



INTERNATIONAL MONETARY FUND
WASHINGTON, D.C. 20431

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June 1, 1994

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Dear Colleague:

I would like to propose a short meeting of the ISWGNA during the course of our day in Rome next week for the AOC meeting to review the results of the ISWGNA Technical Meeting of April 25, 1994 and address other issues arising from the recent meeting of the Statistical Commission. A copy of the report of the technical group is attached. Issues that we could address include:

1. Functioning and accountability of the ISWGNA:

- (a) ISWGNA organization (permanent secretariat and rotating chair) *OK - consult Sec*
- (b) Consolidated work program
- (c) Role of Regional Commissions (especially as many Commissions may be able to participate in this meeting)
- (d) Strategy papers *discuss in meeting*

The most important issue relates to the functioning and responsibility of the ISWGNA. In response to the discussion at the recent session of the Commission, the technical group concluded that the ISWGNA would be most effective if served by a permanent secretariat but that rotation of the chair among organizations should continue. The technical group suggested that UNSTAT might be the most appropriate organization to undertake permanent secretariat responsibilities but noted that the heads of the ISWGNA member organizations should decide this based, in part, on resource implications. It would therefore be useful if members could respond to this proposal.

2. Reports to the Working Group and the Statistical Commission

(Is the recommendation of the technical group to prepare an outline for the Working Group and a full report to the Commission acceptable, or, as Mr. Kincannon has suggested, should there be a substantive report to the Working Group?)

3. Other issues (I would welcome suggestions).

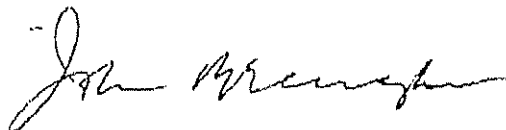
As time for a meeting in Rome will be limited, I suggest that we try to convene at lunch on Thursday, June 9.

Handwritten notes:
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Could I have your quick reactions (by fax or e-mail) to these proposals, by 6 p.m. on Friday June 3 Washington time, please?

Sincerely yours,



John B. McLenaghan
Director
Statistics Department

Attachment

ISWGNA Meeting: 25 April 1994, Geneva

(Main conclusions)

1. The meeting was chaired by Peter Hill, Deputy Director of Statistics, OECD. The meeting was attended by:

Eurostat:	Mr. A. de Michelis
	Mr. M. Ernens
UNSTAT:	Mr. J. Van Tongeren
IMF:	Mr. K. O'Connor
World Bank:	Mr. R. Chander
ECE:	Mr. T. Griffin
	Ms. J. Meliskova
OECD: ✓	Mr. D. Blades
	Ms. A. Harrison

The agenda is attached as Annex 1.

Item 1. Dissemination of the SNA

(i) Sales of English version and pricing policy.

2. OECD considers the 40% discount on purchases from UNSTAT for resale is insufficient. The OECD publications Service will discuss this directly with their counterparts at the United Nations, New York.

3. IMF and UNSTAT have distributed free copies to their contact organizations in Member countries as agreed. UNSTAT supplies bulk orders (10+) to official agencies at 40% discount. The other ISWGNA members are not able to sell at a discount and may therefore wish to refer bulk orders from official agencies to UNSTAT.

(ii) Progress on translations

4. Expected publication dates for non-English versions are as follows:

French	(Eurostat):	April 1995
Spanish	(UNSTAT):	first quarter 1995
Russian	(IMF):	June 1995
Arab	(UNSTAT):	end-1995
Chinese	(UNSTAT):	uncertain: probably 1996

(iii) Dissemination on diskette or CD-ROM

5. UNSTAT will send World Bank, Eurostat and OECD computer files (text WORDPERFECT, tables LOTUS) for internal use by their secretariats.

6. IMF and UNSTAT will review the feasibility of publishing a CD-ROM version of the 1993 SNA and will report on this to the November meeting of the ISWGNA.

(iv) Citation or references to SNA

7. In text, the term "1993 SNA" should be used. In bibliographies/references all author agencies should be written out in full in English alphabetic order.

8. Any ISWGNA member can authorize short extracts from the 1993 SNA. Substantial extracts should be referred to the full ISWGNA membership for approval.

9. The agreement in paragraphs 7 and 8 above should be communicated to official agencies in all UN Members countries, and will be published in the first "SNA Newsletter".

Item 2. Handbooks

10. ISWGNA Members reported publication of, or advanced work on, the following SNA-related handbooks:

IMF:	BOP Manual BOP Compilation Guide BOP Text-book Monetary and Financial Statistics Government Finance Statistics
UNSTAT:	SEEA (Environmental accounts) National Accounts for Transition Economies Methodology for Compiling National Accounts Input-Output Manual Business Accounts and National Accounts Household Sector Accounts and Human Resources Accounts
Eurostat:	ESA (EU version of SNA) Inventory of Sources and Methods in EU countries
OECD:	Estimating Value Added in Service Activities at constant prices Sources and Methods of Quarterly National Accounts in OECD Countries.

Although a handbook on high-inflation was recognized as a priority, no further progress has been made.

11. Each ISWGNA Member organization will send details of their plans concerning the above or new publications to UNSTAT to draw up a consolidated list using the standard format attached as Annex 2.

12. Each ISWGNA Member organization will also supply a list of the handbooks they intend to produce. UNSTAT will compare these to the list suggested at the 1992 Aguascalientes meeting for further consideration by the ISWGNA.

Item 3. SNA Questionnaire

13. UN and OECD questionnaires will be subsets of the Eurostat

questionnaire. Each UN Member state will receive only one questionnaire. UNSTAT and OECD will use data from other questionnaires to complete data-sets for their Member countries.

14. The questionnaires will be accompanied by notes on definitions comparable to the present (1968) questionnaire and also advice on compilation techniques. These notes and definitions will be agreed by the ISWGNA.

15. Eurostat, OECD and UNSTAT will produce draft questionnaires by end-1994. Before finalizing the questionnaires, consultations will take place in the different regions. Eurostat will first send out the new questionnaire in 1997 requesting data for 1995.

Item 4. Lists of meetings and seminars

16. ISWGNA members will send UNSTAT lists of all planned meetings. At end-May UNSTAT will circulate a (hard-copy) consolidated list for corrections/additions.

17. Thereafter UNSTAT will circulate a list each month for hand-written corrections/additions. The eventual aim is a computer file accessible on-line.

18. A standard format for reporting meetings/seminars is attached as Annex 3.

19. ISWGNA members will also prepare lists of training materials which could be useful for other member organizations. These lists will be reviewed at the next ISWGNA meeting.

Item 5. Case-law

20. Since publication of the 1993 SNA several questions have been raised about interpretation of the guidelines in particular situations. These have been rapidly resolved through consultations between the ISWGNA members. The mechanism for resolving problems seems, therefore, to be working well.

21. It is necessary to inform compilers and users of the 1993 SNA how these various questions have been resolved. One way of doing this is to report them in the "SNA Newsletter".

Item 6. Research Agenda

22. ISWGNA members will prepare updated lists of all SNA-related research activities currently underway or planned for the near future. These will be collated and reviewed at the next ISWGNA meeting.

Item 7. SNA Newsletter

23. UNSTAT will assume responsibility for producing and circulating an "SNA Newsletter". The Newsletter will appear twice a year and will usually not exceed four pages. The

Newsletter will give information on meetings, "case law", handbooks, training materials and research work related to the SNA. It will also invite and publish comments and questions from compilers and users of SNA data. It should cover activities of national as well as international agencies.

24. UNSTAT will produce a draft of the first Newsletter, based in part on input from other ISWGNA members, for the next ISWGNA meeting. It would be convenient if future issues could be reviewed before release by the twice-yearly meetings of the ISWGNA.

Item 8. SNA Acknowledgements

25. M. Pierre Muller (INSEE) made an important contribution to the 1993 SNA through his careful and detailed review of many of the draft chapters. ISWGNA members agreed that his contribution should have been acknowledged in the 1993 SNA. An acknowledgement will be included in the non-English versions of the 1993 SNA and in any reprints of the English version. The OECD will reply to MM Vanoli and Muller to express the ISWGNA members' regret on this oversight and suggesting the correction.

Item 9. Handbook on Transition Economies

26. A revised draft of this handbook has been circulated by UNSTAT. Comments were requested by end-April. These will be reflected in the handbook which will be published in an "interim" form in September/October 1994.

27. Some specific comments were made in the meeting: first, the handbook appears to give too much emphasis to use by countries of the former Soviet Union rather than to use by all transition economies as almost all the examples and illustrations are drawn from the FSU; second, the handbook appears to assume that data should be derived from MPS accounts rather than being directly compiled from basic sources. It thus appears primarily as a handbook for statisticians trained in the MPS who wish to learn how to implement the SNA. It assumes prior knowledge of the MPS, an assumption which will become less and less valid over time. A number of specific areas were also cited where the handbook deviates from the 1993 SNA. In particular, it does not always take account of all the changes introduced into the final version of the 1993 SNA.

28. In view of the above, the title may need to be modified, or a subtitle added, to make clear that the handbook is aimed primarily at compilers who have been trained in the MPS. The text should also make it clear that references to MPS accounts and sources are made for didactic purposes and do not imply that SNA data should necessarily be obtained by conversion of MPS accounts and tables. The text should also be revised to ensure strict conformity with the 1993 SNA.

29. The handbook will also be sent for comment by end May to other statisticians who have experience of compiling national

accounts in transition countries. Eurostat will supply UNSTAT with a mailing list for EU countries to help in this process.

Item 10. Functioning of ISWGNA and Accountability

30. The following sub-items were discussed in the context of the report of the Special Session of the Statistical Commission, April 1994.

a) ISWGNA organization and procedures

31. The ISWGNA needs a permanent secretariat to facilitate the implementation of decisions taken by the Group. The Secretariat should maintain lists of meetings and training materials, record progress with handbooks, produce the SNA Newsletter and integrate the separate SNA work programmes of the ISWGNA members into a consolidated presentation.

32. There was general agreement on the need for such a permanent secretariat to be located in one of the five organizations. It was suggested that UNSTAT might be the appropriate body to take on the responsibility. However, this matter has to be decided by the Heads of the five organizations taking into account resource implications.

33. Substantive papers will continue to be the collective responsibility of the ISWGNA.

34. The rotation of the ISWGNA chairperson between member organizations has, over a period of many years, proved an effective means of securing cooperation and commitment from the organizations concerned. The group saw no reason to change this arrangement. The "rotating" chairperson will continue to be the formal interlocutor vis-a-vis the UN Statistical Commission.

b) Proposal for a Consolidated Work Programme

35. ISWGNA members agreed to update the work programmes which they prepared in November 1993 and which were reported to the special session of the UN Statistical Commission. Assuming that a permanent secretariat can be assigned to the ISWGNA, they could integrate the updated work programme for review by the ISWGNA at its next meeting. An integrated presentation would be useful for each of the members of the ISWGNA in drawing up its own work plans.

c) Role and Contribution of the Regional Commissions

36. UNSTAT will ask the Regional Commissions to submit SNA-related work programmes for inclusion in the consolidated work programme and to supply their best estimates of the requirements of the countries of their regions for training, technical assistance and the need to develop or improve the quality of basic statistical services.

d) Strategy Papers

37. The Chairman of the ISWGNA will request the Chairman and Rapporteur of the Statistical Commission for clarification of its request for a set of illustrative strategy papers setting out how different groups of countries might go about implementing the revised SNA... (Para 9 (g) of the addendum to the draft report of the special session of the UN Statistical Commission.

Item 11. Report to the Working Group of the Statistical Commission

38. In consultation with other members of ISWGNA, UNSTAT will prepare a brief outline report for the Working Group. This outline will be filled out into a substantive report for next year's Statistical Commission. This report will be drafted at the next formal meeting of the ISWGNA at the technical level.

Rotating chair - Next meetings

39. The next formal meeting of the ISWGNA at the technical level will be held in Washington in November, with the IMF as the chairman for the next period as host.

40. It was suggested a meeting of the high level group might be appropriate during June. They may wish to decide the next organization to assume the rotating chairmanship.