapter 4, possibly in an annex	

AI.2	Treatment of rent for the recording of data, marketing assets and biological resources	* Recommendations (i) to broaden the definition of rent to cover all payments/receipts related to the use of non-produced non-financial assets (whatever their life span); (ii) to keep the current treatment for the recording of rent (i.e., in the allocation of accrued income account); and (iii)to broaden the scope of costs in the sum-of-cost approach, by also including costs related to the use of non-produced non-financial assets	
Guidance provided in SNA New and Notes			
X.1 (N&N 29)	The 2008 SNA and the financial crisis	* No further action needed; however, see also GN F.1 regarding more detailed breakdown of non-bank financial intermediation * At its 6th meeting, the AEG reviewed a short paper on "The 2008 SNA and the financial crisis", and concluded the following: (i) that the text of the 2008 SNA now gives comprehensive guidance on how recent events connected with the financial crisis should be recorded; (ii) agreed that the treatment of standardized guarantees issued by government should be extended to other financial instruments; (iii) in describing the action of nationalizing a bank, agreed that mention should be made of whether government takes effective control of the bank; (iv) suggested that some extracts from BPM6 on short-selling and securitization should be included in the 2008 SNA"	
X.2 (N&N 30/31 and 32/33)	The recording of emission permits issued under cap and trade schemes in the national accounts	* See Guidance Note WS.7	
X.3 (N&N 36)	Treatment of the output of central banks	* N&N 36 provides some further clarifications on the measurement of output of central banks, most probably not affecting the current guidance to a significant degree, unless one would also give room to the ESA-guidance * However, a separate issue note (action point A.9) has been drafted, in line with the assessment of SNA Research Agenda. This endorsed issue note recommends the following: (i) to remove, for conceptual reasons, the references to FISIM from the estimation of central bank output; (ii) to update the guidance regarding the typical services provided by central banks, by also recognising other services, for instance those related to promoting financial stability and managing the payments system; (iii) to treat all services provided by central banks as collective services, to be valued at the sum of costs; and (iv) to record the transfers from the financial corporations' sector as current transfers to the central bank, and to allocate the collective services to the final consumption expenditure of the central bank	
X.4 (N&N 37)	The delineation of head offices and holding companies in the national accounts	* Recommendation to include further clarifications on determining whether or not a head office/holding company is a separate institutional unit * Recommendation to include further clarification on distinguishing head offices from holding companies	

X.5 (N&N 39/40)	Recording of flows between a defined benefit pension fund and its sponsor	* Specific recommendations on the calculation of (imputed) investment income on the claim between a pension fund and its sponsor, as the difference between the unwinding of the pension liabilities and the actual investment income received * Recommendation to classify the relevant investment income (D444), using the term "Imputed investment income attributable to the surplus/shortfall in defined benefit pension funds" * Further guidance on treatment of holding gains/losses and other events affecting the claim between the pension fund and its sponsor	
X.6 (N&N 39/40)	The statistical treatment of negative interest	* Recommendation to treat negative interest as negative investment income (note: leads to an inconsistency with business accounting standards, which consider negative interest as an expense) * Further recommendation to clarify the calculation of FISIM along the lines agreed at the 8th meeting of the AEG, not only relating to the choice of reference rates for domestically produced/consumed FISIM, but also for the guidance provided on the reference rates for imports and exports of FISIM, and the guidance provided on the volume measurement of FISIM (see action point B.9 in the note on resolving minor action points); see also X.10	
Recommendations from past AEG-meetings			
X.7 (AEG 7/2012)	Service lives of military weapon systems	* Recommendation that the depreciation profiles of military weapon systems should reflect the expected service lives of such assets taking into account expected losses, and noted that the relevant service lives may need to be reviewed in times of conflict * Recommendation to generally record losses of military weapon systems in military operations as other changes in volume of assets	
X.8 (AEG 7/2012)	Definition of catastrophes in the measurement of non-life insurance	* Recommendation to determine at the national level whether or not a catastrophe is an exceptional event (including the classification of claims arising from a catastrophe), while recognising that this may lead to inconsistencies in the recording of international transfers (to be resolved on a case by case basis where possible) * Further recommendations (i) to extend the recording of capital transfers in the case of catastrophic events to claims related to inventories and non-financial assets other than dwellings, building and structures; (ii) to add clarifications on the recording of reinsurance claims which are related to catastrophic events; (iii) to add clarifications on the recording of claims in the case of damage to consumer durables; (iv) to apply a relatively strict delineation of major catastrophic events, to avoid inconsistencies; and (v) to cover more details regarding the treatment of non-life insurance in the context of distributional national accounts in SNA 2025 Chapter 32 on households and/or Chapter 34 on measuring well-being (see action point B.10 in the note on resolving minor action points)	

X.9 (AEG 7/2012)	Capital services of assets not contributing to production	* Recognising the importance to resolve the treatment of capital services of assets not contributing to production, such as those that are constructed over more than one accounting period or those that are temporarily inactive, and the need for further research on the utilization of capital in the measurement of capital services * Further recommendations (i) to include more generic guidance on the recording of work-in-progress, not restricting the transfer of ownership to buildings and other structures; (ii) to include guidance on the conceptually preferred recording of work-in-progress (only record a transfer in the case of an effective transfer of ownership; record partially completed structures as work-in-progress, also after a partial hand-over; record differences between stage payments and the effective transfer of ownership as other accounts payable/receivable); (iii) to include possible exceptions to the conceptually preferred recording, in view of problems around the practical implementation, and need to rely on stage payments as a proxy for transfer of ownership, and recording gross fixed capital formation as a default; (iv) to include explicit guidance on the measurement of capital services for inventories; (v) to update the guidance on the measurement of capital services for natural resources, in line with the recommendations of the Guidance Notes WS.6, WS.8, WS.10 and WS.11; and (vi) to include additional discussion of the rate of return, and to provide clear and consistent guidance on the use of discount rates, in line with Guidance Note WS.10	
X.10 (AEG 8/2013 (and 7/2012))	FISIM, especially the methodology for determining the reference rate, and the inclusion/ exclusion of maturity risk and credit default risk	* Recommendation to (implicitly) include maturity risk in the calculation of FISIM, by using a single reference rate * Recommendations regarding the choice of reference rate (single exogenous rate, a weighted basket of exogenous rates, or endogenous interest rate), including guidance on choice in very volatile periods * Recommendation on the calculation of imports and exports of FISIM by at least two groups of currencies * Recommendations on FISIM in volume terms * No conclusion yet on the treatment of credit default risk (CDR); and further research needed on, amongst others, alternative approaches for establishing reference rate (costs of funds, vintage); and financial instruments and units scope * See also action point B.9 of the note on resolving minor action points	
X.11 (AEG 8/2013 (and 7/2012))	The recording of stability fees	* Recommendation that for determining whether payments to stability schemes should be classified as a tax or as a payment for an insurance-type of transaction, the criterion of proportionality between payments and the provision of an insurance-type of services (including payments for the risk element) should be examined on a case by case basis, whereby the existence of a fund functioning on insurance rules with a full set of accounts may indicate proportionality, while in the case that the payments are not put aside, or can be used for other purposes, may be used as an indication to treat the payments as a tax * Discussion on the different aspects of the appropriation of the assets of financial corporations and the compensation of depositors (shortfalls or excess of assets) and concluded that many different arrangements exist * Note: Further discussions at the Eurostat FAWG?	

X.12 (AEG 9/2014)	Accounting for pensions: treatment of holding gains and losses	* Recommendation that, in measuring the investment income payable on pension entitlements, a distinction should be made between defined contribution pension schemes and defined benefit pension schemes, whereby in the former case the investment income should exclude any holding gains/losses, and in the latter case the investment income should be set equal to what has been allocated to the pension entitlements, disregarding the source of the income * A separate issue note (action point A.10) has been endorsed, in line with the assessment of SNA Research Agenda, with the following additional recommendations: (i) for non-life insurance, to measure investment income attributable to insurance policy holders as actual investment income on investments from the funds available through insurance technical reserves, excluding holding gains and losses; (ii) to record reinsurance and standardised guarantee schemes in line with non-life insurance; (iii) for life insurance, to treat all income which is allocated to the life insurance policy holders as property income, whether or not this income originates from investment income or from holding gains (or losses); (iv) for multi-employer pension schemes, to provide simpler guidance for the measurement of output, in line with the sum-of-costs method, for autonomous pension schemes; (v) to provide further clarifications on the treatment of holding gains/losses more generally	
X.13 (AEG 9/2014)	Recording flows and stocks of international organisations	* Proposal to investigate the potential of compiling estimates on the output of international organisations, with a focus on the measurement of FISIM * The AEG recognized that the measurement of the output of international financial institutions requires further work, and agreed to include this issue on the 2008 SNA research agenda, taking into consideration the cost of funds approach and the valuation at cost (possibly including the full cost of capital) for the non-market part of output * However, as no further work has been done, and the impact is probably not very significant, while testing the feasibility may require substantial work, it has been proposed to drop it from the current research agenda	

X.14 (AEG 10/2016 (and 9/2014))	Accounting for pensions: recognition of pension entitlements	* At its 10th meeting, the AEG concluded, amongst others, the following: (i) agreed that the current guidelines are ambiguous on the distinction between pension entitlements that should (not) be recognised in the central framework; (ii) agreed that (based on more practical country examples) guidance should be developed in the short term on the distinction between social security and employment-related schemes; (iii) recognised that there are valid arguments for using the asset boundary to determine when liabilities should be recognised and recorded in the central framework, and agreed that guidance applying the latter principles should be considered over the longer term * It is not considered feasible to resolve the issue of recognizing, in the central framework, entitlements related to unfunded social security schemes (it will thus continue to feature on the post-2025 SNA Research Agenda); however, it is considered quite important to arrive at more clarity, as the current SNA guidance is ambiguous in some respects, and differs from the guidance provided in other standards for macro-economic statistics. * For the latter purpose, a separate issue note (see action point A.13) has been drafted, with the conclusion that in principle pension entitlements should be recognized for all employment-related schemes, which are not intertwined with social security type of schemes. In relation to such schemes provided by public employers, no exceptions should be made, if the latter schemes are similar to those provided by private employers, in particular in respect of the terms and conditions of compensation, both current compensation and future compensation after retirement * In this context, the relevant issue note also recommends a(n) (explicit) non-recognition of constructive liabilities	
X.15 (AEG 11/2017 (and 9/2014))	Accounting for pensions: recording of flows between a defined benefit pension fund and its sponsor	* See SNA News and Notes, issue 39/40 (see X.5)	
A.16 (AEG 11/2017 (and 9/2014 and 8/2013))	Accounting for pensions: supplementary table on household retirement resources	* General agreement on the value added of a supplementary table on household retirement resources (to be further elaborated) * Recognized that the scope of assets to include in the table on household retirement resources may differ between countries, and suggested to have more granularity to improve the international comparability of the data * Recognized that issues on household retirement affect all countries and encouraged AEG members from developing countries to provide inputs to further work on household retirement resources	
X.17 (AEG 11/2017)	Treatment of negative interest	* See SNA News and Notes, issue 39/40 (see X.6)	

X.18 (AEG 12/2018 (and 11/2017, 10/2016 and 9/2014))	Statistical units	* The last time the AEG discussed this issue, it concluded the following: welcomed the ongoing work of the ISWGNA Task Force on statistical units and agreed with the proposed electronic consultation to initiate work on (a) the type of information used to make adjustments to the targeted unit, whether this is based on a full set of information or on some indicator(s), either or not directly collected from survey respondents; and (b) the advantages and disadvantages of an integrated analysis of production, income and finance * Further research needed, although the AEG also agreed, at its 21st meeting, to provide more guidance on the usefulness and practicalities of using the concepts of enterprises and establishments in the relevant parts of the accounts, in line with the conclusions of the 10th AEG-meeting	
Items included in the agreed outline			
X.19 (Outline)	Include main groupings of chapters in the 2025 SNA	* See title	
X.20 (Outline)	Refocusing chapter 1 Introduction (including potential impact on 2025 SNA chapters 2 and 3) (paragraphs 10, 25 and 32 of note on outline 2025 SNA)	* Paying more attention to the role of supply and use tables, labour accounts and capital services (also in 2025 SNA chapter 3) * Adding concise text on the basic identities of the system (to be further elaborated in 2025 SNA chapter 3) * Giving more prominence to volume and price measures * Giving more attention to net measures * Providing concise information on the links with other statistical standards and manuals; and also to the links with business and public sector accounting standards (by further extending the current sections E and F * Re-allocating relevant text from the current section H to 2025 SNA chapter 2 * Concluding the chapter with a concise reader's guide for the 2025 SNA	
X.21 (Outline)	Adding text on productivity measurement to 2025 SNA chapter 18 on measuring prices, volumes and productivity (paragraph 33 of note on outline of 2025 SNA)	* Re-allocate (and extend) the current text on productivity, from the 2008 SNA chapter on population and labour inputs to the 2025 SNA chapter 18 on measuring prices, volumes and productivity	

X.22 (Outline)	[NEW] Adding a section, in the 2025 SNA chapter 18 on measuring prices, volumes and productivity, on the volume and price measurement of specific products, similar to section F of 2008 SNA chapter 6	* See title	
X.23 (Outline)	Refocusing 2008 SNA chapter 19 (chapter 16 in the 2025 SNA) to labour accounts (paragraph 23 of note on outline of 2025 SNA)	* Much stronger emphasis on the framework of labour accounts * Re-allocate (revised) version of section B to 2025 SNA chapter 5 on residence, institutional units and sectors	
X.24 (Outline)	Refocusing 2008 SNA chapter 20 (chapter 17 in het 2025 SNA) on capital services and the national accounts (paragraph 24 of note on outline of 2025 SNA)	* Less emphasis on valuation of non-financial assets, by re-allocating relevant text on valuation elsewhere (e.g., annex to 2025 SNA chapter 14 on balance sheet, or possibly new section on valuation at large, as an annex to 2025 SNA chapter on flows, stocks and accounting rules); see Guidance Note AI.1	
X.25 (Outline)	Add text on balancing the accounts to 2025 SNA chapter 19 on summarizing, integrating and balancing the accounts (paragraph 34 of note on outline of 2025 SNA)	* Add text on balancing the accounts, either by having a very a concise discussion at the start of the chapter, or by introducing a new section on this topic * In doing so, focus on the main identities in the SNA	

X.26 (Outline)	Refocusing 2008 SNA chapter 18 (chapter 20 in the 2025 SNA) on elaborating and presenting the accounts (paragraph 35 of note on outline of 2025 SNA)	* Review the current text quite significantly, and restrict the coverage of this chapter to the following topics, in a (much) more elaborated way than currently done: (i) temporal disaggregation; (ii) territorial disaggregation; and (iii) regular and benchmark revisions, and the compilation of time series data * In dealing with the above topics, pay much more attention to institutional sector accounts * Remove section C on accounts in volume terms, and include relevant content in the 2025 SNA chapter 18 on measuring prices, volumes and productivity * Remove section F on presentational issues, and include relevant content in the 2025 SNA chapter 21 on communicating the accounts * Possibly add a section on accounting under conditions of high inflation (see X.49)	
X.27 (Outline)	Refocusing 2025 SNA chapter 25 on selected issues on financial instruments (paragraph 27 of note on outline of 2025 SNA)	* Basically consisting of parts 3, 4 and 6 of 2008 SNA chapter 17 on cross-cutting issues * Significantly downsizing part 4, restricting the text to some more problematic areas	In current version of 2025 SNA chapter 25, part 4 has not been downsized (may need further discussion in view of 2025 SNA chapter 29).
X.28 (Outline)	[NEW] Changing the content of 2008 SNA chapter 28 (chapter 36 in the 2025 SNA) on input-output and other matrix-based analyses	* Remove section D on social accounting matrices, because of overlap with from-whom-to-whom tables (chapter 37 in the 2025 SNA) * Add a section on worldwide input-output tables, giving its importance for certain types on analysis (Trade in Value Added, ecological footprints, etc.)	
X.29 (Outline)	Refocusing 2008 SNA chapter 27 (chapter 37 in the 2025 SNA) on links to monetary statistics and the flow of funds (paragraph 29 of note on outline of 2025 SNA)	* Change the focus of the new chapter 37 to from-whom-to-whom tables for current and capital transactions and for financial transactions and positions * Including text on new types of analysis for capturing financial risks and vulnerabilities and the IMF balance sheet approach * Certain elements of the 2008 SNA chapter, for example on the links to monetary statistics, could be re-used, in a revised version, in the new chapter 29 on financial corporations	
X.30 (Outline)	Refocusing 2008 SNA chapter 29 (chapter 38 in the 2025 SNA) on satellite accounts and other extensions (paragraphs 13 and 36 of note on outline of 2025 SNA)	* Focus on thematic accounts * Remove section B on functional classifications, and integrate relevant text in the annex on classification hierarchies * Re-allocate (revised) versions of section F2, F3 and F4 to new chapters 34 on well-being and 35 on sustainability	

X.31 (Outline)	Paying much more attention to the relationships between macro-economic standards (paragraph 37 of note on outline of 2025 SNA)	* Introduce a new annex	New annex not yet included in the lay-out of the 2025 SNA.
Various other items			
X.32 (AEG 15/2021: M1.21/3.1)	Establishing clearer links to ICLS-resolutions	* Recommendation to add clarifications between ICLS-resolution concerning statistics of work, employment and labour underutilization (2013, 19th ICLS) and ICLS-resolution concerning statistics on work relationships (2018, 20th ICLS, including the new classification of Status in Employment)	
X.33 (AEG 15/2021: M1.21/3.1)	G20 templates for international collection of NA-statistics	* Recommendation to include references to G20 templates for collecting NA-statistics	
X.34 (AEG 15/2021: M1.21/3.1)	Remove inconsistencies in the guidance on the treatment of taxes and subsidies related to central bank lending and borrowing	* See Guidance Note F.15, including issue note on concessional lending	
X.35 (AEG 15/2021: M1.21/3.1)	Improve consistency in the use of terminology for insurance	* Recommendation to address inconsistency in the use of the term “premiums” in the formulae to calculate insurance output * Recommendation to address inconsistency in the use of the terms “increases (plus decreases) in life insurance technical reserves and “increases (plus decreases) in actuarial reserves and reserves for with-profits insurance” in the life insurance output formula	
X.36 (AEG 15/2021: M1.21/3.1)	Clarification on calculation of FISIM	* See X.10	
X.37 (AEG 15/2021: M1.21/3.1)	Recording of central bank swap arrangements	* Guidance provided in IMF-document (https://www.imf.org/external/pubs/ft/bop/2018/pdf/Clarification0518.pdf) * Recommendation to treat off-market central bank currency swap arrangements as an exchange of deposits with maintenance of value. However, if the central banks conduct the transaction as a standard (market priced) currency swap, then it is recommended to record the swap as an exchange of deposits with the simultaneous creation of a financial derivative, namely a forward contract	
X.38 (AEG 15/2021: M1.21/3.1)	Treatment of negative equity in direct investment statistics	* See Guidance Note D.2	

X.39 (AEG 15/2021: M1.21/3.1)	Output of off-shore banks	* Recommendation to treat offshore banks as residents of the country where they are incorporated or registered, and to be classified as deposit-taking corporations. * Recommendation to calculate output according to FISIM, in addition to explicit fees.	
X.40 (AEG 15/2021: M1.21/3.1)	Time of recording of GFCF and instalments	* See X.9	
X.41 (AEG 15/2021: M1.21/3.1)	Recording of refunded premiums at surrender of insurance policies	* Clarification on the recording of refunded premiums as a financial transaction (cash versus decrease of insurance technical reserves	
X.42 (AEG 15/2021: M1.21/3.1)	Treatment of non-fungible tokens (NFTs)	* See Guidance Note DZ.10	
X.43 (COVID)	Government support to businesses and households	* Recommendations for recording government support as either other subsidies on production (objective is maintenance of business), current transfers (objective is income support of households), or reduction of relevant taxes (e.g., tax holiday)	
X.44 (COVID)	Recording of deferred or waived rental payments	* Recommendations on the time of recording of rentals, depending on whether or not the deferral is related to a modification of the lease terms	
X.45 (COVID)	Recording of deferred delivery of, and payments for, goods and services	* First and foremost recommendations on the recording of output and consumption in the case of deferred deliveries (payments), distinguishing between cases where the product is delivered or not	
X.46 (COVID)	Recording of loan payment deferrals by financial intermediaries	* Explanations on the impact of deferred interest payments on FISIM * Some further explanations on the recording of capital transfers in the case of mutual agreement on non-payment of interest	
X.47 (COVID)	Estimating the volume of non-market output	* Recommendations on the way certain substantial changes in the provision of education and health may affect the measurement of output volume, and how to (not) address these	
X.48 (Other (ISWGNA))	Multiple exchange rates (AEG 19/2022)	* Recommendation to include (somewhat more concise) guidance, as provided in Annex A of the 1993 SNA, probably best fit in an annex or a box in chapter 33 on transactions (and positions) between residents and non-residents (see also action point C.1 in the note on resolving minor action points)	
X.49 (Other (ISWGNA))	Accounting under conditions of high inflation	* Proposal to include guidance on accounting under conditions of high inflation, as provided in chapter XIX, section G, of the 1993 SNA, with references to the relevant manual, probably best fit in 2025 SNA chapter 20 on elaborating the accounts; see also action point A.11 in the note on resolving minor action points	

X.50 (Assessment RA, not yet included)	Provide broad conceptual guidance on price and volume measurement related to globalization in chapter 18 of the 2025 SNA	* See action point A.1 in the note on resolving minor action points	
X.51 (Assessment RA, not yet included)	Add text on nationality concept	* Add, where relevant, text on nationality concept in SNA 2025 chapters 23, 29 and/or 37; see also action point A.2 in the note on resolving minor action point	
X.52 (Assessment RA, not yet included)	Include text on partitioning of assets	* Add clarifications on the dual use of consumer durables and fixed assets; see also action point A.3 in the note on resolving minor action points	
X.53 (Assessment RA, not yet included)	Include text on significant differences between on the one hand the SNA, and on the other hand IPSAS and IAS	* See title, and also action point A.5 in the note on resolving minor action points	
X.54 (Assessment RA, not yet included)	Draft an issues note on when, and when not, to consider trusts and other types of funds as separate institutional units	* Recommended to provide additional guidance on trusts, and the consideration for treating trusts, investment funds and pension schemes as separate institutional units (see relevant decision trees) * Recommendation to add guidance on the treatment of specific cases, in particular real estate investment funds, asset management provided by banks, and multi-employer pension schemes; and to update the guidance on quasi-corporations to also account for those which are set up as a trust * Recommendation to do additional research on individual pension trusts, especially whether they constitute a social insurance type of scheme which may warrant a treatment distinct from other trusts; see issue note on action point A.13 (see X.14). The AEG has given its approval for this Issue Note.	
X.55 (Assessment RA, not yet included)	Further alignment of sum-of-costs approach	* See issue note on action point A.8, which includes the following recommendations: (i) to include return to capital in all cases, including non-market output; (ii) to expand the scope of assets for which a return to capital should be recognised, thus including work-in-progress, other inventories (where significant) and non-produced non-financial assets that are used in production; (iii) to exclude a return to capital for city parks and historical monuments on pragmatic grounds; (iv) to add depletion of natural resources as a cost (where relevant) to the sum of costs approach; and (v) to add rent as a cost to the sum-of-costs approach	

X.56 (Assessment RA, not yet included)	Add clarifications on the treatment of costs of ownership transfers for different types of assets	* See title, and also action point A.14 in the note on resolving minor action points	
X.57 (Assessment RA, not yet included)	Add clarifications on the distinction between maintenance and capital repairs for intangible assets	* See action point A.15 in the note on resolving minor action points	
X.58 (Assessment RA, not yet included)	Issues note on a possible alternative treatment of the transfer of leased assets at the end of the lease period	* Recommendations (i) to record, from a conceptual point of view, the transfer of leased assets at the end of the lease period as the building up of a financial claim, which is extinguished at the time of the transfer of the leased asset although in practice, it is considered appropriate to record the transfer of the relevant assets as capital transfers); (ii) to pay more attention to the recording of transfers of leased assets; and (iii) to provide some further clarifications on the possible transfer of the economic ownership of natural resources.	
X.59 (Other BPM-related)	Clarification note on treatment of securities (and gold bullion) under reverse transactions	* Recommendation to exclude securities provided as collateral, which are not readily available for meeting balance of payments financing needs, from the cash borrower's reserve assets and to reclassify these securities to portfolio investment assets; the same treatment would apply to gold swaps as well * Recommendations would implicitly lead to a change in the definition of monetary gold, as gold bullion under reverse transactions would be demonitised (see paragraph 2 of the note)	