On chapter 21 (Measuring corporate activity), I would have expected to be informed on the various ways in which ‘corporations can come into being’ (21.8) but not only on one case which is described in the text.

The last sentence in 21.9 is somewhat misleading as it suggests that recording of a new corporation should be via transactions while the text in 21.8 speaks about a change in classification and the recording in the other change in the volume of assets account.

In 21.14, second sentence, it should be mentioned that full but also part of ownership could pass to the government. The following text is not very clear whether the unit is a government unit or a public sector unit.

In 21.15, third sentence should be amended by saying that not only shares but also other equity could be offered.

The section on mergers and acquisitions was never discussed at AEG meetings. As there is not yet a common understanding what M&A means and how their accounting treatment is I would prefer to put this issue on the SNA long-term research agenda. May be, we could have a first discussion at the forthcoming AEG meeting.

On the section on sub-sectors I am not sure whether the split (at the second level) by type of NPIs is politically relevant. Analysts are much more interested on a breakdown of corporations by size (large, medium, small). Concerning the structure of this section, 21.25 and 21.26 should precede 21.24.

In 21.34, reference should be made to 4.114 in which SPEs are defined and classified.

The terms ‘bad debt’ or ‘bad loans’ have not been defined so far (21.51 and 21.52). Therefore, there is a need to define these terms and describe how they are related to non-performing loans (which are defined in 13.65 to 13.67). Corresponding references should be made to avoid misinterpretation. The text of 21.52 should also be checked vis-à-vis the recommendations made on memo items in 13.66 and 13.67. In these paragraphs, the term market equivalent value is used and not market value because loans are not tradable.

Furthermore, I am not sure why the accounting for non-performing loans is still on the research agenda taking into consideration that its current treatment is well-defined and documented in chapter 13.

The section on the links to commercial accounting is written in a rather optimistic way. Taking into consideration recent developments in the context of the financial crisis commercial accounting practice is still rather heterogeneous across countries. Also, the statement in 21.54 that multinationals already apply these international accounting standards is correct, but the available data are almost consolidated on a group level. Such data are not very useful and often misleading or difficult to apply for national accounts purposes. It is also the case that unconsolidated and group-consolidated data often follow different standards and are not mutually reconcilable. The statement that IPSAS are generally used in the public sector is also not true. This might be the case in some developed countries. But, at least government data do not follow IPSAS. Moreover, they are still to a large extent cash-based and not accrual-based and have to be appropriately converted in national accounts concepts.
Overall, information on aggregates like corporate finance and investment, corporate debt and equity, leverage and financing gap is missing in this chapter. Many of such indicators are of interest in the context of policy analysis (euro area accounts, US flow-of-funds).