ISUES RELATED TO THE WORK OF THE TASK FORCES
NATIONAL ACCOUNTS

Note by UNSD

1. In its report to the 1997 session of the Statistical Commission the Inter-Secretariat Working Group on National Accounts (ISWGNA) presented milestones to measure progress of countries in the SNA implementation. Furthermore, the ISWGNA put forward options to better target the international implementation support to selected country groups. UNSD together with the Regional Commissions also presented the results of a country assessment exercise, applying the implementation milestones.

2. The Statistical Commission accepted the milestone approach and requested that analytical country assessment tables be presented to its future sessions. Regarding the medium-term implementation targets, the Commission recommended that priority attention be given to countries at the lowest milestone levels, taking into account the needs of special country groups. The Commission also decided that the new UN data questionnaire be implemented in 1999 and agreed with the proposed programme for the development and dissemination of classifications of expenditures by purpose. It asked the ISWGNA to develop concrete proposals for a process of updating the 1993 SNA.

3. Consequently, in its meeting of 5-6 May the ISWGNA discussed extensively on how to update the 1993 SNA, taking into account both the need for a streamlined process as well as the need for adequate consultation. UNSD proposed to distinguish different types of amendments with appropriate processes for handling each of them. The group accepted the proposal and agreed that there was a need for continuous updating at shorter intervals (no less than 2 years) as well as for global revisions at larger intervals. Issues on which a considered, deliberate decision had been taken during the 1993 revision should not be reopened, unless major new economic, institutional or theoretical development had occurred. The ISWGNA suggested that it will review proposed amendments and coopt expertise on a case to case basis. The ISWGNA may seek authority from the Statistical Commission to decide on the least substantive amendments, provided such decision is taken unanimously. The group also discussed ways in which amendments to the SNA 1993 text could be disseminated. In addition to official booklets (issued in all UN languages), dissemination via Internet and re-issuance of the SNA CD were considered.

4. In its report to the 1998 Working Group meeting the ISWGNA will elaborate a concrete set
of proposals along the lines explained above. Furthermore, it is likely that the Working Group report will also contain a concrete proposal for the first - most urgent - substantive change in the 1993 SNA regarding financial derivatives. This issue had been raised by the IMF expert group on Monetary and Financial Statistics. Further areas of conceptual debate which are maturing to the point of broad international consensus and which are, thus, candidates for amendments to the 1993 SNA are Financial Intermediary Services Indirectly Measured (FISIM) and classifications of expenditures by purpose.

5. With regard to the implementation support provided by ISWGNA members, the group reviewed its support programme, including publications, meetings and the research agenda. In this context particular mention should be made of the 'SNA News and Notes', the ISWGNA's bi-annual newsletter. Thanks to close cooperation among the group it is now circulated widely in print and via Internet in 4 languages (English, French, Spanish and Russian). An updated version of the integrated presentation of the ISWGNA's work programme will be contained in the report to the Working group.

6. In an effort to improve the results of the first country assessment exercise using the milestones, UNSD has sent a letter to the heads of national statistical agencies explaining the evaluation methodology applied and asking the countries to provide UNSD with relevant information and data in order to permit an adequate assessment of their present state of national accounts development.

7. In view of producing SNA handbooks, UNSD has organized an expert group meeting on links between business accounts and national accounts in August and will organize another one on the topic of household sector accounts in October.

8. At the level of inter-agency coordination beyond the ISWGNA, UNSD as the present chair of the ISWGNA has sought contacts with specialized agencies, who also work in the wider area of national accounts and related statistics, such as e.g. the FAO, ILO and WTO (copy of letter sent to FAO in appendix 1), in order to initiate a dialogue on how to ensure more effective coordination for guidelines on national accounts and related statistics, in order to maintain global coherence of world statistical standards.
Dear Mr. Kabat,

The UN Statistics Division has been recently consulted by the FAO Forestry Department on a draft report dealing with forest resources accounting. This document explicitly refers to the central framework of the 1993 System of National Accounts (SNA) and to the 1993 interim version of its satellite System of Integrated Environmental and Economic Accounting. We welcome this orientation and appreciate the opportunity to comment. At the same time we must express our concerns about a number of serious inconsistencies between the FAO draft and national accounts as well as environmental and economic accounts, as defined in both world standards referred to above. In the meeting organized by the FAO Forest Department in Rome on 12. to 14. June 1997 several experts joined the views expressed by the UNSD representative on this issue.

In an another case, the FAO Fishery Policy and Planning Division is launching an electronic forum on fishery accounts with the purpose of drafting guidelines for 1998. The UN Statistics Division is certainly willing to participate in this project.

These two concrete cases raise the broader question of effective coordination. The Statistical Commission, reflecting the views of heads of national statistical agencies, has emphasized the importance of global coherence of world statistical standards. In the area of national accounts and related statistics the appropriate coordinating body is the Inter-Secretariat Working Group on National Accounts (ISWGNA), which was created for the revision of the 1993 SNA. It is now monitoring its implementation. I suggest that the ISWGNA be given an opportunity to review draft guidelines in the area of national accounts and related statistics before their subsequent submission to the Statistical Commission for recommendation as world standards.

I would be happy to discuss these issues at the coming meeting of the ACC-Subcommittee on Statistical Activities in September.

Best regards,

Yours sincerely,

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