

MINUTES
Of the Intersecretariat Working on National Accounts
(ISWGNA)

Paris, 7- 8 October 2004

Participants: C. Aspden (chair, OECD), A. Bloem (IMF), I. Havinga (UNSD), B. Hexeberg (World Bank) and B. Newson (Eurostat)

1. Adoption of the Agenda

The draft agenda was accepted with one addition – consideration of the offer made by Eurostat to contribute to the drafting of an annex to the SNA covering government finance issues. This issue was dealt with immediately, and it was agreed that the proposal was most welcome and it should be referred to the TFHPSA. The OECD agreed to respond to Eurostat accordingly, and to forward the offer to the chairman of the TFHPSA.

2. Review action items agreed during the teleconference in June 2004

All but three of the action items had been completed. Those outstanding were:

- a) **Consult task forces to identify and /or clarify overlapping issues and ensure their satisfactory coordination.**

It was agreed that a list of overlapping issues needed to be developed. The IMF is to take responsibility for identifying BOP, GFS, and Monetary and Financial statistical issues that overlap with other issues and to forward this list to the UNSD. The UNSD is to identify other overlapping issues and to forward a full list of overlapping issues to the chairpersons and secretaries of all the task forces for their consideration.

- b) **Develop and implement progress reporting tools**

It was agreed that it is the job of the project manager to develop a standardised set of reporting tools, building on those developed by the OECD and the BOP Committee.

- c) **Request funding from central and regional banks**

It was noted that the ISWGNA management group had taken over responsibility for this task.

3. Review progress of each issue flagged for discussion at the December 2004 and November 2005 AEG meetings

The discussion began by agreeing that proposals for additional clarifications should be presented to the ISWGNA by the UNSD and that significant ones should be brought to the attention of the AEG. It was agreed that ISWGNA members should forward to the UNSD further proposals for clarification by 30 November 2004.

The ISWGNA then proceeded to consider the progress of each issue that had not already been considered by the ISWGNA/AEG. The outcome can be summarised as follows:

- a) Broadly, the Canberra II Group issues are progressing very well, and the ISWGNA concurs with the view of the Canberra Group that it is well on track to meet its deadlines. It noted that a new issue concerning the treatment of maintenance costs as capital formation, rather than the current treatment of recording them as intermediate consumption, appeared to have developed from consideration of the issue of 'Government owned assets'. The chair agreed to advise the Canberra II Group that no new issues would now be considered.
- b) Although generally good progress had been made with public sector issues, it was noted that no issues would be presented for decision at the December 2004 meeting of the AEG, and only a progress report would be presented for information.
- c) The ISWGNA was generally satisfied with the progress of BOP issues, but noted that the timing of the next BOP Committee meeting later in October meant that issue papers for consideration at the December 2004 meeting of the AEG would not be submitted to the ISWGNA before early November. The ISWGNA agreed that it would accept these issue papers, but if members of the AEG felt that they had been given insufficient time to consider them then decisions could be reached by written consultation after the meeting.
- d) The ISWGNA agreed that progress on other issues was satisfactory on the whole, although there was one issue concerning the output of central banks that needed addressing. The IMF undertook to prepare an issue paper on this matter.
- e) The ISWGNA was concerned that there would be too many issues for consideration by the AEG at its meeting scheduled for November 2005. Therefore, it was agreed that all task forces should be asked to target for completion as many issue papers as possible by the end of April 2005, with a view to possibly holding an additional meeting of the AEG in mid-2005. In addition, each task force should be asked to provide a revised schedule of when they expect to have issue papers ready for the remaining issues. Advice on these matters should be provided to the ISWGNA by each task force prior to its next meeting on 7 December 2004. It was agreed that the ISWGNA would then consider whether an additional meeting of the AEG in mid-2005 was warranted.
- f) The ISWGNA agreed that the operational guidelines for preparing issue papers should make it clear to authors that they need to present a balanced view of the proposed changes by describing the pros and cons of the proposed change vis a vis the status quo or other alternatives.

4. Review the agenda and procedures for the December 2004 AEG meeting

- a) The ISWGNA noted that even with the postponement of some issues, the forthcoming meeting of the AEG was scheduled to last well over a week. In order to minimise the time required while still ensuring that each issue was thoroughly discussed it was agreed that there should not be any formal tour de tables. Instead, it will be left to the chair to ensure that each member is given the opportunity to express their views.
- b) It was agreed by the ISWGNA that in those cases where issues were not ready for decision but documents were sufficiently advanced to give a reasonable understanding of the issues and the likely proposals then they should be presented to the meeting if possible, with a view to facilitating a more informed debate at the next meeting.
- c) The draft agenda was scrutinised carefully and a number of changes were agreed upon. One change of particular note was the decision to postpone consideration of employer retirement pension schemes to allow for more consideration by members and other interested parties.
- d) The time required for each item on the agenda was considered and it was agreed that seven days would be required for the meeting and that it should begin on Wednesday, 8 December and finish on Thursday, 16 December.

- e) On the basis of the review by the ISWGNA at the meeting, the UNSD is to prepare a revised draft agenda as quickly as possible.

5. Funding and expected expenditures

- a) The World Bank presented a summary of the financial situation. While substantial commitments have been made by a number of national statistical offices and international organisations the total still falls short of expected expenditures. It was agreed that the World Bank would provide the ISWGNA with a monthly update of the financial situation until the situation was deemed satisfactory and a quarterly update thereafter.
- b) It was agreed that it would be most efficacious if one of the member institutions of the ISWGNA were to take responsibility for organising the travel arrangements of the AEG members from developing countries. The World Bank agreed to consider whether it had the resources to do this.

6. Appointment of project manager and editor

The appointments of a project manager and editor are in the hands of the senior management of the ISWGNA, and there was no action required by the ISWGNA national accountants.

7. SNA News and Notes

- a) It was noted that the UNSD had sent recently each other member proposals for the content of the October 2004 and April 2005 issues of News and Notes. Members expressed their satisfaction with the proposals.
- b) The UNSD asked the other members to indicate how many paper copies they required in each of the official languages and to provide details of forthcoming national accounting meetings being organised by them.
- c) It was agreed that members of the ISWGNA should provide details to the UNSD as soon as possible of any new national accounting manuals they had released.

8. Next meeting

It was agreed that the next meeting of the ISWGNA should be held on Tuesday, 7 December 2004, the day before the AEG meeting in New York

9. Other business

None

APPENDIX I

DRAFT AGENDA

Meeting of the Intersecretariat Working Group on National Accounts (ISWGNA)

PARIS (ROOM 11, LA MUETTE (OECD)) 7- 8 OCTOBER, 2004

- 1. Adoption of the agenda**
- 2. Review action items agreed during the teleconference in June 2004**
- 3. Review progress of each issue flagged for discussion at the December 2004 and November 2005 AEG meetings**
 - Each sponsoring organisation to provide each of the other members with a written summary prior to the meeting
- 4. Review the agenda and procedures for the December AEG meeting**
 - Any amendments to the agenda?
 - Chairmanship – who does what?
 - Any amendments to conduct and procedures (refer to previous decisions)?
- 5. Funding and expected expenditures**
 - World Bank to provide a written report of the current situation
- 6. Appointment of project manager and editor**
 - Any outstanding issues?
- 7. SNA News and Notes**
- 8. Next meeting – UNSD, 6 December 2004?**
- 9. Other business**

APPENDIX II

Actions agreed upon at the meeting on 7-8 October 2004 and confirmation of actions previously agreed upon

Agenda item	Action	Responsible	When
1	Respond to Eurostat proposal for an annex on government finance and forward to the chair of the TFHPSA	OECD	22 October 2004
2(a)	List overlapping issues and send them to chairs and secretaries of all task forces	IMF and UNSD	End-October 2004
2(b)	Develop standard set of reporting tools for monitoring progress of the update	Project manager	
2(c)	(i) Members to forward any new proposals for clarification to UNSD by 30 November 2004. (ii) UNSD to present significant ones to the AEG for consideration at the meeting in December	All members	End-November 2004
3(a)	Advise Canberra II that no new issues would be considered	OECD	End-October 2004
3(c)	Prepare an issue paper on the measurement of output of central banks	IMF	September 2005
3(e)	Assess expected date of completion of all issue papers, with particular attention to the completion of papers by end-April 2005, with a view to holding an additional meeting of the AEG in mid-2005. For discussion on 7 December 2004	UNSD to contact all task forces	End-November 2004
3(f)	Amend operational guidelines to include the requirement to provide balanced issue papers	UNSD	End-October 2004
4(e)	Prepare revised draft agenda for the December 2004 AEG meeting and after clearance by the ISWGNA distribute to AEG members	UNSD	22 October 2004
5(b)	World Bank to advise the ISWGNA if it is able to take responsibility for organising the travel arrangements of AEG members from developing countries	World Bank	End-October 2004
7(b)	ISWGNA members to inform the UNSD of the number of paper copies they require of the <i>SNA News and Notes</i> and provide details of upcoming national accounting meetings	All members	22 October 2004
7(c)	ISWGNA members to inform UNSD of any new national accounting manuals they have released	All members	22 October 2004