



SNA 2008 Project Update

ISWGNA/TT Leads
Meeting 6 September
2023

Guidance Notes

- As previously reported, work on the Guidance Notes has essentially been completed
- However, for some GNs, some work remains to finalize them:
 - WS.3 Unpaid Household Service Work – will be circulated to AEG this week for final written endorsement
 - WS.7 Treatment of Emission Trading Schemes – a note elaborating on issues associated with option 4 has been circulated to AEG and BOPCOM for written consultation. The proposed workshop on practical issues needs to be arranged
 - CM.3 A Taxonomy for Communicating Economic Statistics Releases, Products and Product Updates – still needs to be circulated to AEG and BOPCOM for final written endorsement
 - G.9 Marketing Assets – in the process of being updated and will be submitted to AEG and BOPCOM for final written endorsement
 - AI.2 Rent – to be updated and submitted to AEG for final written endorsement
 - A handful of other GNs need some minor housekeeping so they can be posted as finalized
 - During September, the Program Manager will make a concerted effort to work with the relevant people to have the outstanding GNs finalized
- In addition
 - Eurostat is taking the lead in preparing a note on household electricity production for own-use
 - The IMF is preparing a note to provide clarity on negative equity
 - OECD is taking the lead on preparing note on the definition of financial instruments relating to WS.12 Environmental Classifications
 - Peter van de Ven will prepare a note on a few minor outstanding issues
 - It is planned to discuss all of these at the October AEG meeting

Consolidated list of recommendations

- An extensive document ‘Consolidated list of changes and clarifications to the 2008 SNA’ has been prepared, based on the master log of changes
 - Peter van de Ven put a tremendous effort into preparing this
- Global consultation commenced 16 August and closes 15 September 2023
- On 25 August 2023 Peter Harper and Peter van de Ven gave a webinar that summarized the changes, as well as providing information on progress on the update of the SNA and plans going forward
 - Over 260 persons registered for the webinar and about 150 actually participated
 - The webinar was recorded and is available under ‘Outreach’ on the “Toward the 2025 SNA” UNSD webpage
 - The .ppt presentation used in the webinar has also been posted on the global consultation page
- The AEG will consider the feedback from the global consultation at its October meeting and the ISWGNA will then finalize the document for submission to the 2024 UNSC for endorsement

Overview of proposed changes

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		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	A1.2 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	A1.2 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.3	G.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																	
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	A1.1 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 Merchandising and factoryless producers: clarifying negative exports in merchandising and merchandising 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 Drafting an issues note on the treatment of costs of ownership transfers for different types of assets									
C.10	X.13 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 summer of insurance policies									
C.11	C.7 Treatment of travel packages, health-related travel, and taxes and fees on passengers' tickets									
C.11	D.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.7	X.23 Include text 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 repair 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.30 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.30 Treatment of external assets and related income deferred 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.3 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.40 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 coverage									
G. Broadening the framework of national accounts to capture wellbeing and sustainability										
H.5	CM.3 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.3 An Assessment Framework to measure alignment with the Economic Accounting statistical standards									

Glossary

- Being updated, including incorporating comments received from GFS, MFS and SEEA communities
- Expected to be sent to AEG and BOPCOM for consultation around 15 September, with comments due by 6 October
- Comments will be discussed at upcoming AEG and BOPCOM meetings, with the glossary to be finalized' following these discussions
 - Further changes may need to be made in due course as a result of the drafting process etc
- Translation work will commence after this

Progress with drafting chapters – new and significantly revised

- 2 National accounts and measures of wellbeing and economic sustainability
 - Ready for global consultation
- 4 Flows, stocks and accounting rules*
 - Drafting to commence in September 2023
- 5 Residence, institutional units and sectors*
 - V0 has been prepared and is being reviewed by IMF
- 16 Labour
 - V0 expected next week
- 20 Elaborating the accounts
 - Drafting expected to commence in September
- 21 Communicating the accounts*
 - Drafting expected to commence in September

* Denotes joint SNA/BPM chapters

Progress with drafting chapters – new and significantly revised (cont)

- 22 Digitalization*
 - Comments from key stakeholders incorporated – next step review by nominated reviewers (and other interested AEG/BOPCOM members)
- 23 Globalization *
 - V0 being drafted – should be completed by mid-September
 - NOTE – the IMF BPM update team is the lead for this chapter
- 25 Selected issues on financial instruments
 - Currently out for review by nominated reviewers (and other interested AEG members)
- 26 Islamic Finance *
 - Currently being reviewed by IMF, next step will be review by IFTT
- 29 Financial corporations
 - V0 expected to be available shortly
- 34 Measuring well-being
 - Undergoing key stakeholder review

* Denotes joint SNA/BPM chapters

Progress with drafting chapters – new and significantly revised (cont)

- 35 Measuring sustainability
 - Drafting of V0 will commence shortly
- 37 From whom-to-whom tables
 - Drafting of V0 will commence shortly
- 38 Thematic and extended accounts
 - Will shortly be ready for review by nominated reviewers (and other interested AEG members)
- 39 Informal activities*
 - Drafting of V0 expected to commence mid-September

* Denotes joint SNA/BPM chapters

Other chapters

- Drafting expected to commence in October
 - NOTE – these chapters will be prepared by editing the existing SNA chapters using ‘track changes’

Early implementation

- The Eurostat/IMF task team Recording of Data in the National Accounts will hold its next (second) meeting on 21 September
- The IMF task team for Payments for Nonproduced Knowledge-Based Capital (Marketing Assets) will have its first meeting on 27 September
- The OECD Expert Group on Natural Capital will have its first meeting on 10-11 October
- The IMF has been contacted regarding progress on their work on developing guidance on measuring crypto assets – awaiting a response
- In the coming weeks, Eurostat will commence the development of a questionnaire to gauge the impact of the GN F.12 on the recording of social insurance
- The planned document on the early implementation planning, both for external communication and to be used to seek resources to assist developing countries, is currently being drafted and will be circulated for comment in the next few days
- There is the need to initiate discussions on agile mechanisms for the ISWGNA and AEG to approve manuals and handbooks, as flagged at the last ISWGNA/TT leads meeting

Next AEG Meeting 16 -18 October Paris, hosted by the OECD

Possible agenda items

- Discussion of outcome of global consultation on consolidated list of recommendations
- Discussion of outcome of AEG/BOPCOM consultation on glossary
- Discussion of outcome of global consultation on draft chapters
 - Chapter 2 National accounts and measures of well-being and sustainability
 - ~~Chapter 22 Digitalization~~
 - ~~Chapter 25 Selected issues on financial instruments~~
- Approval for global consultation on draft chapters, possibly including
 - Chapter 5 Residence, institutional units and sectors
 - Chapter 16 Labour
 - Chapter 21 Communicating the accounts ??
 - Chapter 23 Globalization
 - Chapter 26 Islamic Finance
 - Chapter 29 Financial corporations
 - Chapter 34 Measuring well-being
 - Chapter 38 Thematic and extended accounts
 - Chapter 39 Informal activities ??
- Project manager/lead editors report
- Issues note on production of electricity for own final use
- Issues note on negative equity
- Issues note on the definition of financial instruments relating to WS.12 Environmental Classifications
- Lead editor's note on resolving minor outstanding issues
- Emission permits (depending on outcome of current AEG/BOPCOM consultation)
- Progress reports on early implementation activities
- Issues associated with the implementation of the 2025 SNA, including outreach and proposed compilation guides, manuals and handbooks
- Update on ISIC/CPC reviews
- Post-2025 SNA research agenda
- Progress on compilers hub/digital manuals ?

It is suggested that a proposed agenda be circulated to ISWGNA members for sign-off in mid-September



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THANK YOU