

Preparation of Issues Papers: A Note to Supplement the Operational Guidelines

Introduction

Issues papers play a key role in the ongoing update of the *SNA 1993*. They are the basis on which recommendations for conceptual change will be discussed during the current phase of the Update Project. As well, they will document for the future why *SNA 1993, Rev. 1* is whatever it turns out to be. The Operational Guidelines (revised, SNA/M2.04/02.2, at <http://unstats.un.org/unsd/nationalaccount/snarev1.asp>) has a section about the format for these important papers. This format was designed to facilitate preparation of issues papers and make better use of the AEG's time. It emphasizes that issues papers should be comprehensive (within a preferred length) and identifies specific features that the papers should have.

The purpose of this note is to supplement the Operational Guidelines. The current version of the note reflects the experiences through the third meeting of the Advisory Expert Group (AEG) in Bangkok, July 18-22, 2005. Because of differences across issues, such as with respect to complexity and background, it is difficult to identify any one paper to serve as "the model." Thus the approach for this note is to identify for each specific feature listed in the Operational Guidelines at least one paper usually from the 2004 AEG meetings that can serve as an example for that feature. The note also provides links to those papers on the UN Website for easy reference. A check list appears in Annex 1 to help both drafters and reviewers.

Kinds of papers

The format called for in the Operational Guidelines, spelled out in the next section of this note, is for papers intended to be the basis for discussion at an AEG meeting of an issue "for decision." Since the Guidelines were prepared, it has become clear that not all papers are for face-to-face discussion, some are "for information" rather than "for decision," and some are about clarifications rather than conceptual issues. Some but not necessarily all of the features of the format would also apply to these other kinds of papers. For example, a paper presenting a clarification might well be shorter and follow a simpler format. Such a format might consist of only an executive summary, background and main reasons for change, points about consistency with other statistical manuals and classifications (if relevant), and clear and concise recommendations along with a set of questions for AEG consideration. A paper intended for e-discussion, to take another example, would need to have a particularly clear set of recommendations and associated questions for AEG consideration. Accordingly, some judgment is involved in preparing these other kinds of papers. The overriding principle is that the paper should provide as succinctly as possible the information the AEG needs to reach a conclusion.

Papers that come to the AEG “for decision” from other fora on a schedule that does not allow a complete reworking of the material into the Operational Guidelines format should usually consist of the document from that forum plus a cover note that adds the features of an issues paper that are not already included.

General features

The issue paper, to serve as a basis for AEG discussion, should be comprehensive. It is assumed the AEG member will read the papers before the issue is discussed, and that the paper will provide the information he or she needs to discuss the information with colleagues in their own offices and to reach an informed opinion. Experience has shown that papers that are not comprehensive lead to further questions and a return to the AEG for further discussion.

As a rule, the main body text should be no more than 15 pages. Complex or multi-part issues may require more pages. The suggested page limit should not be the reason for omitting any section that would compromise the ability of the AEG to reach a conclusion on the basis of the paper. Annexes or appendixes may be used to provide worked out examples, supplementary evidence, summaries of consultation, and the like.

Specific features

The paper should include the 11 specific features outlined below. The Executive Summary should appear at the beginning. After that, the sequence of the body of the paper can be tailored to fit the issue. It would be useful to include a paragraph laying out the structure of the paper. In a long paper, a table of contents is a useful addition. References are encouraged to help document the work and make it accessible to all who are interested. (Note the Editor has proposed that *SNA 1993, Rev. 1* include cross references.) The numbering of paragraphs facilitates questions and references.

1. Executive summary. The paper should have an executive summary of no more than two pages. This executive summary should include the four items listed below. The first two are summary versions of more detailed expositions that should appear in the body of the paper.

- The *1993 SNA* position and the reasons for any proposed changes. (See features 2 and 3 below.)
- Evaluation of the proposed alternative solutions. (See features 4-8 below.)
- Recommendations. (See features 9 and 10 below.)
- Questions for AEG discussion. (See feature 11 below.)

Examples:

Military Weapons Systems as Fixed Assets

Issue 19, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=18>].

The Treatment of Land Improvements

Issue 20, <http://unstats.un.org/unsd/sna1993/description.asp?ID=19>, paper posted on 12/22/2004

The paper summarized alternative treatments and then explained the preferred treatment.

2. Background, including 1993 SNA position and main reasons for change. The paper should set out the background, starting with a statement of the 1993 SNA position. If the issue was widely discussed in the decade leading up to the 1993 SNA (see Anne Harrison's history at <http://unstats.un.org/unsd/sna1993/history.asp>, this point would be mentioned. As well, if the issue is on the table as a result of its discussion at a regional meeting, this point could be mentioned. In general, it would be useful to mention which of the several criteria—changes in economic environment, developments in research, and user needs—are the grounds for bringing this issue forward. This background material would lead naturally to a summary of the main reasons for change.

Examples:

Employee Stock Options

issue 3, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=3>

Measuring the Contribution of Non-Financial Assets to Non-Market Production

Issue 16, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=16>, paper posted on 12/22/2004

3. Evidence of consensus about need for change and recommendations. The paper should document that the recommendations for change reflect a clear consensus or convergence of opinion of the majority of national accounts experts in meetings and EDGs in which the issue has been discussed. A variant of this feature is that the recommendations should reflect a consensus of an expert group working in a field for which standards are intended to be harmonized with (or consistent with) the SNA. This variant would apply, for example, to recommendations coming from the IMF Committee on Balance of Payments Statistics (BOPCOM).

Examples:

The treatment of Nonperforming Loans in Macroeconomic Statistics

Issue 4, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=76> , paper posted on 12/22/2004

See especially Section II.

Military Weapons Systems as Fixed Assets

Issue 19, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=18>

See the second paragraph of the Executive Summary.

4. Example worked through the accounts. The paper should provide detailed worked-out numerical examples through as many of the accounts as are needed to show the full consequences of the recommendations.

Related to this feature, the paper should provide cross-references (or links) to other issues being considered in the SNA Update on which the recommendations have bearing.

Examples:

Employee Stock Options

Issue 3, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=3>

See Annex 1.

The Treatment of Land Improvements

Issue 20, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=19> , paper posted on 12/22/2004

See paragraph 26.

5. Impact on GDP and other major variables. The paper should clearly specify which sensitive macro-aggregates throughout the System would be affected by the recommended changes. Wherever data are available, the paper should provide an indication of the magnitude of the recommended change on GDP and other major variables.

Examples:

Measuring the Contribution of Non-Financial Assets to Non-Market Production

Issue 16, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=16> , paper posted on 12/22/2004

See paragraph 16.

The Treatment of Land Improvements

Issue 20, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=19> , paper posted on 12/22/2004

See paragraph 27

6. Consideration of consistency with other statistical manuals and classifications. The paper should indicate whether the proposed change would move in the direction of more consistency (hopefully) or less consistency with other statistical manuals and international classifications. These manuals include, among others, the *ESA95, Balance of Payments Manual*, the *Government Finance Statistics Manual 2001*, *Manual on Statistics of International Trade in Services*, the *ESA95 Manual on Government Deficit and Debt*, *SEEA 2003*, and *External Debt Statistics: Guide for Compilers and Users*.

Examples:

The Treatment of Nonperforming Loans in Macroeconomic Statistics

Issue 4, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=76> , paper posted on 12/22/2004

See Appendix I, A Comparison of Terminology in the Manuals

Military Weapons Systems as Fixed Assets

Issue 19, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=18>

See paragraph 20.

7. Consideration of business accounting standards. The paper should consider, when relevant, business accounting standards and changes in them that are being considered. For example, the paper might refer to an International Accounting Standards Board (IASB) Exposure draft. The same consideration should be given to public accounting standards.

Examples:

Employee Stock Options

Issue 3, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=3>

The paper discusses business accounting in some detail because it is likely to be the main source of data on employee stock options available to statisticians.

Military Weapons Systems as Fixed Assets

Issue 19, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=18>

The paper discusses public sector accounting standards; see paragraph 6.

8. Evaluation of practical feasibility of the recommendations. The paper should clearly and directly address the practical feasibility of the recommendations. This may be done, for example, by discussing the source data that are (or are not) available to make the estimates or by noting the extent to which the solutions are now being implemented.

Examples:

Employee Stock Options

Issue 3, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=3>

See the last paragraphs on “Practicalities.”

Military Weapons Systems as Fixed Assets

Issue 19, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=18>

See paragraphs 21-24.

9. Single conceptual solution. The paper should, whenever possible, provide a single conceptual solution. If an expert group is equally divided between solutions, this may not be possible. In this case, two or more solution should be outlined, with the advantages and disadvantages of each laid out evenhandedly. In some cases where an alternative view is strongly held by a few people, it may be desirable to explain briefly what their position is and what the main arguments are for and against this view.

Examples:

Most of the issues paper present only one conceptual solution.

The treatment of Nonperforming Loans in Macroeconomic Statistics

Issue 4, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=76> , paper posted on 12/22/2004

See Section V, The Canvas, which sets out several alternative solutions.

10. Clear recommendations. The recommendations should be clear, explicit, and concise. Presentation of proposed text revised to incorporate the recommendations cannot substitute for point-by-point recommendations. (Note: this last point was one of the clear messages of

the July 2005 AEG meeting.) The recommendations should tie directly to questions to guide AEG discussion. See point 11 immediately below.

Examples:

Employee Stock Options

Issue 3, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=3>

Measuring the Contribution of Non-financial Assets to Non-Market Production

Issue 16, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=16> , paper posted on 12/22/2004

11. Questions for AEG discussion. The paper should include a set of concise questions to guide the AEG discussion. The questions should be tied directly to the recommendations. Especially for e-discussion, the questions should stand alone; that is, the questions should be self-contained rather than require the reader to refer back to the content of a paragraph. These same questions should be built into a presentation, typically PowerPoint, that introduces the issue at the AEG meeting. (See the Annex, which is the Note for Presenters and Chairpersons prepared for the Bangkok AEG meeting.)

This feature has been made more specific as a result of experience, so the examples below are at stages along the way. Examples:

Research and Development/Patented Entities

Issues 9 and 10, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=9>

See paragraphs 3 and 4, which provide a list of recommendations and suggest that the AEG consider each recommendation in turn. The PowerPoint presentation that introduced the issue at the AEG meeting ended with the list of recommendations.

Goodwill and Other Non-Produced Assets

Issue 22, <http://unstats.un.org/unsd/sna1993/papers.asp?pID=1&ID=21>

This paper was for e-discussion. See paragraphs 6 and 7, which provide both a list of recommendations and a set of associated questions (although the questions do not have a one-to-one relationship with the recommendations).

August 26,2005

Check List for the Preparation of Issues Papers.

Issues paper should be comprehensive, providing the information needed to reach an informed opinion.

The main body text should be no more than 15 pages.

The paper should facilitate discussion (for example, use paragraph numbering) and include the following specific features (where relevant):

- 1. Executive summary (with outlined contents)
- 2. Background, including the *SNA 1993* position and main reasons for change.
- 3. Evidence of consensus about need for change and recommendations
- 4. Example worked through the accounts
- 5. Impact on GDP and other major variables
- 6. Consideration of consistency with other statistical manuals and classifications
- 7. Consideration of business accounting standards
- 8. Evaluation of practical feasibility of the recommendations
- 9. Single conceptual solution
- 10. Clear recommendations
- 11. Questions for AEG discussion

Note for Presenters and Chairpersons

Meeting of the Advisory Expert Group on National Accounts¹
18-22 July 2005, Bangkok

Note for presenters

1. Presenters are encouraged to use PowerPoint slides in their introduction of the paper. They should provide copies to the chairpersons in advance.
2. Whether or not PowerPoint is used, the introduction should end with the questions that the AEG is requested to answer. The expectation is that these questions will be the same as in the paper.
3. The time to be spent on each introduction will be strictly enforced by the chair. Accordingly, the time allowed for introduction will also be limited. The time will be determined by the chair, but as general guidance, the time should not exceed 15-20 minutes.
4. Presenters should speak slowly and clearly, taking into consideration the multilingual composition of the audience.

Note for chairpersons

1. The chair should agree with the presenters on the time for each introduction, in line with the overall detailed plan (choreography) for the meeting.
2. The chair should be mindful of the total time—introduction, discussion, summarization—allocated in the overall detailed plan for the meeting and be prepared to guide the discussion so as to stay within that allotted time. He/she should consult the Project Manager on emerging deviations from the allotted time.
3. In the course of discussion, the chair should ask AEG members to express their views, including agreement or disagreement on the recommendations based on the questions posed by the presenter. The manner of seeking views should avoid, to the maximum extent possible, giving the impression that AEG members are “voting”; the views are expressed as a way to work toward consensus.
4. The chair should be prepared to ask presenters and members of the AEG to slow down, speak more loudly, or speak more clearly if needed.
5. As a last step before summarizing, the chair should check whether the Editor has questions or clarifications that need to be answered before closing the discussion.
6. The chair will summarize the conclusions of the discussion. The summary should be done with a view to preparing of the summary and long reports of the meeting.

¹ Revised slightly to reflect experience at the meeting.