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Report of the Intersecretariat Working Group on National Accounts on the recommendations for the update of the 2008 System of National Accounts

Note by the Secretary-General

In accordance with Economic and Social Council decision 2023/325 and past practices, the Secretary-General has the honour to transmit the report of the Intersecretariat Working Group on National Accounts on the recommendations for the update of the System of National Accounts 2008, which is submitted to the Statistical Commission for discussion and decision.

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Report of the Intersecretariat Working Group on National Accounts on the recommendations for the update of the 2008 System of National Accounts

I. Introduction

1. The programme for the update of the 2008 System of National Accounts (2008 SNA), which was endorsed by the Statistical Commission at its fifty-second session, follows a three-pronged approach: (a) undertaking technical research on national accounts issues, including better supporting sustainable development from a macroeconomic perspective; (b) engaging in a broad consultation on the issues relating to the thematic areas of globalization, digitization, well-being and sustainability, communication, financial and payments systems, the informal economy and Islamic finance; and (c) ensuring overall consistency with other official frameworks in economic statistics.

2. The present report provides an overview of the recommendations for the update of the 2008 SNA to arrive at the updated international statistical standard for compiling national accounts, the 2025 SNA.[1] The list of recommendations is the result of extensive consultations among the statistical and user community on the recommendations contained in 65 guidance notes related to the priority topics for the update of the 2008 SNA.[2] Updated guidance agreed in the past, as well as clarifications on a range of other topics, have been included, in line with the endorsed programme for the update of the 2008 SNA; if relevant, this guidance was also put forward for global consultation. The recommendations for the update of the 2008 SNA were subsequently also subject to consultation during August and September 2023[3] and endorsed by the Advisory Expert Group on National Accounts, with a limited number of changes. The version presented in the present report takes into account the results of that follow-up process. The update of the 2008 SNA is closely aligned with the update of the sixth edition of the *Balance of Payments and International Investment Position Manual*. This will result in consistent sets of updated conceptual guidance for these two major macroeconomic statistical standards. More detailed information on the update of the 2008 SNA is available on the Statistic Division's "Towards the 2025 SNA" web page.

3. The SNA provides conceptual guidance with the aim that it will be followed by as many countries as possible, so as to facilitate international comparability. Since the SNA recommendations cannot be enforced, it is not possible to use terms for them such as "mandatory" in contrast to others that are "optional". Consequently, the descriptor "standard" is used, or reference is made to the "sequence of economic accounts", to indicate the items and tables that the SNA recommends all countries follow. When the descriptors "supplementary", "extended" or "thematic" are used, the SNA recognizes that not all countries will be able to provide this degree of detail but recommends that those countries that can provide extra detail, and choose to do so, would follow these recommendations to ensure comparability.

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[1] Since the update of the 2008 SNA is expected to be submitted to the Statistical Commission for its consideration in 2025, the update of the 2008 SNA is referred to as "2025 SNA".

[2] For further details on the process of the update of the 2008 SNA, see the Statistics Division's "Towards the SNA 2025" web page, available at https://unstats.un.org/unsd/nationalaccount/towards2025.asp.

[3] See https://unstats.un.org/unsd/nationalaccount/RAconsultation.asp?cID=65.

4. The recommendations for the update of the 2008 SNA are set out in section II of the present report. The action to be taken by the Statistical Commission is set out in section III.

II. Recommendations for the update of the 2008 System of National Accounts

5. The recommendations for the update of the 2008 SNA are grouped into eight categories,[4] each of which highlights the impact of the recommendations on certain parts of the system of national accounts, as follows:

(a) Generic issues;

(b) Further specifications of statistical units and revisions in institutional sectoring;

(c) Further specifications of the scope of transactions, including the production boundary;

(d) Extensions and further specifications of the concepts of non-financial assets, capital formation and consumption of fixed capital/depletion, including changes related to other transactions in goods and services;

(e) Further refinement of the treatment and definition of financial corporations, financial instruments and financial assets;

(f) Further specifications of the scope of transactions concerning government and the public sector;

(g) Broadening the framework of national accounts to address well-being and sustainability;

(h) Other issues.

6. For each recommendation, a reference is provided, in brackets, to the relevant guidance notes[5] and other documentation listed in section II of the background document to the report of the Intersecretariat Working Group (forthcoming).

A. Generic issues

1. Giving more prominence to net measures (CM.4)

7. Net income measures will be emphasized. In this respect, the volume change of net domestic product will be identified as the conceptually preferred measure of economic growth, not replacing but used alongside the volume change of gross domestic product. In relation to net measures for domestic product, a distinction is made between “domestic product, net of consumption of fixed capital” and “net domestic product”, the latter being adjusted for both consumption of fixed capital and depletion of natural resources. See also sect. D.4 below.

[4] These categories are similar to those used in the 2008 SNA to describe the changes made to the 1993 SNA.

[5] Available at https://unstats.un.org/unsd/nationalaccount/SNAUpdate/GuidanceNotes.asp.

2. Valuation principles and methodologies (AI.1, X.24 and X.53)

8. The principles and methodologies for valuing transactions and stocks/positions will not be changed in the 2025 SNA. However, more explicit guidance regarding the following issues will be added:

(a) Using the preferred term "exchange values", defined as "the values at which goods, services, labour or assets are in fact exchanged (between two independent parties) or else could be exchanged for cash", as the main principle for valuing transactions. The concept of "exchange values" will be clearly distinguished from the valuation methods to approximate this concept, by referring to observed exchange values/market prices as the preferable method for valuing transactions;

(b) Using the notion of (the net present value of future) capital services, framed in the International Public Sector Accounting Standards (IPSAS)[6] as the current operational value for valuing non-financial assets;

(c) Only using observed market prices to arrive at market-equivalent prices, if the appropriate market conditions are met. The latter concerns issues related to the maturity of the markets and/or related to the point that the market is not distorted by, for example, government interventions. It is not related to the structure of the market (competitive, monopolistic, oligopolistic, monopsonistic or other types of markets);

(d) Including further precisions in applying the sum-of-costs method on the estimation of labour input provided by owners and family members of unincorporated enterprises; the extent of capital services to be included; and the rate to use in estimating the return on invested capital. See also sect. C.3 below;

(e) The application of the net present value method for valuing certain non-financial assets, in line with the System of Environmental-Economic Accounting (SEEA) 2012 central framework,[7] including the more detailed recommendations for valuing mineral and energy resources. See also sect. D.4 below;

(f) Elaborating the concept of nominal value, in line with the guidance currently included in the International Monetary Fund (IMF) *Government Finance Statistics Manual 2014*[8] and *Public Sector Debt Statistics: Guide for Compilers and Users*,[9] and including clarifications on the measurement of nominal values for zero-coupon or deep-discounted securities and other debt instruments that do not accrue interest;

(g) More details on alternative valuation methodologies for transactions and positions beyond the sequence of economic accounts. This particularly concerns unpaid household services and human capital. See also sect. G below;

(h) More details on the relationship between the SNA and business and public sector accounting standards, with reference specifically to valuation of transactions and stocks/positions. See also sect. A.5 below.

3. Islamic finance (IF.1)

9. The 2025 SNA will provide a concise description of the main Islamic financial instruments, the main economic agents active in Islamic finance and the application of the concept of economic ownership in Islamic finance. For the impact on the definition of interest, see sect. C.6 below.

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[6] See International Public Sector Accounting Standards Board, Exposure draft 77, Measurement.
[7] United Nations publication, 2014.
[8] IMF publication, 2014.
[9] Ibid., 2011.

4. Informal economy (IE.1 and X.32)

10. Chapter 39 on the informal economy will improve the alignment with the latest resolutions on the informal economy of the International Conference of Labour Statisticians (ICLS).[10]

5. Relationship between national accounts and standards for business and public sector accounting (X.53)

11. Concise and generic text on the relationships between the SNA and standards for business and public sector accounting will be included in 2025 SNA.

B. Further specifications of statistical units and revisions in institutional sectoring

1. More granular information on households and corporations (WS.2, G.2, G.4, G.7 and F.7)

12. In the context of putting more emphasis on issues related to well-being, distributional information on household income, consumption, saving and wealth is considered highly relevant (see also sect. G). Therefore, it is recommended to have, as a standard, breakdowns based on (current) disposable income and on wealth, showing income and wealth decile groups, a median and, if possible, results for the top 5 per cent and the top 1 per cent. Alternative breakdowns by main source of income, household type, housing status and by age of the reference person are also recommended, as supplementary items.

13. To improve accounting for the impact of globalization on the measurement of economic activity, the current standard breakdowns for the corporations sector, namely foreign-controlled corporations, public corporations, and national private corporations, will be emphasized. It will also be recommended to distinguish national private corporations that are part of domestic multinational enterprises. These breakdowns should also be included, if relevant, in the extended supply and use tables (see sect. H.4 below). The definition of control will be aligned between the SNA and the *Balance of Payments and International Investment Position Manual*, and defined as the "ability to determine general corporate policy of a corporation". In the case of private control, "control is determined through (a) an immediate direct investment (DI) relationship where the direct investor owns more than 50 per cent of the voting power in the direct investment enterprise; and (b) an indirect DI relationship arising from the ownership of voting power in one direct investment enterprise that owns voting power in another enterprise(s) – indirectly through a chain of control". In the case of public control, the traditional list of eight indicators, as included in paragraph 4.80 of the 2008 SNA, will continue to be used as the most important and likely factors to consider.

14. For countries where the presence of special purpose entities is significant, a separate identification of such entities, as an "of which" item, is recommended as supplementary information. For a definition of special purpose entities, see sect. B.3 below. Further breakdowns of sectors, for activities related to financial technology (fintech), are recommended as supplementary items for countries where these activities are significant. For more granular information on the financial corporations sector, see also sect. E.1 below.

[10] Available at https://ilostat.ilo.org/about/standards/icls/icls-documents/.

2. Statistical units (X.18)

15. More guidance will be provided on the usefulness and practicalities of applying the concepts of enterprises and establishments in the relevant parts of the sequence of economic accounts.

3. Treatment of certain groups of economic agents (G.4, B.3, X.4, X.39 and X.54)

16. It is recommended to restrict the term “special purpose entities” to units with non-resident parents, in line with the definition provided in guidance note G.4. While such units with resident parents usually have no autonomy of decision, and are therefore consolidated with their parents, some of these units may actually have autonomy of decision and should be treated as separate institutional units. However, the latter institutional units incorporated in the same economic territory as their parents should not to be referred to as special purpose entities, but instead by their specific type of activity (e.g. domestic securitization vehicle).

17. Guidance will be provided on the definition and treatment of trusts and similar asset pools under third-party management. Clarifications will also be included regarding the institutional unit test of trusts, investment funds and pension schemes, and their related classification.

18. Recommendations will be added on the treatment of specific cases: asset management provided by banks and multi-employer pension schemes. For asset management services, the treatment would depend on who runs the risks and rewards of the invested funds: the bank or the investor; and for the latter case, it would depend on whether the funds are invested on behalf of a single investor or multiple investors. In the case of multi-employer pension schemes, it will be made clear that such schemes may also constitute separate institutional units regarding which it is not possible to allocate the responsibility for any shortfall or surplus to a single employer. Finally, clarification will also be provided on the possibility of quasi-corporations being set up as trusts.

19. Clarifications will be included to classify in the non-financial corporations sector investment funds directly investing in non-financial assets if they primarily own, and directly rent out, dwellings and/or commercial property and, consequently, limit their primary activity to the production of non-financial services. Funds primarily investing in other non-financial assets, such as valuables and cryptoassets, however, should be classified as financial corporations, because their output primarily consists of financial services.

20. Clarifications will be included, in line with *SNA News and Notes*, No. 37, on the determination of the institutional independence of holding companies and head offices; the distinction between holding companies and head offices versus other types of units; and the distinction between holding companies and head offices.

21. In relation to the treatment of centralized currency unions, guidance will be provided on the treatment of national agencies, including the notional resident units, as residents of the economies of their location, to ensure that in each economy monetary activities with residents of the currency union are carried out by national agencies (which resemble in their operations a national central bank) having their own assets and liabilities.

22. Clarifications will be added on the residence and the recording of transactions of offshore banks, by treating offshore banks as residents of the country where they are incorporated or registered. They are to be classified as deposit-taking corporations except the central bank subsector (S.122).

C. Further specifications of the scope of transactions, including the production boundary

1. Clarifications in relation to the recording of digital activities (DZ.8 and DZ.9)

23. A relatively new phenomenon concerns cloud computing, which as such does not lead to any conceptual changes to the sequence of economic accounts. However, further clarification will be provided on the current treatment of software licences, including the distinction between intermediate consumption and gross fixed capital formation, long-term access to servers and other resources, own-account production of information technology (IT) equipment and cross-border flows. It will be recommended to treat payments for software subscriptions as purchases of a service, unless long-term licences for software hosted in cloud computing data centres are more likely to represent software assets of the user. Furthermore, clarification will be provided on the recording of gross fixed capital formation of data centres, including IT equipment, for own final use. As major suppliers of cloud computing have globe-spanning networks of computing facilities and clients, recommendations will be included regarding the measurement of the international transactions in cloud computing services across these networks.

24. Clarification will also be provided for the definition of digital intermediary platforms and the recording of the fees charged for their intermediary role based on the producer approach, i.e. the output of the platform is equal to the value of the fees, and not the full value of the service intermediated.

2. Treatment of global production arrangements (G.7 and C.4)

25. Further clarifications will be provided on the recording of global production arrangements, in line with the Economic Commission for Europe (ECE) publication *Guide to Measuring Global Production*.[11] Guidance will also be provided for the recording of inverse merchanting, which concerns, for example, a merchanting enterprise resident in country A that is buying goods in country B and is selling the goods without physical transformation to another economic agent in country B.

3. A more consistent application of the sum-of-costs method (AI.2 and X.55)

26. In relation to the application of the sum-of-costs approach, it will be recommended: (a) to include a return to capital in all cases, including output of non-market producers; (b) to expand the scope of assets for which a return to capital should be recognized, thus including work-in-progress, other inventories (where significant) and non-produced non-financial assets that are used in production; (c) to exclude a return to capital for city parks and historical monuments on pragmatic grounds; (d) to add, where relevant, depletion of natural resources as a cost;[12] and (e) to add, where relevant, payments of rent as a cost.

4. Changes and recommendations in relation to the measurement of specific services (F.14, X.3 and X.10)

27. For conceptual reasons, the references to financial intermediation services directly measured, or FISIM[13] in the estimation of central bank output will be removed. The recommendations on the typical services provided by central banks will be updated to recognize other services, for instance those related to promoting

[11] United Nations publication, 2015.
[12] This does not concern depletion attributed to government as a legal owner of natural resources.
[13] In the 2025 SNA, the term "FISIM" will be replaced by "implicit financial services on loans and deposits".

financial stability and monitoring the payments system. It is also recommended to treat all services provided by central banks as collective services, valued using the sum-of-costs method. Any transfers in relation to these services from the financial corporations sector to the central bank should be recorded as current transfers (instead of sales/purchases of services), and the collective services produced by the central bank should be allocated to the final consumption expenditure of the central bank (instead of being allocated to government).

28. It will be recommended to (implicitly) include maturity risk in the measurement of FISIM, by using a single reference rate for domestic loans and deposits. Recommendations will be provided on the choice of reference rate (single exogenous rate, a weighted basket of exogenous rates, or endogenous interest rate),[14] including guidance on reviewing the applicability of the reference rate in very volatile periods. For the calculation of imports and exports of FISIM, it is recommended to distinguish reference rates for different categories of currencies and, if applicable, at least two groups of currencies.

29. Guidance will be provided on the recording of factoring transactions. This relates to the measurement of output, which is to be set equal to the factoring income (i.e. the difference between the nominal value of the underlying trade credits and the actual advances made by the factor), recognizing that this method may not work in special circumstances of very high inflation and credit risk environments. It will be recommended to not include FISIM in the measurement of factoring output, for conceptual reasons. Finally, it will be recommended that the indirect financing by the factor to the debtor be classified as a loan.

5. Recording of deferred or waived payments (X.44–X.46)

30. In line with the recommendations put forward for the accounting of certain economic phenomena during the coronavirus disease (COVID-19) pandemic, clarifications will be included on the time of recording of deferred or waived rental payments, depending on whether the deferral is related to a modification of the lease terms. Similarly, the recording of output and consumption in the case of deferred deliveries (payments) will be clarified, distinguishing between cases where the product is delivered or not. Clarifications will also be included on the impact of deferred interest payments on FISIM, as well as the recording of capital transfers in the case of mutual agreement on non-payment of interest. For more details, see the IMF web page featuring special series notes on COVID-19.

6. Recording and measuring interest (F.15, IF.1 and X.6)

31. It is recommended to treat negative receipts of interest as negative investment income, and not as positive expenditures of interest.

32. It is recommended to only record a transfer element for concessional lending in the sequence of economic accounts in the case of concessional loans provided by employers to employees. In these cases, the interest rate will be adjusted to market interest rates, with a concomitant increase of compensation of employees. The special cases of interest rates set by central banks (see paras. 7.122–7.126 of the 2008 SNA) will be removed, for conceptual reasons. It will also be recommended to compile, as supplementary items, information on concessional lending by government and international organizations, where the implicit transfer in the provision of loans at lower interest rates is to be recorded as capital transfers at inception, because it typically concerns an explicit policy decision to provide a lower interest rate at the start of the loan, or to change the conditions of relevant loans at a later stage.

[14] The endogenous reference rate could be either a simple average rate or a weighted rate.

33. To accommodate certain arrangements that are common to Islamic finance, the term “interest” in the sequence of economic accounts will be changed to “interest and similar returns”; the definition will also be slightly changed.

7. Treatment and recording of dividends and retained earnings (F.2, D.16 and D.17)

34. In relation to the recording of distributed income of foreign direct investment (FDI) enterprises, it will be recommended to only record exceptional payments of distributable income to the parent company as withdrawal of equity if they relate to the sale of fixed assets and similar non-produced non-financial assets. Distributions of income from accumulated reserves would thus be recorded as dividends. This is different from the treatment of exceptional payments of dividends by other corporations (including public corporations to government), for which the distribution of income out of accumulated reserves would continue to be recorded as withdrawals of equity. These so-called “super dividends” are defined as large and irregular payments or payments that are funded from accumulated reserves or sales of assets, and typically measured as the difference between the actual payments and the distributable income. This inconsistent treatment is considered acceptable, because in the case of FDI all distributable income is recorded as part of investment income, so the change has no impact on the income measure. To facilitate comparisons between FDI and other dividends, compilers are advised, if feasible and relevant, to break down FDI-related dividends into payments as defined for non-FDI corporations and others.

35. Clarifications will be provided on the estimation of reinvested earnings for FDI and investment funds, on the possible impact of provisions and on the measurement of reinvested earnings further down the ownership chain. Clarification will also be provided on the measurement of investment income attributable to collective investment fund shareholders, including the way in which to record explicit fees (as cash payments to the relevant financial auxiliary) and implicit fees (i.e. all the costs incurred by the funds in their day-to-day operations, which are looked upon as relating to services provided directly from the original professional providers to the shareholders).[15] On the latter, it will be recommended to treat those payments as paid by the investment funds on behalf of the shareholders to the relevant financial auxiliaries, which also implies the introduction of imputed dividends payable by the investment fund to the shareholders equal to the amount of such expenses.

36. It will be recommended to include the compilation of reinvested earnings estimates for all corporations, in line with the treatment of FDI, as supplementary information items.

8. Delineation and recording of rent (DZ.6 and AI.2)

37. In the 2025 SNA, the definition of rent will be broadened, from being restricted to natural resources deemed to have an infinite life, to all payments/receipts related to the use of non-produced non-financial assets (regardless of their life span). This would also include payments related to obtaining observable phenomena.[16] The current location of the recording of rent, in the allocation of accrued (primary) income account, will not be changed.

[15] For more details on the estimation of investment income attributable to collective investment fund shareholders, including reinvested earnings, reference is made to guidance note D.16 on treatment of retained earnings.

[16] Observable phenomena are facts or situations whose characteristics and attributes may be recorded. As such, they are often the objective of collecting data.

9. Delineating individual insurance and social insurance (F.12)

38. The treatment of hybrid insurance, while not leading to a change in conceptual guidance, will be clarified. While insurance products with a saving component are typically classified as life insurance, and products where claims are paid only if the insured event occurs are classified as non-life insurance, hybrid products would be allocated to one category or the other depending on which features are predominant.

39. Clarifications will be provided on the treatment of employer-independent insurance schemes, as being part, or not, of social insurance. In the case of pension schemes, these schemes would only be classified as social insurance if they constitute autonomous pension funds in which accumulated contributions are set aside for retirement income, and the schemes are subject to regulation or supervision in line with or like employer-related pension schemes/funds. Similar conditions will be elaborated for non-pension, related schemes for the self-employed.

40. It will be recommended to treat provident funds as part of social insurance, with the relevant funds classified in the financial corporations sector.

41. In addition to the above considerations, the language for the delineation of social insurance will be reviewed more generally, to arrive at a more consistent phrasing with less ambiguities.

10. Accounting for insurance and pensions (X.5, X.8, X.12, X.35 and X.41)

42. Clarifications will be provided on measuring output and investment income attributable to insurance policyholders/investment income payable on pension entitlements:

(a) For non-life insurance, to measure investment income attributable to insurance policyholders as actual investment income on investments from the funds available through insurance technical reserves, excluding holding gains and losses;

(b) For reinsurance and standardized guarantee schemes, to apply a recording in line with non-life insurance;

(c) For life insurance, to treat all income that is allocated to the life insurance policyholders as property income, whether or not this income originates from investment income or from holding gains (or losses);[17]

(d) For pension schemes, to make a distinction between defined contribution pension schemes and defined benefit pension schemes, whereby in the former case the investment income should exclude any holding gains and losses, and in the latter case the investment income should be set equal to what has been allocated to the pension entitlements, disregarding the source of the income;

(e) For autonomous multi-employer pension schemes, to provide simpler guidance for the measurement of output of autonomous pension schemes, in line with the sum-of-costs method;

(f) More generally, on the treatment of holding gains and losses.

43. In line with *SNA News and Notes*, No. 39/40, specific recommendations will be included regarding the calculation of (imputed) investment income on the claim between a pension fund and its manager/sponsor, as the difference between the unwinding of the pension liabilities and the actual investment income received. The

[17] An exception may be made for with-profit life insurance schemes where all returns on investment, after a reduction for the services provided by the insurer, are allocated one-to-one to the policyholder, thereby basically transferring all risks and rewards to the policyholder. In this case, investment income would be calculated excluding holding gains and losses.

relevant investment income is classified as a separate subcategory (D444, Imputed investment income attributable to the surplus/shortfall in defined benefit pension funds). Guidance will also be included on the treatment of holding gains and losses and other events affecting the claim between the pension fund and its sponsor.

44. In dealing with catastrophes in recording non-life insurance, it will be recommended to determine at the national level whether a catastrophe is an exceptional event (including the classification of claims arising from a catastrophe), while recognizing that this may lead to inconsistencies in the recording of international transfers. To avoid such inconsistencies, it will be recommended to apply a relatively strict delineation of major catastrophic events. It will also be recommended to extend the recording of capital transfers in the case of catastrophic events to claims related to inventories and non-financial assets other than dwellings, buildings and structures. Clarifications will be introduced on the recording of reinsurance claims that are related to catastrophic events, as well as the recording of claims in the case of damage to consumer durables. More details will also be included regarding the treatment of non-life insurance in the context of distributional national accounts.

11. Other changes affecting output and other current and capital transactions (C.7 and C.8)

45. The unbundling of the various services contained in the case of travel packages and health-related travel, and also the unbundling of taxes and fees contained in the case of passenger tickets, will be clarified.

46. Recommendations will be provided regarding the definition of fines/penalties as payments that are punitive in nature, to be more clearly distinguished from payments of compensation, which are intended to compensate for injury or damages. In respect of the latter, it will be recommended to record major compensation payments as capital transfers (instead of current transfers) if they are intended to recover losses incurred over a multi-year period or to replace an asset (financial or non-financial). Furthermore, given the number of appeals that often follow an initial ruling, it will be clarified that fines and penalties should not be recorded until the unit issuing the fine or penalty has an unconditional claim to the funds; if a judgment or ruling is subject to further appeal, an unconditional claim only exists when the appeal is resolved.

D. Extensions and further specifications of the concepts of non-financial assets, capital formation and consumption of fixed capital/depletion, including changes related to other transactions in goods and services

1. Extending the asset boundary for intellectual property products (DZ.6 and G.9)

47. The information content of electronic data collected and used in production will be included in the asset boundary, as a new asset category – data – under (produced) fixed assets. In respect of calculating the production of data for own final use, it will be recommended to use the sum-of-costs method. The treatment of copies of data is similar to the treatment of software copies (see paragraph 10.100 of the 2008 SNA).

48. Marketing assets will also be recognized as produced non-financial assets, valued using the sum-of-costs method in the case of own-account production.

2. Recording of cryptoassets without a corresponding liability designed to act as a general medium of exchange (F.18)

49. Cryptoassets without a corresponding liability designed to act as a general medium of exchange (CAWLM), and those designed to act as a medium of exchange within a platform only (i.e. payment tokens without a corresponding liability) (CAWLP)), will be treated as non-produced non-financial assets in the 2025 SNA, classified as a separate category (see AN.22 in table 1 of the background document). For the recording of cryptoassets with a corresponding liability, see sect. E.2 below.

3. Recording of non-fungible tokens (DZ.10)

50. The following guidance will be provided on the recording of non-fungible tokens (NFTs): (a) NFTs that grant only personal use and display rights are to be recorded as consumption (but may transform to valuables at a later stage); (b) NFTs that grant limited commercial rights should be recorded as non-produced non-financial assets (contracts, leases and licences), if the owner can derive economic benefits from these rights (e.g. some form of royalties); and (c) NFTs that grant full ownership rights should not be separately recorded, assuming that the associated assets or products have already been recorded.

4. Accounting for mineral and energy resources (WS.6, WS.10 and WS.11)

51. The asset boundary for mineral and energy resources will explicitly include renewable energy resources (i.e. the exclusive use of solar, wind, etc., for the production of energy). If not already reflected in the value of land, it will be recommended to explicitly account for these resources if they are viable in economic production under prevailing technological and economic conditions, and to value them using the net present value of future resource rents (applying the residual value method), or the "least-cost alternative" method in case the residual value method is inappropriate due to subsidization or other market distortions.

52. To facilitate the delineation and international comparability of non-renewable mineral and energy resources, it will be recommended to use the same three resource classes as in the SEEA 2012 central framework (i.e. "commercially recoverable resources", "potentially commercially recoverable resources", and "non-commercial and other known deposits"). The measurement of monetary estimates will be restricted to the first class, which in practice could be approximated by those resources for which permissions to exploit have been granted, and/or those for which the existence is explicitly recognized by (past) monetary transactions.

53. The calculation of net present values for mineral and energy resources will be clarified, by explicitly referring to chapter 5 of the SEEA central framework. Recommendations will be introduced regarding the appropriate choice of the discount rate; the heterogeneity of extraction costs across space, for which, as a consequence, the value of resources should be compiled at a disaggregated level if possible; constraints imposed on mineral and energy production at the micro level by initial investments in physical capital; and the importance of using long-term averages of resource rents (applying the residual value method), to avoid volatility in the value of mineral and energy resources as a result of short-run price fluctuations of commodity prices.

54. In allocating the value of mineral and energy resources, the split-asset approach is recommended, in line with the appropriation of resource rents by both the legal owner (reflected as receipt of rents) and the extractor (reflecting the residual value of the resource rent). In relevant cases, it will be recommended to record transfers of parts of the resources by the legal owner to the extractor as other changes in the

volume of assets and liabilities, and not as capital transfers. In the case of transferable rights to exploit the resources, double-counting should be avoided by allocating both the value of the rights and the value according to the split-asset approach to the balance sheet of the extractor. In such cases, information on the value of the rights may provide an excellent indicator of the value of the relevant assets for the extractor at the time the transaction takes place.

55. Depletion of mineral and energy resources will be recorded as a cost of production, instead of other changes in the volume of assets and liabilities. Consequently, net domestic product will not only be affected by consumption of fixed capital, but also by the amount of depletion (see also sect. A.1 above). The attribution of depletion costs to the legal owner and the extractor is to be recorded in line with chapter 5 of the SEEA central framework.

5. Accounting for biological resources yielding once-only products

56. Although the asset boundary for biological resources will not be changed, the 2025 SNA will change the distinction between cultivated (produced) and non-cultivated (non-produced) resources yielding once-only products. Migrating biological resources, such as fish in open waters, are to be treated as non-cultivated assets, while non-migrating resources, such as trees for timber production, are always considered as cultivated assets. In respect of the latter, all growth of the relevant resources that in the future is intended to be used for the purpose of producing goods is looked upon as being under some form of management and control by economic agents, instead of applying a discretionary choice between either managed and controlled or not managed and controlled by economic agents. This would only lead to a shift from non-produced assets to produced assets, with no impact on the asset boundary.

57. Consequently, the regeneration of non-migrating biological resources yielding once-only products, here to be understood as the income generating potential of the underlying assets (e.g. forest land), will be recorded as gross fixed capital formation, while – similarly to mineral and energy resources – depletion will be treated as a cost of production. Further clarification will also be introduced regarding the compilation of work-in-progress for non-migrating biological resources yielding once-only products, in particular the need to eliminate the possible inclusion of resource rents linked to the underlying asset.

6. Transfer of ownership (G.5 and X.9)

58. To determine economic ownership of, in particular, previously produced intellectual property products, within multinational enterprise groups, a decision tree in line with chapter 4 of the ECE *Guide to Measuring Global Production* will be introduced. The concept of (economic) ownership will also be further clarified at various places.

59. In relation to work-in-progress, the recording of the transfer of ownership will not be restricted to buildings and other structures, but will also include other non-financial assets where production takes several years. Guidance will also be introduced on the conceptually preferred recording of work-in-progress, that is, to only record a transfer of the relevant asset in the case of an effective transfer of ownership; to record partially completed structures as work-in-progress, also after a partial handover; and to record differences between stage payments and the effective transfer of ownership as other accounts payable/receivable. In relation to the latter, possible exceptions to the conceptually preferred recording will be allowed in the practical implementation, using stage payments as a proxy for transfer of ownership. As issues may also arise in relation to continuing to record work-in-progress after the

partial handover, the recording of these partially completed assets as gross fixed capital formation may have to be applied as a default.

7. More general clarifications related to the measurement of non-financial assets (X.52 and X.56–X.58)

60. Clarifications will be provided on the treatment of the transfer of leased assets at the end of the lease period. It will be recommended, from a conceptual point of view, to record these transfers as the building up of a financial claim, which is extinguished at the time of the transfer of the leased asset. It will also be recognized that this recording may be difficult in practice, in which case the recording of such transfers as capital transfers is also considered appropriate. Clarification will also be included on the possible transfers of the economic ownership of natural resources.

61. Clarifications will also be added, where relevant, on the treatment of costs of ownership transfers for different types of assets; the dual use of consumer durables and fixed assets; and the distinction between maintenance and capital repairs, in particular for intangible assets.

8. Measuring consumption of fixed capital and capital services (CM.4, X.7 and X.9)

62. Clarifications will be provided on the measurement of consumption of fixed capital.[18] It will be recommended to use geometric depreciation as the default option for calculating capital stocks and consumption of fixed capital, without prohibiting the application of other depreciation and retirement profiles when they are considered more suitable to approximate the decline in value of the assets used in production. In relation to military weapon systems, it will be recommended that the depreciation profiles reflect the expected service lives of such assets, thereby taking account of expected losses, noting that the relevant service lives may need to be reviewed in times of conflict. Loss of military weapon systems in military operations that goes beyond expected losses should be recorded as other changes in volume of assets.

63. Guidance will be introduced on the measurement of capital services for inventories. The measurement of capital services will also be updated in view of the changes in the accounting for natural resources (see sect. D.4 above). Clarifications will also be added on the rate of return, including clear and consistent guidance on the use of discount rates.

9. Revised classifications and definitions of assets (DZ.7, WS.11 and WS.12)

64. Artificial intelligence will be classified as part of software, by introducing two classes of assets under computer software and databases: (a) computer software, including artificial intelligence systems; and (b) data and databases. Some additional clarifications on the treatment of certain expenditures related to artificial intelligence, such as the exclusion of the cost of producing training datasets and the cost of recurring data services from artificial intelligence, will also be included.

65. The overarching category of intellectual property products will be redefined in view of the additions of not only artificial intelligence but also data and marketing assets.

66. Natural capital will be treated as a separate asset class, next to financial assets, produced non-financial assets (excluding produced natural capital), and non-produced non-financial assets (excluding non-produced natural capital), while also recognizing ecosystem assets, human capital and social capital as separate asset classes, albeit outside the SNA asset boundary. For certain asset categories, “of

[18] In the 2025 SNA, the term “consumption of fixed capital” will be replaced by “depreciation”.

which" items will be included, as supplementary information, to separately identify certain investments that are considered highly relevant for the transition of the economy to cope with climate change.

67. The classification of non-financial assets will also be affected by the updated guidance on data, cryptoassets, non-fungible tokens, mineral and energy resources and biological resources. The full suite of asset categories, including a provisional coding, is presented in table 1 of the background document.

10. Valuation of imports and exports (G.1)

68. The valuation of imports and exports will remain to be recorded at cost, insurance and freight/free on board values. However, reference will be made to using invoice values as the new principle for valuing imports and exports in the future, after further research on the feasibility of implementing this principle.

E. Further refinement of the treatment and definition of financial corporations, financial instruments and financial assets

1. Non-bank financial intermediation (F.1 and F.6)

69. To arrive at an improved picture of financial risks and vulnerabilities, more detailed breakdowns of the financial corporations sector and additional granularity for specific financial instruments will be recommended. For more information on the details, see annexes I–IV of guidance note F.1. With these recommendations, compilers would have guidance on how to delineate the additional subsectors and instruments, as supplementary items, in case their separate identification is relevant for their economies.

2. Recording of cryptoassets with a corresponding liability (F.18)

70. Recommendations will be provided on the classification of cryptoassets with a corresponding liability, as follows:

(a) Cryptoassets designed to act as a general medium of exchange, with a corresponding liability:

(i) Issued by a monetary authority: to be classified as currency under "currency and deposits" (AF.2);

(ii) Not issued by a monetary authority: to be classified under a separate new financial asset class;

(b) Cryptoassets that act only as a medium of exchange within a platform or network (i.e. payment tokens) and with a corresponding liability: to be classified as a separate subcategory under "debt securities" (AF.3);

(c) Security cryptoassets (which always have a counterpart liability):

(i) Debt security cryptoassets (and utility tokens): to be classified under "debt securities", possibly with a separate subcategory for utility tokens (AF.3);

(ii) Equity cryptoassets: to be classified under "equity and investment fund shares and units" (AF.5);

(iii) Derivative cryptoassets: to be classified under "derivatives and employee stock options" (AF.7).

3. Debt securities (F.8)

71. Explicit guidance will be introduced for compiling stocks of debt securities at nominal value for liability positions, including their reconciliation with the corresponding entries at market value in the balance sheets. In addition, it will be recommended to show the debt securities component of FDI intercompany lending as a supplementary item.

4. Loans (F.9)

72. The valuation of loans at nominal values will be maintained. However, the possibility to reassess the value of loans when there is public evidence of loan deterioration beyond cases of bankruptcy and liquidation, will be recognized.

5. Equity and investment fund shares/units (F.16, WS.9 and B.12)

73. Explicit guidance will be provided on the recording of (equity) subscription rights, as part of equity.

74. The 2025 SNA will treat all equity in international organizations, both equity in the form of unlisted shares and equity in the form of non-negotiable equity, as part of "other equity" (AF.519). In line with this recommendation, the term "other equity" will be changed to "other equity, including equity in international organizations".

75. The valuation of unlisted equity will also be clarified, namely, in the absence of an observed market price, to use the theoretical exchange value for the corporation. In doing so, the following methods will be presented in order of preference: own funds at book value, recent transaction prices, and market capitalization, as explained in paragraph 13.71 (a), (d) and (e) of the 2008 SNA. For choosing the appropriate method, a decision tree will be introduced to guide compilers. Guidance will also be added on the recognition of negative equity and on provisions in line with the recommendations provided in guidance note WS.9 (see sect. E.9 below).

6. Accounting for pension entitlements (X.14 and X.16)

76. More consistent guidance will be provided regarding the recognition of pension entitlements for all employment-related schemes that are not intertwined with social security type schemes. In relation to such schemes provided by public employers, the recording of entitlements will be recommended if these schemes are similar to those provided by private employers, in particular in respect of the terms and conditions of compensation, both current and future after retirement.

77. In addition to the supplementary table showing the amount of pension entitlements for all pension schemes, whether included in, or excluded from, the sequence of economic accounts, the 2025 SNA will recommend a supplementary table on household retirement resources. The scope of assets to be included in such a table may differ across countries, so it is recommended to have detailed information on the various arrangements to improve the possibilities of comparing the results across countries.

7. Financial derivatives (F.4 and F.5)

78. Three breakdowns of financial derivatives will be included, as supplementary items: (a) by market risk; (b) by instrument; and (c) by trading venue. In addition, the importance of having information on the currency composition of notional values will be emphasized.

79. Guidance will be provided on the recording of novation and portfolio compression.[19] The cases where a net recording (i.e. assets minus liabilities) is acceptable will also be clarified. For more details, reference is made to annex III of guidance note F.4 on financial derivatives by type.

80. Regarding the classification of credit default swaps, it will be recommended to classify these financial instruments as "options" within the instrument-based breakdown and as "credit derivatives" under the market risk breakdown. Additional clarifications on credit default swaps will be added in line with paragraphs 7–10 of guidance note F.5.

8. The treatment of some specific transactions (F.3, F.10, D.18, X.37 and X.59)

81. No conceptual changes on the recording of reverse transactions will be included, except for the recording of "manufactured" interest/dividends.[20] In these cases, it will be recommended to record, in addition to the positive credit in interest/dividends for the security lender, negative credit in interest/dividends for the security borrower. Clarifications will also be included on the recording of reverse transactions, for example the recording of negative assets for short-sales; the recording of different types of reserve transactions; the recording of reserve transactions on commodities; and the separate identification of transactions related to repos (repurchase agreements).

82. Regarding the treatment of securities (and gold bullion) under reverse transactions, it is recommended to exclude securities provided as collateral, which are not readily available for meeting balance of payments financing needs, from the cash borrower's reserve assets and to reclassify these securities as portfolio investment assets. In the case of gold swaps, this reclassification leads to a demonetization of the gold bullion, and thus to a reduction in the value of monetary gold.

83. In relation to the treatment of cash collateral, it will be recommended to allow for a flexible interpretation of the nature of cash collateral liabilities. It will also be recommended to extend the treatment to cash-collateral agreements other than repayable margins, except for securities lending with cash-collateral and repos (whose current treatment is left unchanged).

84. Cash-pooling arrangements provided by banks allow corporations to externalize intra-group cash management and thus manage their global liquidity more effectively and with lower costs. Short descriptions of the main types of such arrangements will be included: single legal account, physical cash pool, and notional cash pool.

85. It will be recommended to treat off-market central bank currency swap arrangements as an exchange of deposits with maintenance of value. However, if the central banks conduct the transaction as a standard (market priced) currency swap, then it will be recommended to record the swap as an exchange of deposits with the simultaneous creation of a financial derivative (i.e. a forward contract).

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[19] Novation is a process in which a bilateral over-the-counter derivative contract between two market participants is replaced by two bilateral contracts between each of the market participants and a central counterparty. Portfolio compression refers to a bilateral or multilateral process in which the counterparties wholly or partially terminate the derivatives submitted for inclusion in the portfolio compression and replace the terminated derivatives with new derivative(s) whose combined notional value is less than the combined notional value of the terminated derivatives.

[20] If a reverse transaction covers the period when dividends or interest are payable by the issuer, the security taker (borrower) is typically obliged to pass on the payments to the security provider (lender). Payments to the security lender to compensate for the dividends/interests when on-selling is involved (i.e. when the borrower has not received the payment), are called "manufactured" interest/dividends.

9. Constructive liabilities, contingent liabilities and provisions (WS.9 and X.14)

86. It will be recommended that constructive liabilities are generally not recognized, with the exception of standardized guarantees.

87. More detailed guidance will be introduced on provisions. Three categories of provisions (financial assets-related, non-financial assets-related, and provisions unrelated to assets) will be distinguished in a supplementary table. This does not lead to any conceptual changes for the treatment of provisions related to financial assets. However, for terminal costs (non-financial assets-related), the treatment in International Accounting Standard (IAS) 37 and IPSAS 19[21] will be adopted, which means including expected terminal costs in the value of the relevant fixed assets. Regarding compensation costs (non-financial assets-related provisions), the treatment in IAS 37 and IPSAS 19 will also be adopted, which recognizes these costs if the conditions of a fair assessment of timing and amounts apply and the liability is deliberately accepted as part of an investment decision. Provisions are classified as a special kind of liability for which a corresponding asset is not identified.

88. Guidance will be provided on the phenomenon of stranded assets, for example to record adjusted extraction paths resulting from changing energy markets as revaluations.

10. Sustainable finance (WS.12)

89. To arrive at an improved accounting for sustainable finance, supplementary items will be introduced in the financial accounts and balance sheets for debt securities, loans, and equity and investment fund shares/units used for financing or refinancing activities that sustain or improve the condition of the environment, society or governance practices. Similarly, supplementary items will be introduced for relevant financial instruments that raise money for climate and environmental projects (green financing).

F. Further specifications of the scope of transactions concerning government and the public sector

1. Emission permits (WS.7)

90. It will be recommended to record emission permits as financial assets (other accounts receivable/payable), with taxes on production recorded at surrender, valued at issuance prices.[22]

2. Stability fees (X.11)

91. Stability fees, such as payments for deposit insurance schemes, could be classified as either a tax or as a payment for an insurance-type of transaction. To determine the appropriate recording, the criterion of proportionality between payments and the provision of an insurance-type of service (including payments for the risk element) should be examined on a case-by-case basis. The existence of a fund functioning on insurance rules with a full set of accounts may indicate proportionality, while if payments are not put aside or can be used for other purposes, this may be used as an indication to treat the payments as a tax.

[21] See, for example, IPSAS 19.

[22] The final decision on the recording of emission permits is still pending; a workshop will be organized to discuss the preferable recording based on conceptual grounds, as well as issues related to the feasibility of the recording.

3. Distinction between taxes and services more generally (WS.14 and AI.2)

92. It will be recommended to consider payments for licences required under a mandatory process as being unrequited, and thus to be recorded as taxes. However, for cases where the current conceptual guidance for distinguishing between taxes and services is considered more appropriate, further clarifications on its application in practice will be provided.

93. Clarification will be provided on the treatment of payments related to the use or extraction of natural resources. More specifically, it will be recommended that rents received by the legal owner of a natural resource should include any payments from a user/extractor of that resource that are linked to the use/extraction or to the quantity and/or value of that resource (including royalties, surtaxes and permits).

94. New guidance on the rerouting of transactions through government will be introduced, in line with the recommendations in section IV of guidance note WS.14. Possible examples of scenarios where guidance can be given for transactions between two (or more) non-government actors to be rearranged through the government accounts are the following: (a) where government replaces a pre-existing scheme involving payments to and from government with a new scheme under which the payments, which provide a similar economic outcome, are made directly and not through government; (b) where government mandates cash payments between economic actors that would not take place without the government intervention; and (c) where government instigates a price cap, or price fix, but has a mechanism to fund the difference between the price cap and the market price (or another price), perhaps at a future date.

95. A decision tree for the classification of payments to government will be introduced.

4. Public-private partnerships (D.8)

96. More detailed guidance will be provided on the recording of public-private partnership, building on existing guidance in the 2008 SNA and guidance developed in the context of government finance statistics.

5. Treatment of non-resident special purpose entities owned or controlled by general government (D.5)

97. No changes will be made to the principle of recording special purpose entities set up by government as non-resident. However, an enhanced set of imputations will be described, to better reflect the fiscal operations of government controlled special purpose entities.

6. Recording of other government-related transactions (B.8, B.9 and X.43)

98. Clarifications will be introduced on the recording of government support to businesses and households, similar to the ones provided in the context of the COVID-19 pandemic, as either other subsidies on production (where the objective is maintenance of business), current transfers (where the objective is income support of households), or reduction of relevant taxes (e.g. in the case of a tax holiday). For more details, see the documents on the IMF web page featuring special series notes on COVID-19.

99. Guidance will also be introduced on the recording of non-refundable contributions to obtain citizenship, as a transfer (current or capital), due to the voluntary nature of these contributions.

100. Guidance will be provided on the recording of tax amnesty programmes, in line with the IMF *Government Finance Statistics Manual 2014*. This concerns, in

particular, the time of recording. Following the accrual basis of recording, any adjustment to taxes due to an under/overestimation should be implemented in the period in which the under/overestimation occurred. However, in cases where it is not possible to identify the time of the under/overestimation, the adjustment is necessarily recorded when the need for the adjustment is identified.

G. Broadening the framework of national accounts to address well-being and sustainability (WS.1–WS.5 and X32)

101. The 2025 SNA will contain three new chapters on accounting for well-being and sustainability. Chapter 2 will discuss, in general terms, the role of the SNA in capturing (aspects of) well-being and sustainability, to clearly communicate what role major macroeconomic indicators from the system of national accounts can, and cannot, play when it comes to capturing broader aspects of well-being and sustainability. Chapter 34 will include a general discussion on various approaches and methods to measure well-being and how a suite of additional breakdowns and extended/thematic accounts and tables can support this, while chapter 35 will contain a discussion on the monitoring of sustainability using the capital approach, the main changes to the sequence of economic accounts to better account for natural capital and a short introduction to the System of Environmental-Economic Accounting as a system to monitor environmental sustainability more broadly.

102. Some of the issues related to supporting the measurement of well-being and sustainability will be addressed in the sequence of economic accounts, for example, the distribution of household income, consumption, saving and wealth, and a broader set of standard tables for labour input in the form of labour accounts. Other aspects, which are outside the scope of the sequence of economic accounts, will be addressed through a suite of extended accounts.

103. Regarding distributional information, standard breakdowns of the household sector will be recommended in chapter 5 on residence, institutional units and sectors (see also sect. B.1 above). In addition, a specific section will be introduced in chapter 32 on households, which focuses on the compilation of distributional accounts in line with national accounts totals, by highlighting the importance of this type of information; discussing the scope of the work linking the relevant distributional information to respective parts of the SNA; discussing specific balancing items of relevance and where these may, or may not, deviate from the standard sequence of economic accounts; presenting possible distributional breakdowns; and highlighting specific issues in the compilation of distributional results.

104. In relation to labour input, chapter 16 of the 2025 SNA on labour will highlight the importance of providing more detail on labour input in the form of labour accounts, by presenting the scope and coverage of the proposed accounts; linking the labour accounts to relevant parts in the SNA and also to the definitions included in the resolutions of ICLS; and discussing measurement issues. In addition, chapter 34 on measuring well-being will introduce extended accounts for education and training, building on existing material, particularly the ECE *Satellite Account for Education and Training: Compilation Guide*,[23] and provide recommendations on starting to develop extended accounts for human capital, in particular compiling cost-based and income-based measures of human capital, in line with the ECE *Guide on Measuring Human Capital*.[24]

105. Chapter 34 will also include recommendations on compiling extended accounts on unpaid household activities, in monetary terms as well as physical units, in line with

[23] United Nations publication, 2020.
[24] Ibid., 2016.

the ECE *Guide on Valuing Unpaid Household Service Work*;[25] as well as extended accounts related to health and social conditions, based on the Organisation for Economic Co-operation and Development (OECD) publication *A System of Health Accounts 2011*.[26]

H. Other issues

1. Price and volume measurement (DZ.1, X.10, X.21, X.22 and X.47)

106. Guidance on the measurement of prices and volumes will be provided for specific products, similar to the guidance on measuring output for certain industries provided in chapter 6 of the 2008 SNA on the production account. This includes some specific guidance related to the impact of digitalization on prices and volumes of products. Guidance will also be included on the measurement of FISIM in volume terms, as well as ways in which to deal with substantive changes in the provision of education and health (such as the changes driven by the COVID-19 pandemic). For the latter, see the documents on the IMF web page featuring special series notes on COVID-19.

2. Accounting under conditions of high inflation and the treatment of official multiple exchange rate systems (X.48 and X.49)

107. Guidance on accounting under conditions of high inflation, provided in chapter XIX, section G, of the 1993 SNA, will be reintroduced, with references to the OECD publication *Inflation Accounting: A Manual on National Accounting Under Conditions of High Inflation*.[27] Similarly, guidance on the treatment of official multiple exchange rate systems, as included in annex A of the 1993 SNA, will be reintroduced as an annex to chapter 33 of the 2025 SNA on transactions and positions between residents and non-residents.

3. Digitalization (DZ.3–DZ.5)

108. To increase the visibility of digitalization in the national accounts, the compilation of digital supply and use tables will be recommended. More details on these extended accounts will be provided in chapter 22 of the 2025 SNA on digitalization, based on available guidance, such as the *OECD Handbook on Compiling Digital Supply and Use Tables*.[28]

109. In relation to the treatment of “free” digital products, such as Facebook, Instagram and TikTok, there will be no conceptual change. However, further clarification on the treatment of these products, including regarding the treatment of “assets used to produce services that are free or remunerated indirectly”, will be provided. It will also be recommended that extended accounts or supplementary tables for “free” digital products should be developed as part of digital supply and use tables. In doing so, option 3 outlined in paragraphs 38–41 of guidance note DZ.4 will be applied.

4. Globalization (G.7 and X.51)

110. To analyse the phenomenon of globalization and its impact on (the interpretation of) macroeconomic statistics and indicators, recommendations will be included in chapter 23 of the 2025 SNA on globalization, on the importance of developing, as

[25] Ibid., 2017.
[26] OECD, Eurostat and World Health Organization, *A System of Health Accounts 2011*, revised edition (Paris, OECD Publishing, 2017).
[27] OECD, 2003.
[28] Paris, OECD Publishing, 2023.

supplementary information, extended supply and use tables and estimates on trade in value added.

111. In addition, the relevance, for certain types of analysis, of compiling statistics according to the nationality concept will be highlighted.

5. Recommendations for changing terminology (CM.2)

112. A number of terms relating to flows, stocks, accounts, etc., will be changed, without amending the content of the relevant terms. The changes will be included in the glossary of terms and definitions.

6. Introduction of a taxonomy for releases and products (CM.3)

113. Chapter 21 of the 2025 SNA on communicating and disseminating economic statistics will introduce a taxonomy related to the release of the various vintages of data, thereby defining terms such as reference period, update period, regular/routine revision, comprehensive revision, benchmark estimate, time-series, etc. It will also be recommended, when reporting updated/revised estimates to users, to categorize and decompose updates of statistics into conceptual changes, methodological changes, accounting changes, coverage adjustments, source data changes, quality changes (e.g. improved seasonal adjustment, data validation changes, balancing adjustments, etc.) and presentational changes.

114. A classification for products that reflects differences in quality standards (e.g. official statistics versus experimental estimates), as well as a classification for the different parts of the SNA (e.g. sequence of economic accounts, extended accounts, thematic accounts, supplementary items, etc.), will be introduced.

7. Alignment with international standards (CM.1)

115. A framework for assessing the alignment of national macroeconomic statistics with international economic accounting statistical standards will be introduced in chapter 21 of the 2025 SNA on communicating and disseminating economic statistics.

III. Action to be taken by the Statistical Commission

116. **The Commission is invited to endorse the recommendations for the update of the 2008 SNA, as presented in section II of the present report.**