



# SNA 2025 Project Update

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**ISWGNA Meeting 4 April 2024**

# Outstanding issues

- Issue Note – Negative equity
  - IMF issue note discussed at in the joint February AEG/BOPCOM meeting
  - A written consultation was undertaken on whether option 4 (the recommendation of the note) or option 4\* (which was put forward by ECB during the meeting) was preferred
  - The outcome was 18 votes in favour of option 4 and 5 votes in favour of 4\*
    - There was a significant majority in favour of option 4 for both AEG and BOPCOM members
  - Since Option 4 received the most votes, we will move forward with this guidance in the 2025 SNA and BPM7. However, as agreed in the recent AEG/BOPCOM meeting, the treatment of negative equity positions will remain on the research agenda.
- Issue Note – Uncompensated asset seizures
  - IMF drafted note dealing with the issue of indirect asset seizures for entities that are only indirectly impacted through their ownership of entities that have had their assets seized has been agreed by BOPCOM. Has been circulated to AEG members for written consultation, extended to 2 April

# Process for resolving issues arising

- As draft chapters are reviewed or as implementation guidance is developed, issues may arise that require a decision
  - The OECD has identified a few instances
- It is proposed that the person/organisation identifying an issue write up a list of points arising with a paragraph or two about each and send it to Peter and myself for consideration
  - This would be copied to other ISWGNA members
  - If the issue is deemed as non-controversial, we could determine a resolution in conjunction with the person/organisation raising the issue and other ISWGNA members if needed (and inform the AEG in due course). If the issue has any BOP implications we would also discuss it with the IMF
  - Otherwise, a quick written consultation would be organised with the AEG and any other key stakeholders
  - As we want to wrap-up all issues by mid-May it would not be feasible to have an AEG meeting to discuss any of the issues, although in the unlikely event a satisfactory resolution cannot be achieved the issue could be discussed at the proposed July AEG meeting.

# Progress with drafting chapters – new and significantly revised -- SUMMARY

- There are 16 chapters in this category
  - AEG has provided final approval for **one** chapter
  - **Six** chapters have had global consultation completed and are in the process of being finalised for AEG approval
  - **One** chapter is currently in global consultation
  - **One** chapter is with the AEG for approval for global consultation
  - **Five** chapters have been reviewed by AEG and are being prepared for approval for global consultation
  - **Two** chapters are currently being reviewed by AEG

\* Note: joint SNA/BPM chapters also involve BOPCOM in the review and approval processes

# Progress with drafting chapters – new and significantly revised

- 2 National accounts and measures of wellbeing and economic sustainability
  - Has been circulated to AEG for final approval; now being finalised
- 4 Flows, stocks and accounting rules\*
  - Has been sent AEG/BPTT for approval for global consultation
- 5 Residence, institutional units and sectors\*
  - Comments from global consultation have been incorporated; will shortly be circulated to AEG/BOPCOM for final approval
- 16 Labour
  - Being updated to incorporate comments from AEG review (including ILO as a key reviewer)
- 20 Elaborating the accounts
  - With AEG for review
- 21 Communicating the accounts\*
  - Being updated to incorporate comments for AEG/BOPCOM for review

\* Denotes joint SNA/BPM chapters

# Progress with drafting chapters – new and significantly revised (cont)

- 22 Digitalization\*
  - In process of being updated to reflect comments from global consultation; next step to be circulated to AEG/BOPCOM for final approval
- 23 Globalization\*
  - Currently undergoing global consultation, closes 4 April
- 25 Selected issues on financial instruments
  - In process of being updated to reflect comments from global consultation; next step to be circulated to AEG/BOPCOM for final approval
- 26 Islamic Finance\*
  - In process of being updated to reflect comments from global consultation; next step to be circulated to AEG/BOPCOM for final approval
- 29 Financial corporations
  - In process of incorporating comments from IMF MFS/Sarah B/AEG review; next step will be approval for global consultation

\* Denotes joint SNA/BPM chapters

# Progress with drafting chapters – new and significantly revised (cont)

- 34 Measuring well-being
  - In process of being updated to reflect comments from global consultation; next step to be circulated to AEG for final approval
- 35 Measuring sustainability
  - In process of being updated to reflect comments from key stakeholders/AEG; next step will be approval for global consultation
- 37 From whom-to-whom tables
  - Currently being reviewed by IMF MFS and AEG; next step will be approval for global consultation
- 38 Thematic and extended accounts
  - In process of being updated to reflect comments from global consultation; next step to be circulated to AEG for final approval
- 39 Informal activities\*
  - In process of being updated to reflect comments from AEG/BOPCOM review; next step will be approval for global consultation

\* Denotes joint SNA/BPM chapters

# Progress with drafting other chapters -- SUMMARY

- The 'other' chapters are being updated by taking the relevant 2008 SNA chapters and only making changes where necessary (ie to reflect the agreed changes to the SNA)
  - This is being done in the form of track changes
  - The chapters are reviewed by the IMF where relevant
  - These chapters will undergo consultation with the AEG (during February to May) but will not undergo global consultation in their own right
- There are 23 chapters in this category
  - **Five** chapters have been reviewed by AEG and are being finalised
  - **Eight** chapters are ready for AEG review
  - **One** chapter is with the IMF for review
  - **Three** chapters are being prepared for IMF review
  - **Six** chapters are in the process of initial drafting



# Progress with drafting other chapters

- Chapter 1 Introduction – V3 ready for AEG review
- Chapter 3 Overview of the integrated framework – V3 ready for AEG review
- Chapter 6 Enterprises, establishments and industries – V3 has been reviewed by AEG; being updated to incorporate comments
- Chapter 7 Production account – V3 ready for AEG review
- Chapter 8 Earned income accounts – V3 has been reviewed by AEG; being updated to incorporate comments
- Chapter 9 Transfer of income accounts – V3 has been reviewed by AEG; being updated to incorporate comments
- Chapter 10 Use of income accounts – V3 has been reviewed by AEG; being updated to incorporate comments
- Chapter 11 Capital account – V3 ready for AEG review
- Chapter 12 Financial account – V3 ready for AEG review
- Chapter 13 Other changes in assets and liabilities account review – V3 ready for AEG review
- Chapter 14 Balance sheet – V3 ready for AEG review

# Progress with drafting other chapters (cont)

- Chapter 25 Supply-use tables – V1 being prepared
- Chapter 17 Capital services – V1 to be prepared
- Chapter 18 Prices, volumes and productivity – V1 being prepared
- Chapter 19 Summarizing, integrating and balancing the accounts – V3 ready for AEG review
- Chapter 24 Insurance and Pensions – V2 with IMF for review; SB has also provided comments
- Chapter 27 Contract, leases, licences and permits – V2 being prepared for IMF review
- Chapter 28 Non-financial corporations – V1 being prepared
- Chapter 30 General government and the public sector – V3 has been reviewed by IMF and Eurostat GFS and AEG; being updated to incorporate comments
- Chapter 31 Non-profit institutions – V2 being prepared for IMF review
- Chapter 32 Households – V1 being prepared
- Chapter 33 Transactions between residents and non-residents – V2 being prepared for IMF review
- Chapter 36 Input-Output tables – V1 to be prepared

# Early implementation

- Task team on measuring data as an asset
  - The 4<sup>th</sup> TT meeting was held on 5 March
    - At this meeting a survey among TT members on the list of occupations (and related involvement rates) that contribute to own-account production of assets was launched
  - The 5<sup>th</sup> TT meeting will be held late April/early May and focus in particular on the results of the survey of occupations
  - Overall, the work of the TT is advancing as planned
- Marketing assets task team
  - The 4<sup>th</sup> TT meeting was held on 3 April
  - At the meeting, TT members affirmed a commitment to continue with the work of the TT to produce guidance that would help address concerns raised at the UNSC meeting and be of assistance to countries wishing to develop extended accounts that treat marketing assets as produced assets
    - However, as marketing assets will not be capitalised in the sequence of economic accounts in the 2025 SNA, and given other priorities, the time frame for the finalisation of the Guide has been pushed back to the end of 2025
  - During April countries will be approached to provide case studies for inclusion in the Guide
  - The next TT meeting will be in September 2024 to discuss chapter one of the Guide and the outlines of country case studies

# Early implementation (cont)

- Expert Group on Natural Capital
  - The 3<sup>rd</sup> meeting was held on 24-25 January
    - This meeting reviewed the work taking place in the sub-groups that had been formed at the end of 2023 as well as several priority cross-cutting topics, including a note on the choice of the discount rate
  - 4 of the 5 subgroups have met twice and the other group has met once
  - The 4<sup>th</sup> EG meeting will be held on 29-30 May
    - This meeting will discuss an updated version of the note on the discount rate incorporating results from a survey of EG members
    - The annotated outline of the guide as well as work on early implementation will also be discussed
- IMF work on measuring crypto assets
  - Work is proceeding in investigating various aspects of the measurement of crypto assets and the drafting of relevant components of the proposed compilation guidance based on the annotated outline that was discussed at the October 2023 AEG meeting
  - This work will be reviewed by the IMF STA Committee on Methodology later in April
  - There will be a session on the recording of crypto assets at the DGI Rec 11 workshop during April 30-May 2
    - The IMF plans to invite national accounts/ESS compilers from selected AEG/BOPCOM member countries
- Guidance on measuring return to capital for valuing non-market production
  - I will kick off work in this probably during May.
- SNA News and Notes Article on early implementation work
  - In preparation, should be ready next week.

A large number of colorful hot air balloons are floating in a blue sky over a lake and a bridge. The balloons are in various colors and patterns, including solid colors, stripes, and checkered patterns. The sky is a clear, light blue. In the background, there are rolling hills and a bridge with a sign that says "STAR QAY". The water in the foreground is calm and reflects the sky and the balloons.

**THANK YOU!**