



United Nations Statistics Division
New York

Neuchâtel, 4 September 2007

Officials in charge: Michel A. Di Pietro, Elena Marton Küttel, Christophe Matthey, Ueli Schiess

Comments on draft SNA chapters Chapter 4: Institutional units and sectors

General comment: It would be useful, if possible, to refer to the ISIC rev. 3.1 (or 4), especially in those sections defining the institutional sectors and sub-sectors (sections C-H).

Table of content

We think it would be useful to add the heading “Institutional sectors” before section D.

§ 4.10: Economic territory

It is necessary to provide a definition of the concept of “economic territory”. We would prefer to have it included in paragraph 4.10 but its inclusion in chapter 25 “The rest of the world account” could be considered a second best solution (current treatment of SNA 93).

§ 4.11: Economic interests

We feel that economic interests cannot be ascertained by the origin of applicable taxation or any other administrative measure, because the latter itself often depends on the center of predominant economic interest (circular reasoning).

§ 4.14: Allocation of institutional units to sectors

We are unhappy with the first part of this paragraph. We therefore suggest deleting it until “... accumulation of various forms of capital.” The rest of the paragraph should then be moved to the end of paragraph 4.13. Furthermore it should be added that Government also undertakes distribution and redistribution of income and wealth besides production, accumulation and final consumption.

§ 4.27: Non-profit institutions serving households

We feel that the phrase “ ... and mainly financed ...” could be deleted, since section C discusses the criteria how control is established.

§ 4.72: Foreign direct investment enterprises

Please check the last sentence of the paragraph for typing mistakes.

Section E: The financial corporations sector and its sub-sectors

It is not clear whether captive insurance and reinsurance corporations belong to sub-sector 7 “Captive financial institutions and money lenders” or to sub-sector 8 “Insurance corporations”.

§ 4.46 and § 4.106: Holding companies

We feel that there is a contradiction between the two paragraphs. In paragraph 4.46 financial holding companies are treated as financial auxiliaries, whereas in paragraph 4.106 they are treated as captive financial institutions and money lenders, which is in our view the correct treatment.

§ 4.92: Financial corporations

We suggest using the wording “financial auxiliaries” instead of “financial auxiliary activities”.
