



Colloque Insee-Banque de France- ACN

Towards a new SNA in 2025

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An overview of the process and main projects

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Contents

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- The update process
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Updating Macroeconomic Accounting Standards (1)

- Macroeconomic Accounting Standards (i.e. the System of National Accounts, Balance of Payments, Government Finance Statistics Manual, Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)) are regularly updated **to reflect changes in the economy.**
- The “updates” can be categorized into three main groups:
 - 1. Conceptual Updates** (i.e. change in what is measured)
 - 2. Methodological Updates** (i.e. change in how activities are measured)
 - 3. Presentational Updates** (i.e. change in how the statistics are presented)





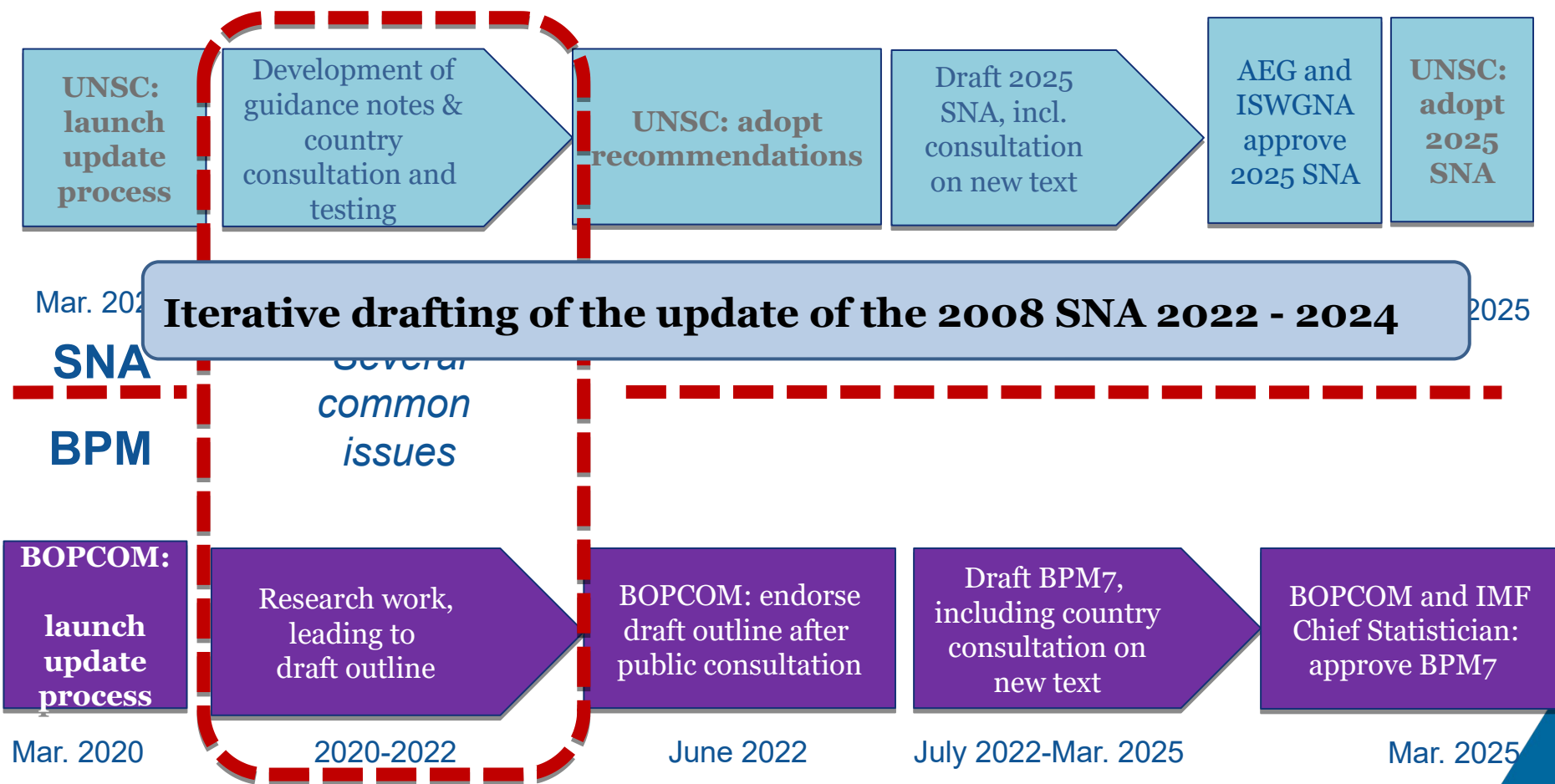
Updating Macroeconomic Accounting Standards (2)

- In the past, the updating of the manuals was done somewhat independently with a 'reconciliation' occurring towards the end of the process.
- Key principles this round include **coordination**, **cooperation** and **consistency**.
- This should ensure a **coherent set of manuals**, reduce duplication of effort, and lead to optimal outcomes given a broader range of consultation.





The Update Process





Three-pronged approach

Technical research

- Task teams/sub-task teams/ joint task teams
- Specific timeline and outputs
- Draft guidance notes:
 - ❑ clarification, interpretation or change;
 - ❑ central system, supplementary tables, or satellite accounts;
 - ❑ implementation tested through country experimentation and testing

Broad consultation

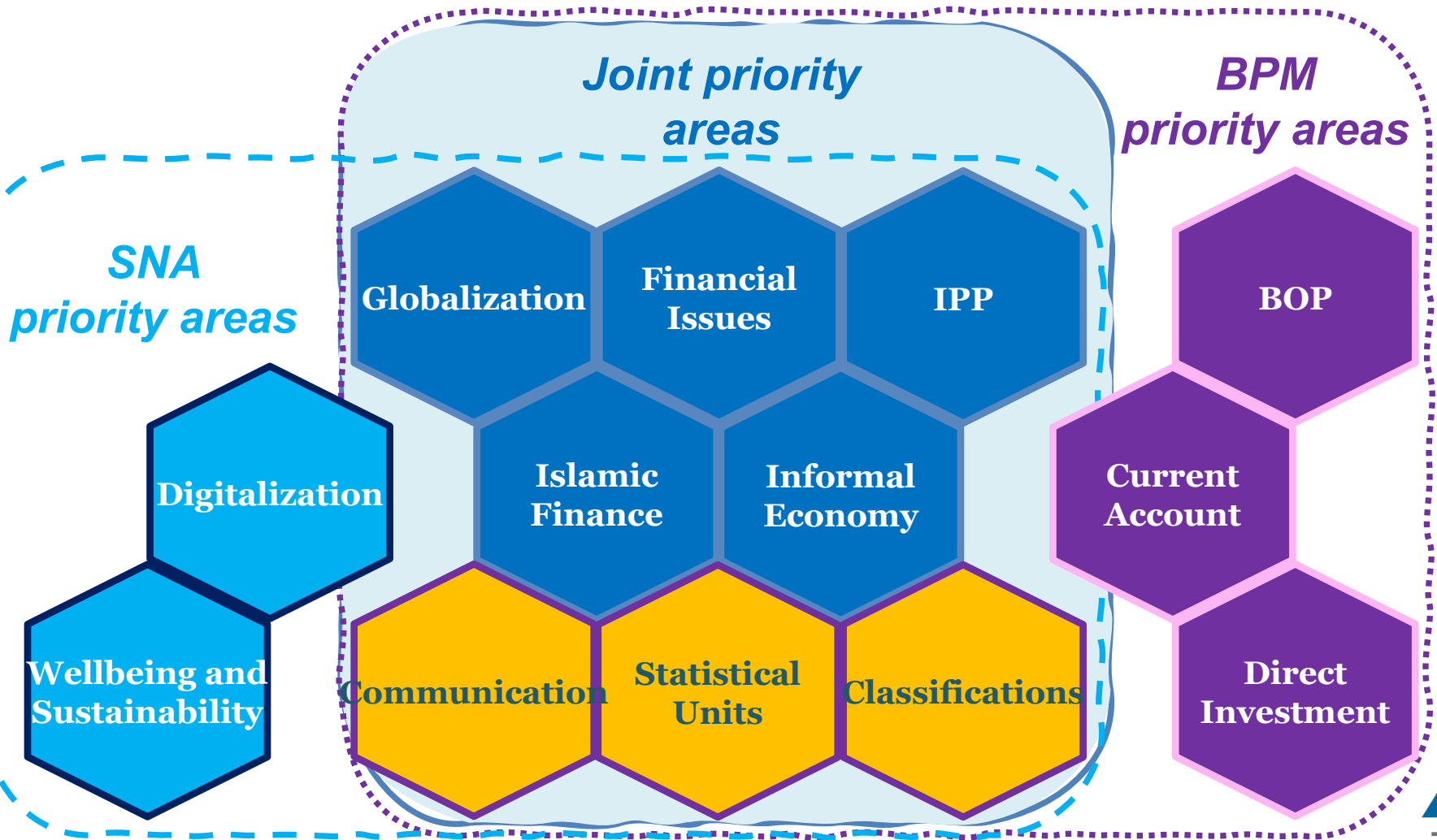
- Involve broad set of users in the discussion, including policymakers, academia and private sector representatives
- Regular regional and global consultancies;
- Global user conferences on economic statistics

Ensuring overall consistency

- Collaborate with experts in: classifications, BPM, GFSM, MFSM, SEEA, labor, prices, agriculture, and business and trade statistics, classifications, etc.



Priority areas





Task teams

A **number of workstreams** were launched to resolve issues related to priority areas.

The workstreams are organized by **Task Teams**

SNA and joint TTs led by members of the AEG while ISWGNA members provide secretariat services

Guidance notes will be developed for each of the prioritized issues covering both **conceptual and practical** guidance.



Guidance notes

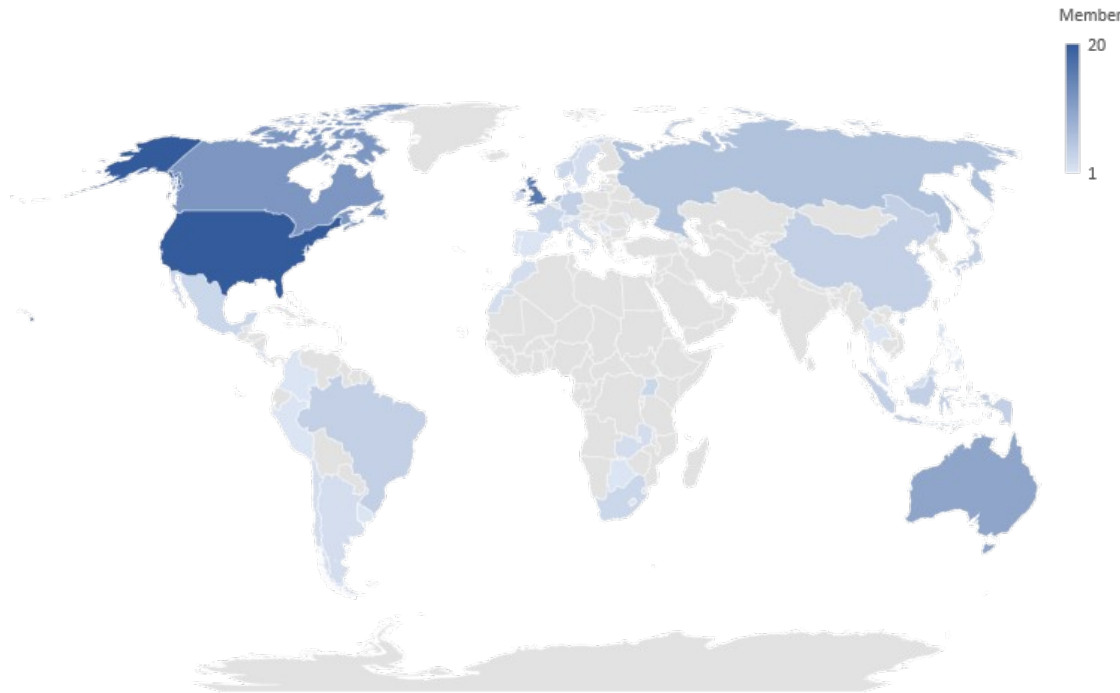
Clearly identify issues affecting the **central framework** compared with those that would be addressed in **supplementary tables** or **satellite accounts**.

Not only the conceptual implications but also the **feasibility** of implementing the proposed conceptual solutions.

The practical guidance reflects on the **experimentation and testing** of the compilation issues.



The Project – A global effort



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- ✓ Contributions from over 20 countries
- ✓ Secretariat services provided by international agencies
- ✓ Experts from six statistical domains



Guidance notes – Digitalization

- **Digital SUTs:** Increasing the visibility of digitalization in the NA
- **Price and volume measurement** of products affected by digitalization: Data sources may need to be updated more frequently
- **Recording of data** in the national accounts: How to record the creation of data and how to value it?
- **Free assets and free services:** How to record their impact?
- **Crypto assets:** Are they financial or non-financial assets and how do they come into circulation?
- **Artificial intelligence:** What kind of product(ion factor) is AI and how should we measure it?
- **Cloud computing:** How do we make this visible in the accounts?
- **Digital Intermediary Platforms:** How to account for their impact on the economy?



Guidance notes – Well-being and sustainability (1)

- **Distributions for the household sector:** How do we show inequalities in line with macroeconomic indicators?
- **Households' unpaid service work:** Can we extend core accounts to show alternative concepts as a complement to traditional measures?
- **Health and social conditions:** How to provide more insight in the role of health care?
- **Labour, education and human capital:** How to better reflect labour as important production factor in the accounts and can we extend the core accounts with information on education and training, as well as start working on experimental estimates for human capital assets?



Guidance notes – Well-being and sustainability (2)

- **Environmental-economic accounting:**
 - **Ownership and depletion of natural resources:** Increased emphasis on new depletion-adjusted net measures, sectored according to SNA economic ownership principles.
 - **Biological resources:** Rethink the SNA production and asset boundary, for example in relation to cultivated assets, to better align with the SEEA.
 - **Treatment of emissions permits:** Consideration of the atmosphere as an asset, with implications for both the SNA and the SEEA.
 - **Accounting for renewable energy resources:** How to derive the economic value of these resources?
- **Broader framework:** How to combine information from the various work streams to provide a more comprehensive and overarching picture of household economic well-being?



Guidance notes – Globalization

- **Valuation of Imports and Exports** (CIF-FOB adjustment): Adoption of transaction (invoice) value for the valuation of imports and exports
- **Treatment of MNE and Intra-MNE Flows:** Focus on ownership-based breakdown (foreign-controlled corporations and national private/public corporations which are part of domestic MNEs)
- **Treatment of Special Purpose Entities (SPE):** Develop a definition of SPEs that is consistent between national accounts and external sector statistics
- **Merchanting and Factoryless goods producers:** How to record their transactions?
- **Economic ownership and recording of intellectual property products:** Focus on legal ownership, follow the money or some alternative?
- **Marketing assets:** Should they be regarded as produced or non-produced assets and how to record their income flows?



Guidance notes – Financial issues

- **Asymmetric treatment of retained earnings between direct and portfolio investment:** Should retained earnings also be applied to domestic relationships
- **Financial derivatives by type:** Should different subcategories be proposed?
- **Treatment of credit default swaps:** Is improved guidance needed to record these items?
- **Non-bank Financial Intermediation (NBFI):** What new subsectors and instruments may be needed to better reflect NBFI?
- **Impact of FINTECH and other financial innovations:** How should this be reflected in macroeconomic statistics?
- **Valuation of loans:** Should we focus on nominal and/or market value?



Guidance notes – Informal economy and Islamic finance

Informal economy:

- Statistical framework and classification of informal economy
- Measuring informal cross-border transactions
- Digitalization and the informal economy
- How to present the IE in macroeconomic statistics?

Islamic finance

- Terminology for property income on Islamic loans, deposits and debt securities
- Reference rates and terminology for calculating Islamic and conventional FISIM
- Statistical treatment of Islamic finance
- Sectorization of Islamic banks with multiple activities and Islamic windows



Guidance notes – Balance of Payments

- **Treatment of currency unions:** Improved guidance on how to classify them and how to record the related flows.
- **Reconciliation between flows and stocks:** How to ensure consistency between BoP and ESS?
- **Sustainable finance:** What information should be included in macroeconomic statistics on sustainable finance?
- **Arrears in IIP:** How to record and value arrears?
- **Tax amnesty:** How to record tax amnesty in BoP statistics?



Guidance notes – Current Account

- **Goods and services account by (trading) enterprise characteristic:** How to implement this in the current account?
- **International trade classified by currency:** How to implement this?
- **Merchanting and factoryless producers:** Clarifying negative exports in merchanting.
- **Statistical impact of the change in treatment of operating leases in business accounting:** How to arrive at statistical concepts?
- **Trade in services classifications:** Are updates needed in the classification?



Guidance notes – Direct investment

- **Valuation of unlisted equity in direct investment:** Should we aim at recommending specific approaches?
- **Corporate inversions:** How to properly record the related changes?
- **Entities owned/controlled by general government set up for fiscal purposes:** Can we eliminate imputations?
- **Ultimate investing economy and ultimate host economy:** How to derive this information and how to present the results?
- **Defining the boundaries of direct investment:** Can direct investment relationships be achieved other than by economic ownership of equity
- **Debt between affiliated insurance corporations and pension funds:** Can we remove these from direct investment?



Guidance notes – Communication

- **Terminology:** Review the current macroeconomic accounting terminology and branding and identify easier to understand alternative terms and presentations with a ‘user’ focus.
- **Taxonomy:** Develop a guidance note that proposes recommended approaches how to describe the different vintages of macroeconomic statistics
- **Alignment Framework:** Develop a clear and consistent framework that measures the degree of implementation and alignment with the international standards.



Update of the classifications

- **Parallel update processes for ISIC/NACE and CPC:**
 - Several topics will require updates of the industry and/or product classifications:
 - **Digitalisation:** Cloud, data, digital intermediation, AI, Block chain, ...
 - **Finance:** Fintech, non-bank financial intermediation, crypto assets, ...
 - **Well-being and sustainability:** Renewable energy resources, circular economy, health categories, ...
 - ...
- **Global consultation** on changes to ISIC will be conducted early 2022.
- Changes to CPC will be discussed in the course of 2022, followed by a global consultation.



Global consultations - SNA

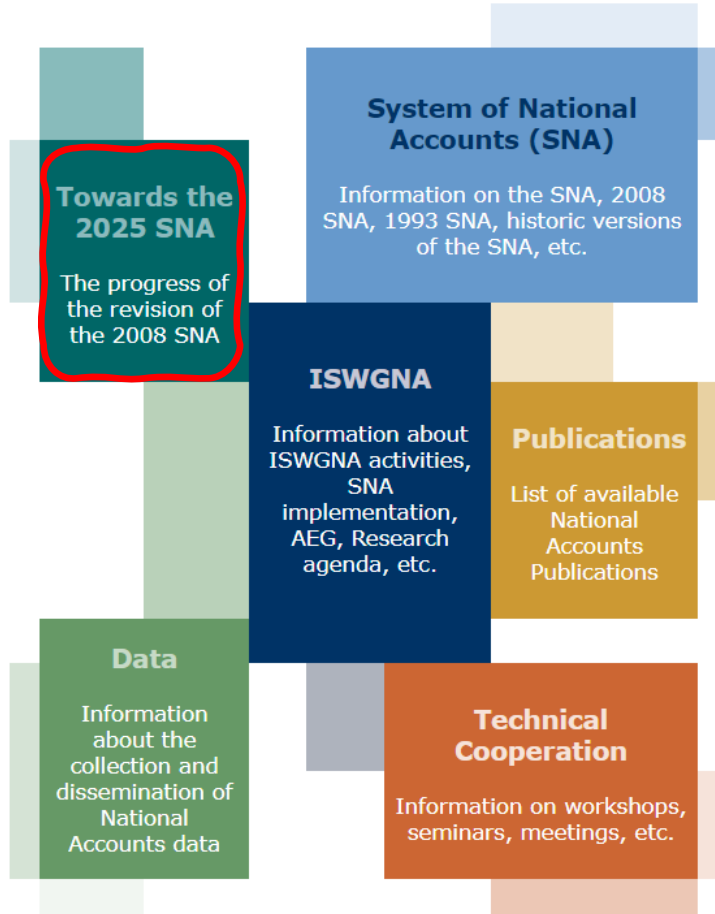
<https://unstats.un.org/unsd/nationalaccount/default.asp>

National Accounts

About the National Accounts Section

The National Accounts Section of the United Nations Statistics Division:

- ▶ Contributes to the international coordinated development and updating of the **System of National Accounts (SNA)**; and undertakes methodological research on issues on the **research agenda** of the SNA in collaboration with the **Intersecretariat Working Group on National Accounts (ISWGNA)**.
- ▶ Supports the **implementation programme of the SNA** by developing and updating supporting normative standards, training material and compilation guidance for the implementation of national accounts and supporting economic statistics and maintaining a **knowledge base on economic statistics**.
- ▶ Delivers a **statistical capacity building programme** for the implementation of the 2008 SNA and supporting statistics through a series of regional and interregional workshops and seminars in collaboration with the regional commissions and regional agencies and through a limited number of individual country technical assistance missions.
- ▶ Collects and disseminates **annual national accounts statistics** from countries and provides substantive service to the Committee on Contributions of the Fifth Committee of the United Nations on technical aspects of the elements of scale methodology for assessing the contributions to the United Nations by Member States.



Consultations on issues for the update of the 2008 SNA

CONSULTATIONS

National Accounts News

Updated 18 March 2021

We are pleased to announce the launch of the **International Data Exchange database** with comprehensive data on GDP and its key components, sectoral accounts, employment and population which are collected using SDMX protocols.

The Analysis of Main Aggregates, 2019 is now available for download [here](#). The data included in the publication is also available on the **AMA online database**.

SNA News and Notes (**Number 39/40**) is now available.



Global consultations - SNA

<https://unstats.un.org/unsd/nationalaccount/towards2025.asp>



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Towards the 2025 SNA - Information on the process of updating the 2008 SNA

About the Updating Process

A three-pronged approach is envisaged for the update of the 2008 SNA:

- (a) undertaking technical research in prioritized and other national accounts;
- (b) engaging in a broad consultation on the issues related to the thematic areas; and
- (c) ensuring overall consistency with other statistical standards in the system of economic statistics.

Dedicated task teams were established to undertake the technical research and draft guidance notes. For overlapping issues in the research agendas identified for the SNA, BPM, GFS, MFSM, SEEA, ISIC and CPC etc., joint task teams were established consisting of subject matter experts from relevant Committees of Experts and other groups.

2008 SNA Update Issues

The [issues](#) to be considered for updating the 2008 SNA.

Advisory Expert Group

The [Advisory Expert Group](#) page contains all available information (agenda, papers, presentations, background information, reports, etc.) available for each of the AEG meetings.

Task Teams

- Joint Globalization Task Team (GZTT)
- Digitalization Task Team (DZTT)
- Wellbeing and Sustainability Task Team (WSTT)
- Joint Communication Task Team (CMTT)
- Joint Islamic Finance Task Team (IFTT)
- Joint Informal Economy Task Team (IETT)
- Joint Financial and Payments Systems Task Team (FITT)
- BPM6 Update

Consultations

Information about [consultations](#) on current research issues.

Project Management

The [Project Management](#) page contains all documents (workprogramme, governance arrangements, progress reports of the project manager, reports to the UNSC, minutes of ISWGNA meetings, etc.) relevant to the management of the update project.



Global consultations - BPM

<https://www.imf.org/en/Data/Statistics/BPM>

UPDATE OF THE SIXTH EDITION OF THE BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION MANUAL (BPM6)

Compendium of Research Issues

Task Teams (BOPCOM)

Balance of Payments Task Team (BPTT) ▶

Current Account Task Team (CATT) ▶

Direct Investment Task Team (DITT) ▶

Joint Task Teams (BOPCOM/ISWGNA)

Financial and Payments Systems Task Team (FITT) ▶

Joint Globalization Task Team (GZTT) ▶

Informal Economy Task Team (IETT) ▶

Islamic Finance Task Team (IFTT) ▶

Approved Guidance Notes

Additional Resources

IMF's Committee on Balance of Payments Statistics ▶



Update of the sixth edition of the Balance of Payments and International Investment Position Manual (*BPM6*)

The IMF Statistics Department has launched the update of the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)* targeting to publish an updated version of the Manual (*BPM7*) by March 2025. The *BPM6* update is being coordinated with the update of the *System of National Accounts 2008 (2008 SNA)*, which was officially launched by the United Nations Statistical Commission (UNSC) also with a target release date of March 2025.

Key elements of the *BPM6 Update process and the timetable* were endorsed by the IMF's Committee on Balance of Payments Statistics (BOPCOM) at its *Thirty-Third Meeting in March 2020*.

The two phases of the update process are:

- **Phase I** (March 2020–March 2022): finalization of the detailed research on the issues identified in the *Compendium of Research Issues* and discuss how they would impact the new version of the Manual (*BPM7*) and
- **Phase II** (April 2022–March 2025): finalization of the Annotated Outline and drafting of the chapters/appendixes of the *BPM7*, and extensive consultations about the proposed changes;

Task Teams (TTs)/joint TTs have been established to advise BOPCOM and the Inter-secretariat Working Group on National Accounts (ISWGNA) on research issues relevant to the *BPM6* and the *2008 SNA Update*.



Thank you for your attention!

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