

**MINUTES**  
**ISWGNA TELECONFERENCE 28 MAY, 2008**

**Participants**

Eurostat: G. Gueye (Chair), C. Ravets, L. Frankford  
IMF: K. Zieschang, R. Heath (BPM), R. Dippelsman (BPM), L. Laliberte, C. Gorter, R. Kozlow (BPM), L. Rivas  
OECD: C. Aspden  
World Bank: B. Hexeberg  
UNECE: L. Bratanova  
UNSD: I. Havinga, H. Smith, G. Singh, A. Becker (Minutes)  
1993 SNA Update project: P. McCarthy (Project Manager), A. Harrison (Editor)

**1. SNA/BPM issues**

**1.1. Classification of licences to use non-customized software and audiovisual products provided on disk for perpetual use**

Following the actions agreed to at the ISWGNA meeting of 21 April and a willingness by the Chair of the BOPCOM to consider the change if the major stakeholders of the BPM update were in agreement, the ISWGNA agreed to seek agreement from the major stakeholders, notably the UN merchandise trade, OECD and Eurostat trade in services experts and BOPCOM members to change the draft version of *BPM6*. This will be carried out as follows:

- OECD will circulate draft letter addressed to the Chair, Interagency Task Force on Statistics of International Trade in Services containing the suggested changes, to the ISWGNA by cob today for comments
- The Project Manager, on behalf of the ISWGNA, will send the letter to the UN, OECD identified stakeholders and Eurostat, and the IMF will send the letter to BOPCOM members, seeking their comments before 20 June 2008 deadline for comments on the *BPM6* draft.

The ISWGNA emphasized that this issue should not affect the current draft of Volume 1 of the 2008 SNA.

**1.2. Software leasing**

The IMF BPM staff reported that the following extract from SNA par 10.101 presented problems for the BPM6 and they queried whether it was fully consistent with SNA par 11.78: “If the acquisition of a copy of a licence to use purchased with regular payments over a multi-year contract is judged to meet the conditions of capital formation, then it should be regarded as the acquisition of an asset under a financial lease. If regular payments are made for a licence to use without a long-term contract, then the payments are treated as payments for a service under an operating lease.”

The ISWGNA agreed that: (i) the notion of change of economic ownership, as recommended by the AEG, should be added to the first sentence and that the IMF will provide a suggestion by cob 28 May; (ii) the reference “under an operating lease” will be deleted from the second sentence.

### **1.3. Deliveries between affiliated enterprises**

The BPM Editor and the SNA Editor will examine the draft text of both manuals to ensure there is absolute consistency between them regarding deliveries between affiliated enterprises and if necessary, circulate a re-wording of the text in paragraph 14.59 to the ISWGNA.

### **1.4. Construction projects**

The extension of the treatment of long period production of buildings and structures to other items such as ships and aircraft cause an inconsistency with the BPM6. The Editor consulted previous decisions by the ISWGNA and concluded that the ISWGNA agreed to keep the current (1993 SNA) recommendation to treat stage payments for construction and large capital projects as fixed capital formation. The words in par 6.136 referring to ships and heavy machinery should therefore be removed.

## **2. Chapter 22**

The Editor reported that she received comments from most ISWGNA organizations on the chapter. All outstanding comments will be sent by cob Friday, 30 May. The Editor proposed to discuss all comments on the chapter next week with the GFS experts from the IMF to provide an amended version of the chapter to be posted for world-wide comments by cob 6 June. The ISWGNA agreed to the proposal.

## **3. Chapter 25**

The Editor reported that comments from most of the ISWGNA organizations were still outstanding. It was agreed that each ISWGNA organization should provide comments on the draft chapter and outline the issues that should be incorporated into the chapter. UNSD will compile the list of these outlined issues. The ISWGNA will discuss this chapter in a later teleconference.

## **4. Follow-up on the global review on Volume 1**

The Project Manager reported that the Management Group (MG) congratulated the ISWGNA-NA on its achievement in considering the comments received through the global review and accepted their recommendations in this regard.

### **4.1. Reader's Guide**

The MG accepted the Project Manager's proposal to exclude the Reader's Guide from Volume 1.

### **4.2. Leases and licenses**

The MG considered has come to the view that the treatment of emission trading permits in the national accounts needs to be addressed urgently. It has therefore recommended that this aspect of the review of leases and licenses be given a high priority on the research agenda.

The ISWGNA agreed that the Project Manager will provide some suggestions to the MG on a way forward.

#### **4.3. Non-life insurance**

The ISWGNA took note of the responses received from some AEG members regarding the Project Manager's note on Non-life insurance.

#### **4.4. Codes**

Following the ISWGNA agreement at its meeting of 8 and 9 May 2008 not to change the classification and coding structure of accounting entries in Volume 1, Eurostat sent to the ISWGNA a note with proposed codification changes concerning mainly consumption of fixed capital and current transfers, based on a review of specific country comments, The ISWGNA members, with the exception of Eurostat, confirmed their position not to change the codes of Volume 1. UNSD indicated that it would prepare a draft note to clarify the ISWGNA decision on the codes.

#### **5. High Level Group on National Accounts**

The Editor and UNSD will circulate possible issues for discussion at the first meeting of the high level group by cob Friday 30 May for comments by the ISWGNA.

#### **6. Next teleconference**

The next teleconference is tentatively scheduled for 10 June.

#### **7. To-do-List**

<b>Action</b>	<b>By when</b>	<b>Responsible</b>	<b>Status</b>
Update of the Full Set of Consolidated Recommendations (44 issues document) to incorporate changes and UNSC decisions	When possible	Editor	Pending
Draft an example on insurance that includes the compilation of the complete set of accounts with data from the books of insurance companies.	March 2008	UNSD, Eurostat	Pending
Letter to BOPCOM regarding the classification of international trade in intellectual property products	2 April	OECD, Eurostat	Pending
Letter to AEG members concerning the issue of non-life insurance	9 May	Project Manager	Done

<b>Action</b>	<b>By when</b>	<b>Responsible</b>	<b>Status</b>
<b>Actions for Volume 1</b>			
Conclusion of global review on Volume 1	30 April		Done
Reader's Guide	30 April	Project Manager	Abolished
ISWGNA meeting in Luxembourg to discuss country comments	9 May	ISWGNA, Editor, Project Manager	Done
Consolidation and posting of finalized country comments	14 May	UNSD	
Submission of the revised chapters of Volume 1 to the ISWGNA for review, including cross-references, external references, glossary, list of abbreviations	23 May	Editor	
ISWGNA teleconference to discuss issues related to the revised chapters and to prepare a recommendation regarding the adoption of the revised Volume 1	Week of 26 May	ISWGNA, Editor, Project Manager	
White-cover version to be submitted for UN-editing. Electronic version posted on the web site; hard copy to be prepared for dissemination;	30 May	UNSD	
<b>Actions for Volume 2</b>			
Posting of chapter 20	28 March	UNSD	Done
Posting of chapters 22 and 25	28 March	UNSD	Delayed, subject to incorporate comments
Prepare annotated outlines for remaining chapters/annexes of Volume 2	30 April	ISWGNA, Editor, Project Manager	Done
Close of comment period on chapters 20, 22 and 25	30 April		Delayed, subject to posting
ISWGNA meeting to discuss annotated outlines	9 May	ISWGNA, Editor, Project Manager	Done
Summary of comments from world-wide review on chapters 20, 22, 25 and 27 submitted to the Editor	31 May	ISWGNA	
Finalized detailed outlines	31 May	ISWGNA,	

<b>Action</b>	<b>By when</b>	<b>Responsible</b>	<b>Status</b>
		Editor, Project Manager	
Drafting of the remaining chapters/annexes of Volume 2 and submission to ISWGNA	30 June – 15 July	ISWGNA, Editor, Project Manager	
Revision and posting of the remaining chapters/annexes of Volume 2	15 July – 31 July	ISWGNA	
Conclusion of the world-wide review on Volume 2	31 August		
Finalize chapters 20, 22, 25 and 27 and submit to the ISWGNA	30 September	Editor	
Summarise world wide comments on remaining 8 chapters and 2 annexes and submit to the Editor	30 September	ISWGNA	
Meeting to discuss final version of 4 chapters, comments on 8 chapters and 2 annexes	Mid-October		
Revised Volume 2 for submission to the UNSC in 2009	Mid-December	Editor	

*Items marked as 'Done' in this to-do list will be omitted in the following to-do list.*