

Project Manager Update

ISWGNA Meeting 1 June 2023

Status of outstanding GNs

- WS.1 A Broader SNA Framework for Wellbeing and Sustainability — subject to global consultation in June; will be discussed at July AEG meeting
- WS.3 Unpaid Household Service Work — testing results being processed; expected to be sent to AEG in mid-July for final endorsement
- WS.6 Accounting for the Economic Ownership and Depletion of Natural Resource — to be updated following March AEG meeting then consultation with GFS and SEEA in June; will be discussed at July AEG meeting
- WS.7 Treatment of Emission Trading Schemes — updated GN (mentioning the decision at the October AEG meeting together with the other options) has been circulated to BOPCOM for their comments via written procedure. The revised note to then be circulated to the AEG and BOPCOM for final endorsement
- WS.12 Environmental Classifications — has been circulated to AEG for final endorsement
- WS.14 Distinction Between a Tax and Service Transaction and other Borderline Cases — has been circulated to AEG for final endorsement
- CM.2 Terminology and Branding of the Economic Accounting Statistical Standards-- undergoing user testing; will be discussed at July AEG meeting
- CM.3 A Taxonomy for Communicating Economic Statistics Releases, Products and Product Updates— to be updated to reflect the results of user testing and then circulated to AEG and BOPCOM for final endorsement
- G.9 Marketing Assets — to be updated following the March AEG meeting and then circulated to the AEG in June for final endorsement, noting that some details will require resolution in the early implementation phase
- AI.1 Valuation principles — to be updated following written consultation with AEG and BOPCOM which has concluded
- AI.2 Treatment of Rent — subject to global consultation in June; will be discussed at July AEG meeting

The bottom line is that be the conclusion of the July AEG meeting all GNs will have been essentially finalised unless some unforeseen issues emerge

Status of outstanding action items

- A.6: Treatment of trusts and other types of funds as separate institutional units – has been updated following the March AEG meeting and circulated to AEG for final endorsement
- A.8: Consistency in the application of the sum-of-costs approach – has been updated following March AEG meeting and circulated to AEG for approval for global consultation; GC to take place in June and results to be discussed at July AEG meeting
- A.9: Consistency in measuring the output of central banks -- has been updated following the March AEG meeting and now undergoing global consultation; results of GC to be discussed at July AEG meeting
- A.10: Treatment of holding gains/losses and capital income in the measurement of insurance output – reviewed by selected AEG members following March meeting and has been circulated to the AEG for final endorsement
- A.13: Address the current ambiguities and inconsistencies regarding the recording of social security and employment-related schemes, and the current guidance for constructive liabilities – Issues Note is being prepared for discussion at July 2023 AEG meeting
- C.2: Treatment of (services derived from) the atmosphere -- Issues Note is being prepared for discussion at July 2023 AEG meeting
- Minor action items (including A.12 Work-in-progress, transfer of ownership and capital services and B.10 Recording of non-life insurance claims in the case of losses of capital assets) – has been circulated to AEG/BOPCOM for final endorsement

AEG

- In the last month, several notes have been circulated to the AEG for approval for global consultation or final approval
 - To manage the workload on the AEG these were sent out in three batches
 - The first and second batches mainly involved notes where approval for global consultation was being sought, while the third batch mainly involved notes circulated for final endorsement
 - The significant work by the AEG in recent months is greatly appreciated
- An AEG meeting has been scheduled for 10-13 July
 - The possible topics for discussion are the subject of a later agenda item

Glossary

- The SNA and BPM editorial teams have reviewed the 'first cut' that was prepared by the CMTT
 - A meeting was held earlier this week between the two editorial teams which made good progress in resolving differences of views
 - Some differences still remain, processes are being established to resolve these during June
- In July, the MFS, GFS and SEEA communities will be invited to review the terms relevant to their domains
 - They will be asked to focus on substance and correctness of definitions, not style and editing
- The July AEG meeting will also consider the progress of the glossary and AEG views on certain issues of substance may be sought
 - This will need to be coordinated with BOPCOM
- In August/September, the AEG and BOPCOM will be formally consulted on the full glossary
 - The consultation will focus on a few high-level questions (eg scope of the glossary, missing elements etc); a detailed discussion of individual terms and definitions will be avoided
 - A note will be developed by the editorial teams to support this
 - AEG/BOPCOM will decide whether the glossary should be circulated for global consultation or only for information, based on a proposal to be made by the editorial teams

Glossary (continued)

- The Glossary will be labelled ‘provisional’ on the basis that subsequent work on the drafting of chapters for the updated standards may identify the need for changes to be made to definitions or for new terms/definitions to be added
- Later in 2023 and into 2024, the UNSD and IMF will arrange for the translation of the glossary into the UN/IMF languages
- The UNSD will also give consideration to the tools that could be utilized to develop a digital version of the glossary

Drafting of chapters

- Good progress is being made on the drafting of chapters using the platform established by UNSD
- V1 for chapter 2 (national accounts and measures of well-being and sustainability) has been reviewed by key stakeholders and V2 has been prepared
- V1 for chapter 25 (selected issues on financial instruments) has been completed and is being reviewed by key stakeholders
- V1 for chapters 16 (labour accounts), 22 (digitalization), 23 (globalization) and 26 (Islamic finance) are well advanced, noting that the IMF is taking the lead on chapter 23
- In June, V1 of chapters 5 (Residence, institutional units and sectors), 21 (Communicating the accounts) and 34 (Measuring well-being) will be prepared
- The first global consultation on the draft chapters is due to commence in August (chapters 22 and 23)
- There is very good cooperation with the IMF BPM team in the drafting of the chapters

Early implementation

- Terms of reference for the task teams taking forward the high priority GNs for early implementation (ie Recording of Data in the National Accounts, Payments for Nonproduced Knowledge-Based Capital (Marketing Assets) and the “Natural Resources” GNs are currently being developed
- I will shortly commence preparing a document on the early implementation planning, both for external communication and to be used to seek resources to assist developing countries

Consolidated list of recommendations

- A Word version of master log of changes has been sent to the TT leads for comment
- The document will be updated and then provided to the July AEG meeting to gain approval for global consultation
- Following the July AEG meeting, a more polished Consolidated list of recommendations will be prepared for global consultation (this won't go back to the AEG for approval due to time pressures)
- Global consultation will take place in August/September
- The results of the global consultation will be discussed at the October AEG meeting
- The Consolidated list of recommendations will be updated to reflect the discussion at the AEG meeting and then signed off by the ISWGNA:MG to be included in the main report of the ISWGNA to UNSC