

**7th Meeting of the Advisory Expert Group on National Accounts,
23-25 April 2012, New York**

Agenda item: I

Terms of reference

ISWGNA

Inter Secretariat Working Group on National Accounts

Mandate and governance

Inter Secretariat Working Group on National Accounts Mandate and governance

A. Introduction

1. The Inter secretariat Working Group on National Accounts (ISWGNA) is one of the oldest interagency bodies set up by the United Nations Statistical Commission to enhance cooperation among international organizations working in the same field. Since the early 1980s, it has had five members: Eurostat, International Monetary Fund, Organisation for Economic Cooperation and Development, United Nations¹, and World Bank. In the mid-1990s, it was agreed that the chair of the group would rotate among the five organizations and that the Secretariat would be at the United Nations Statistics Division. The usual practice has been that the ISWGNA functions at two levels: at what is called the “Management Group” and the “National Accountants”.

B. Mandate

2. The mandate of the ISWGNA is to:
- (a) provide strategic vision, direction and coordination for the methodological development and implementation of the System of National Accounts (SNA) in national, regional and international statistical systems;
 - (b) revise and update the SNA and develop supporting normative international statistical standards and other methodological documents on national accounts and supporting statistics;
 - (c) promote the development of databases at international, regional and national level on national accounts statistics;
 - (d) promote the implementation of the SNA and supporting statistics; and
 - (e) promote the use of national accounts and supporting statistics in policy formulation.

C. Governance arrangements for the ISWGNA

3. The major elements of the governance arrangements are shown in Table 1. The description of the governance follows the diagram and it covers the managerial functions, roles and responsibilities of the various groups and organizations involved. The boxes in the shaded area represent the bodies of the ISWGNA or projects under the ISWGNA’s responsibility. The technical subgroups and city groups presented outside the shaded area are established by bodies other than the ISWGNA and have their own governance and reporting structure. Where applicable to the work programme of the ISWGNA, the

¹ Represented by the United Nations Statistics Division and the Statistical Divisions of United Nations Regional Commissions.

ISWGNA will coordinate with these groups to take account of their work in its work programme.

United Nations Statistical Commission

4. The United Nations Statistical Commission is the apex entity that provides the mandate of the ISWGNA, endorses its work programme and monitors its progress of work.

ISWGNA

5. The ISWGNA carries out the mandate outlined above and reports progress on its programme of work to the Statistical Commission. Within each area of its work programme, the ISWGNA undertakes specific activities engaging technical expert groups, city groups or other expert groups to carry out the work programme. For large projects, such as the revision of SNA or the implementation of the SNA, it may be necessary to develop separate project management frameworks.

6. To fulfil its mandate, the standing programme of work of the ISWGNA encompasses eight areas, namely

- (a) promoting the adoption of best practice in the implementation of the SNA;
- (b) fostering coordination, monitoring and reporting on the implementation of the SNA to ensure that international and regional organizations, donors and recipient countries have clear roles and that their actions are complementary and effective;
- (c) providing training and technical cooperation in the implementation of the SNA and supporting statistics;
- (d) preparing manuals and handbooks for guidance and training in the implementation of the SNA and supporting statistics;
- (e) fostering the methodological development of the SNA and supporting statistics;
- (f) encouraging national support for the acquisition and maintenance of viable economic statistics and national accounts programmes and in communicating the policy relevance of the SNA;
- (g) formulating a statistical response on emerging policy issues based on the SNA;
and
- (h) developing international data collection activities in line with the normative standards and accompanying international Recommendations in an efficient and cost-effective way.

ISWGNA: Management Group

7. The Management Group's function is to ensure appropriate outputs and inputs for the work of the ISWGNA and to lay the ground for successful outcomes. The managers also act within their own organizations to further the agreed goals and objectives of the ISWGNA.

8. The specific tasks and responsibilities of the ISWGNA: Management Group are as follows:

- (a) setting the strategic direction of the work programme of the ISWGNA (within the parameters set by the Statistical Commission), ensure appropriate input and outputs, and agree on desired outcomes;
- (b) preparing the work programme of the ISWGNA and endeavouring, collectively and individually, to support the thrust of those arrangements;
- (c) monitoring and implementing the work programme of the ISWGNA (deliverables, schedules, communication strategy) supported by appropriate financial and staff resources;
- (d) raising funds and monitoring budgets, as needed, to support the work programme of the ISWGNA;
- (e) identifying emerging issues and risks for national accounts and supporting statistics for appropriate coordinated statistical response;
- (f) reporting to the Statistical Commission and communicating with expert groups, as appropriate; and
- (g) liaising with national, regional and international stakeholders and users, understanding and managing their expectations and gaining their support.

ISWGNA: National Accountants

9. ISWGNA: National Accountants, collectively, sponsors and facilitates the technical work of the work programme of the ISWGNA and in consultation with the Advisory Expert Group on National Accounts have the following tasks and responsibilities:

- (a) promoting the adoption of best practice in the implementation of the SNA, fostering coordination, monitoring and reporting on the implementation of the SNA to ensure that international and regional organizations, other donors and recipient countries have clear roles and that their actions are complementary and effective;

- (b) providing training and technical cooperation in the implementation of the SNA and supporting statistics;
- (c) preparing manuals and handbooks for guidance and training in the implementation of the SNA and supporting statistics;
- (d) promoting the methodological development of the SNA through research and assessing the appropriateness of proposals for clarification, interpretation and changes to the SNA;
- (e) encouraging national support for the acquisition and maintenance of viable economic statistics and national accounts programmes and communicating the policy relevance of the SNA;
- (f) formulating a statistical response on emerging policy issues based on the SNA; and
- (g) developing international data collection activities in line with the normative standards and accompanying international Recommendations in an efficient and cost-effective way.

Advisory Expert Group

10. To support the ISWGNA in its work, the United Nations Statistical Commission, at its forty first session in 2010, supported the continuation of the Advisory Expert Group on National Accounts (AEG).

11. The aim of the AEG is to assist the ISWGNA in carrying out its work programme, to resolve issues on the research agenda of the SNA and to review documents and tools for the SNA implementation programme.

12. The composition of the AEG reflects the global community representing all regions in the world and is initially set at 15 members (not including the five representatives of the ISWGNA organisations). The period for which a member would be invited to serve on the AEG would depend on the particular issue that the ISWGNA need to consider, but would be at least for 3 years.

13. AEG members are invited on an individual basis, with a view to their expertise in various areas in national accounting and supporting statistics. AEG members, including experts from statistical organisations, act on a personal basis, and not as representatives of their organisation. Besides knowledge in their own area of expertise, AEG members have a broad grasp of the national accounts and supporting statistics, enabling them to significantly contribute to discussions in areas outside their expertise.

14. AEG includes experts from national, regional and international statistical organisations that enables the AEG to draw on extensive institutional expertise.

15. In order to optimally benefit from institutional expertise, AEG members from statistical organisations are at a level in their organisation that ensures access to areas outside their personal expertise. This implies participation at a level of at least senior managers of economic statistics and national accounts programmes, able to express a view on the development of national accounts and supporting statistics.

16. The AEG will discuss issues through electronic communication facilities, such as internet, teleconferencing and electronic mail, and will also have physical meetings. The AEG would meet annually or as need arises with the ISWGNA in addition to the electronic consultations. The AEG should strive for consensus to the highest extent possible. However, there will be voting if necessary, through written consultations or during meetings. Those entitled to vote include the AEG and the ISWGNA members. ISWGNA members fully participate in AEG meetings. The Chair of the ISWGNA would also serve as chair of the AEG.

17. Based on the input documents from technical expert groups, the AEG will either make a Recommended endation to accept the proposals or request the authors for further work or revisions. If an agreement is reached on the outcome of the work by technical expert groups, the results will be submitted to the ISWGNA for appropriate action. Results from research related to the research agenda of the SNA will be treated in accordance with the update procedures for the SNA. An outline of the update procedures for the SNA is attached in Table 2.

18. The terms of reference of the AEG are to advise the ISWGNA: National Accountants on its standing work programme and to provide guidance on any other issues upon request from the ISWGNA. In particular, the AEG will:

- (a) evaluate and contribute to manuals and handbooks for guidance and training in the implementation of the SNA and supporting statistics;
- (b) review and contribute to the methodological development of the SNA through research and assessing the appropriateness of proposals for clarification, interpretation and changes to the SNA;
- (c) review and contribute to the formulation of communication and dissemination strategies and of statistical responses on emerging policy issues based on the SNA; and
- (d) consider proposed international data collection activities in line with the normative standards and accompanying international Recommended endations in an efficient and cost-effective way.

Projects, Technical Expert Groups and City Groups

19. The ISWGNA may convene technical expert groups to advance research on particular normative and methodological matters. The technical expert groups will consist of relevant experts in national accounts, with a balanced regional representation. The technical expert groups will have limited life spans and focus on particular issues. The terms of reference for the tasks related to the subject will be formulated with every expert group. They will include specifications on deliverables, timelines and work arrangements for monitoring the technical discussions and for reporting Recommended endations to the ISWGNA.

20. The work programmes of existing city groups and other technical expert groups may fall within the scope of the national accounts and supporting statistics, but they have their own mandates and governance structures. Examples of such groups are: Delhi group, IMF Committee on Balance of Payments, Intersecretariat Working Group on Price Statistics and the Inter Agency Group on Economic and Financial Statistics. The ISWGNA will coordinate, within its mandate, with these the city groups and other expert groups to take account of their work in the work programme of the ISWGNA. Specific tasks and responsibilities of the city groups and technical expert groups will be agreed upon in a terms of reference between these groups and the ISWGNA. They will include specifications on deliverables, timelines and work arrangements for monitoring the technical discussions and for reporting Recommended endations to the ISWGNA.

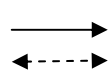
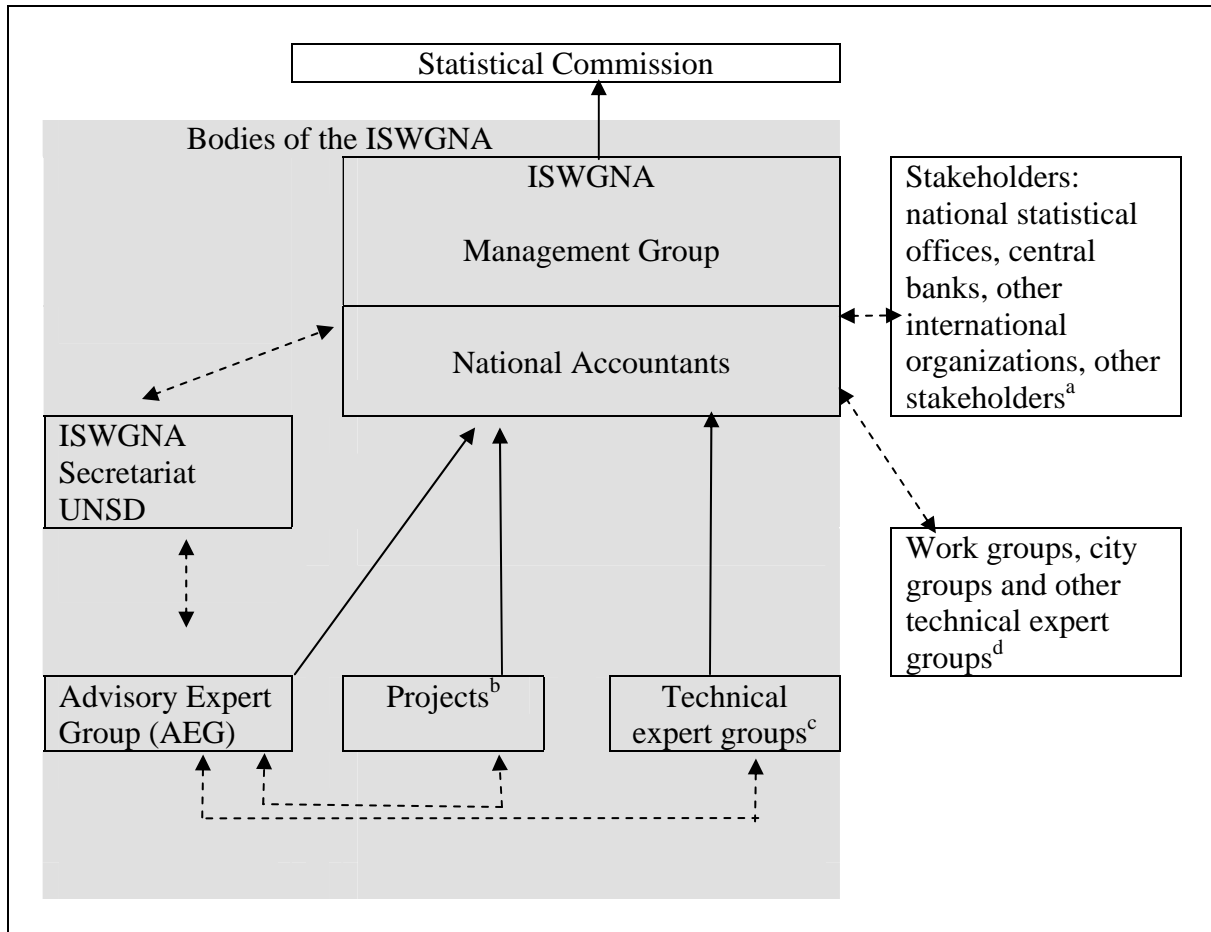
21. For large projects, such as the revision of the SNA or the implementation of the SNA, it may be necessary to develop separate project management frameworks. They will include specifications on deliverables, timelines, budget, staffing and work arrangements for monitoring the technical discussions and for reporting Recommendations to the ISWGNA.

Secretariat

22. As noted above, the Secretariat of the ISWGNA was established permanently at the UNSD in the mid-1990s. In these governance arrangements, UNSD is the main source of logistical and administrative support to the work programme of the ISWGNA. Among the tasks that the Secretariat undertakes are the following:

- (a) maintaining the ISWGNA website;
- (b) preparing reports for the Statistical Commission;
- (c) communicating with the Statistical Commission, countries, regional and international agencies and bodies ; and
- (d) providing logistical and other support to the ISWGNA and the AEG.

Table 1 ISWGNA governance structure



Report to
Consult/Liaise with

- a. Include for example academia and line ministries.
- b. This includes specific projects needing separate project management frameworks, such as the update of the 1993 SNA.
- c. These include expert groups to advance specific research on issues on the SNA research agenda.
- d. These work groups, city groups and technical expert groups have their own mandates and governance structures, but their work programmes fall within the scope of the national accounts. The ISWGNA liaise and consults with these groups to coordinate their outputs.

Updating the System of National Accounts

24. To facilitate the implementation of the results of work on the research agenda of the 2008 SNA into international standards or handbooks, research needs to be coordinated under the auspices of the ISWGNA. Proposals for task forces or expert groups to conduct research on specific topics should be submitted to the ISWGNA for its consideration. The ISWGNA will assess the results in accordance with the update procedures for the SNA established by the Statistical Commission at its thirtieth session in 1999. When the outcome would necessitate a change to the SNA the ISWGNA will present it to the Commission for adoption.

Table 2. Updating procedure for the System of National Accounts

Stage	Type of amendment			
	Editorial	Clarification beyond dispute	Interpretation	Change
Proposal	ISWGNA reviews proposed amendment and classifies it			
Preliminary drafting	ISWGNA	ISWGNA	ISWGNA assisted by the AEG	ISWGNA assisted by the AEG
First discussion	↓	↓	Working parties or regional panels of experts	Working parties or regional panels of experts
Second discussion			↓	National statistical offices in all regions and where relevant Central Banks
Final drafting			ISWGNA assisted by the AEG	ISWGNA assisted by the AEG
Approval	ISWGNA	ISWGNA	Member Countries of the Statistical Commission during a 30-day period	Member Countries of the Statistical Commission during a 30-day period
Publication	Errata	SNA news and Notes, SNA website	SNA news and Notes, SNA website	SNA news and Notes, SNA website