

**13th Meeting of the Advisory Expert Group on National Accounts,
1-3 October 2019, Washington D.C., USA**

Agenda item: 4.1

Reporting of national accounts data to the United Nations Statistics Division

Introduction

In accordance with a request from the United Nations Statistical Commission, the United Nations Statistics Division (UNSD) regularly evaluates the conceptual compliance of official national accounts data, reported by Member States to the UNSD, with the recommendations of the System of National Accounts. In addition, the availability and scope of the national accounts data are also evaluated. Although the need for quarterly national accounts to facilitate appropriate policy responses is recognized, over 110 Member States are compiling national accounts data on a quarterly basis; thus, this report is based only on the annual replies to the United Nations National Accounts Questionnaire (UN-NAQ).

This note presents a summary of such an assessment, based on replies to the UN-NAQ for the last five reporting periods, i.e. 2014 to 2018. The current reporting period, 2018, consists of official national accounts data up to the year 2018 and has been submitted to UNSD up to August 2019. The data are either reported directly to the UNSD; through the United Nations Economic Commission for Europe (UNECE); through the Organisation for Economic Cooperation and Development (OECD); or through the Caribbean Community Secretariat (CARICOM).

Documentation

- Reporting of national accounts data to the United Nations Statistics Division. *(Added to document below)*
- Guidelines for monitoring the 2008 SNA implementation. Extract of the report of the Intersecretariat Working Group on National Accounts to the forty second session (2011) of the United Nations Statistical Commission. *(Added to document below)*

Main issues to be discussed

The AEG is invited:

- provide comments on the implementation of the 2008 SNA.
- provide comments on the nuanced approach to assess compliance to the 2008 SNA.

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Introduction

In accordance with a request from the United Nations Statistical Commission, the United Nations Statistics Division (UNSD) regularly evaluates the conceptual compliance of official national accounts data, reported by Member States to the UNSD, with the recommendations of the System of National Accounts. In addition, the availability and scope of the national accounts data are also evaluated. Although the need for quarterly national accounts to facilitate appropriate policy responses is recognized, over 110 Member States are compiling national accounts data on a quarterly basis; thus, this report is based only on the annual replies to the United Nations National Accounts Questionnaire (UN-NAQ).

This note presents a summary of such an assessment, based on replies to the UN-NAQ for the last five reporting periods, i.e. 2014 to 2018. The current reporting period, 2018, consists of official national accounts data up to the year 2018 and has been submitted to UNSD up to August 2019. The data are either reported directly to the UNSD; through the United Nations Economic Commission for Europe (UNECE); through the Organisation for Economic Cooperation and Development (OECD); or through the Caribbean Community Secretariat (CARICOM).

Reporting of national accounts data

Considering the responses in any of the last five reporting periods (2014 to 2018), 95 per cent (184) of the Member States reported national accounts data to the UNSD (see Table 1, columns f and g)¹, which include all developed countries and 94 per cent of developing countries. The overall number of 184 Member States is two less than what was achieved in the previous review period (2013 to 2017), although the composition of the countries differs – Uzbekistan provided responses in the current period for the first time in many years. An analysis, at the regional level, of the reporting by developing countries shows that all Latin American and Caribbean countries reported national accounts data, followed by 96 per cent of African countries, 93 per cent of Asian countries, and 67 per cent of Oceanic countries.

Considering only the 2018 reporting period, 166 Member States (86 per cent of the total number of Member States) reported national accounts data which is higher than in the previous reporting period. 10 Member States that submitted NAQ in the 2017 data collection cycle did not respond in the 2018 data collection cycle.² Similarly, 13 Member States that submitted data in the 2018 collection cycle did not submit in the previous cycle.³

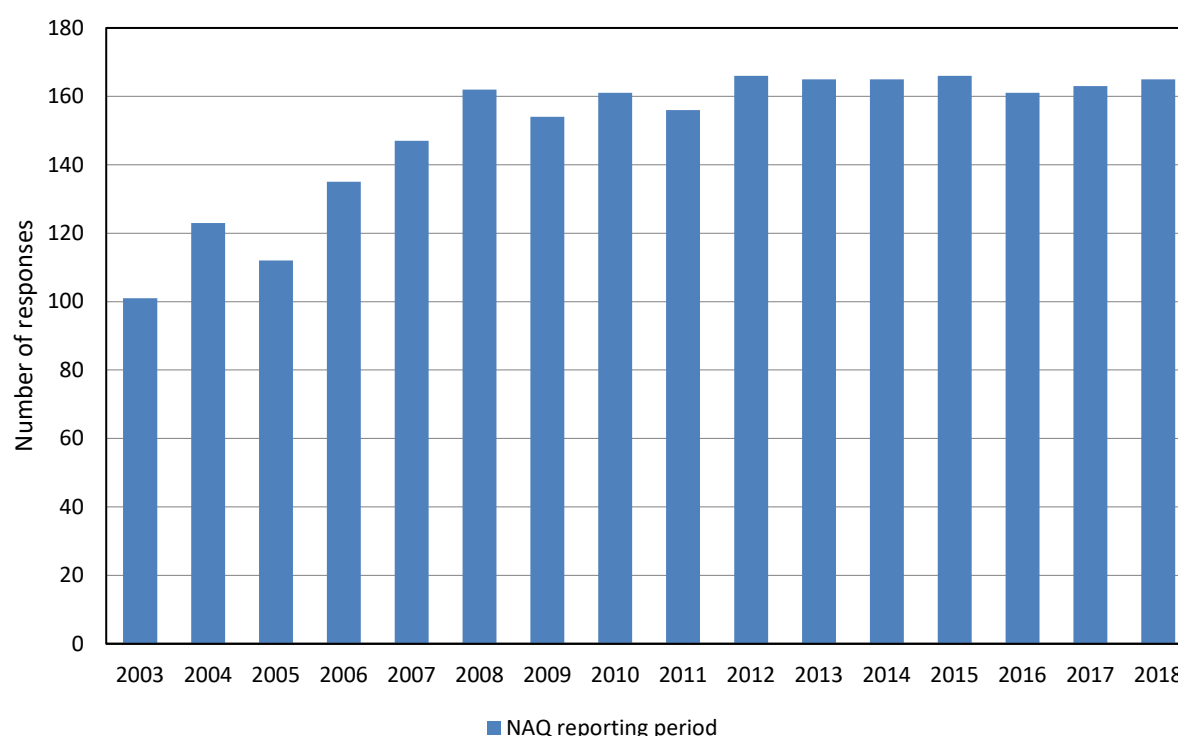
¹ The 9 Member States that have not submitted data in the last five reporting periods are Democratic People's Republic of Korea, Eritrea, Gabon, Nauru, Papua New Guinea, Solomon Islands, Syrian Arab Republic, Turkmenistan, and Tuvalu; DPRK and Eritrea has never submitted data in the NAQ.

² Bahamas, Brunei Darussalam, Congo, Egypt, Kiribati, Mozambique, Niger, Russian Federation, Somalia, Trinidad and Tobago.

³ Barbados, Benin, Central African Republic, Chad, Dominica, Guyana, Jordan, Marshall Islands, San Marino, Sudan, Tonga, Tunisia,.

The timeliness of data is evaluated by the number of Member States that are able to submit data for the same year as the reporting period, i.e. 2018 data in the 2018 reporting period. Of all 193 Member States, 114 (59 per cent) submitted data for the year 2018 in the 2018 reporting period (Table 1, columns q, r), compared to 119 Member States that submitted data for the year 2017 in the 2017 reporting period, and 112 Member States that submitted data for the year 2016 in the 2016 reporting period. When the availability of reported national accounts data by Member States with a time lag of not more than one year is evaluated (i.e. up to at least 2017 in the 2018 reporting period – see Table 1, columns o to t), 163 Member States (84 per cent) provided data. This is slightly more than the previous cycle, when 160 Member States did so. An analysis by socioeconomic groups shows that 98 per cent of developed countries⁴, and 80 per cent of developing countries submitted national accounts data with a maximum one-year lag.

Figure 1: Number of Member States that replied to the UN-NAQ by year



Conceptual compliance

In the current data collection cycle, 5⁵ Member States transitioned to either the 1993 SNA or the 2008 SNA. An analysis of the national accounts data shows that 188 of the 193 (97 per cent) Member States have implemented the 1993 SNA or the 2008 SNA up to the 2018 reporting period⁶ (Table 1, columns b and c). Of those, 94 Member States have submitted national accounts data compiled according to the 2008 SNA. All developed economies and 140 of the 145 (97 per cent) developing countries have reported national accounts data according to the 1993 SNA or 2008 SNA methodology. Specifically, 52 (96 per cent) African countries; 33 (100 per cent) Latin American and Caribbean countries; 43 (93 per cent) Asian countries; and 12 (100 per cent) Oceanic countries have implemented the 1993 SNA or the 2008

⁴ The latest year for which data are available for the Russian Federation is 2013.

⁵ Colombia, Ghana, Paraguay, Republic of Moldova, and Samon implemented the 2008 SNA.

⁶ Table 4 shows the list of Member States in compliance to either the 1968, 1993 or the 2008 SNA.

SNA. The rate of implementation by the least developed countries (LDC) and small island developing states (SIDS) have been progressing significantly, respectively with 94 per cent and 100 per cent of countries and areas having implemented the 1993 SNA or the 2008 SNA.

Among Member States that have responded to the UN-NAQ at least once in any of the last five reporting periods, the conceptual compliance with the 1993 SNA or the 2008 SNA is 98 per cent (Table 1, column i). For LDC and SIDS this measure of compliance is 96 per cent and 100 per cent, respectively.

Analysis of the questionnaire on the Conceptual Compliance to the 2008 SNA

Member States (excluding those that submit data through OECD) were once again requested to complete the questionnaire on the Conceptual Compliance to the 2008 SNA. UNSD added an additional cover page in this cycle, where the countries were asked whether they compiled quarterly data, which ISIC version was used, the most recent base year / benchmark year, and the online link to the latest data available. UNSD received 56 completed questionnaires from Member States and other territories. Among these completed questionnaires, there are 36 Member States that have implemented the 2008 SNA up to the current collection cycle. A majority of the Member States on the 2008 SNA indicated that FISIM has been allocated to users, and R&D and defense expenditures are included in the output and gross capital formation. This compliance questionnaire will continue to be distributed until all Member States have implemented the 2008 SNA and have returned the compliance questionnaire.

Scope of national accounts data reported to the UNSD

The scope of national accounts data reported to the UNSD is evaluated against a standard “minimum requirement data set” (MRDS)⁷, adopted at the thirty-second session of the Statistical Commission in 2001, and against the “milestone”⁸ measure, adopted at the twenty-ninth session of the Statistical Commission in 1997. The MRDS and the milestone both evaluate the scope of SNA implementation, which in the present report are assessed according to the particular tables submitted to the UNSD. This report considers the milestone and MRDS versions for the 1993 SNA into account, since more than half of the Member States still only comply to the 1993 SNA at this stage. Compliance with the MRDS means that Member States have reported gross domestic product by expenditure and production by industry, at current and constant prices; output, value added and gross capital formation by industry; relations among product, income, saving and net lending/borrowing; and at least parts of the integrated economic accounts for the total economy and the rest of the world. The Milestone 1 measure comprises the final expenditures on GDP at current and constant prices; GDP by industry at current and constant prices. Milestone 2 comprises in addition to Milestone 1, the external account of primary incomes and current transfers; capital and financial accounts for the rest of the world. An annex to this report provides further explanation on the different interpretations of the Milestones.

Table 2 shows the scope of national accounts data reported to the UNSD covering the 12 year period (2007 to 2018) as published in “National Accounts Statistics: Main Aggregates and Detailed Tables, 2018”.

A total of 137 Member States (71 per cent) provide six or more tables of the MRDS and 102 Member States (53 per cent) provide seven of the MRDS tables (Table 2, columns p to s). Only 17 per cent of the countries in Oceania and 31 per cent of Member States in the Caribbean provide the complete set of

⁷ The MRDS is defined in the reports of the Intersecretariat Working Group on National Accounts to the Statistical Commission; documents E/CN.3/2001/7 and E/CN.3/2011/6

⁸ The milestone methodology is described in the reports of the Intersecretariat Working Group on National Accounts to the Statistical Commission; documents E/CN.3/1997/12 and E/CN.3/2011/6.

tables which satisfies the MRDS; similarly, less than 25 per cent of the LDCs and the SIDS submit data in full compliance with the MRDS.

Milestone 2 (Table 2, columns v and w) was observed by a majority of developed countries (92 per cent), and developing countries in the Caribbean and Latin America (94 per cent) and in Asia (85 per cent). 69 per cent of African countries observed Milestone 2 in the current data collection cycle. Among the sub-regions, all of the Latin American and Western Asian countries have reached Milestone 2.

Analysis of the breakdown of base years

Although the term, constant prices, has been replaced with the term volume measures, the vast majority of the Member States are still using fixed base years, hence, the reference to constant prices. Data in constant prices are not available for Eritrea, DPRK, and Liechtenstein.

Over 50 Member States compile constant price data using chain linked volume measures with a fixed reference year (Table 3, column n). 19 Member States compile constant prices with the previous year's prices (Table 3, column l). There are 6 Member States that have base years older than 1994 (Table 3, column b). The detailed distribution of the base year breakdown among the remaining Member States can be seen in Table 3, columns d to m.

Conclusion

Taking into account responses in any of the last five reporting periods (2014 to 2018), 97 per cent of Member States report national accounts data. Furthermore, during this period, UNSD has consistently received national accounts data from over 160 Member States annually, although not always the same Member States; this accounts for over 80 per cent of Member States.

The timeliness of data has deteriorated slightly in this reporting cycle. UNSD received 114 Member States submitting data for the year 2018; this represents a decrease from the last reporting period, where 119 Member States submitted data for the year 2017. However, national accounts data with a time lag of not more than one year (i.e. up to at least 2017 in the 2018 reporting period) was provided by 163 (83 per cent) Member States, which is three more than in the previous reporting period.

An evaluation of the scope of national accounts data as measured against the MRDS shows that 137 Member States (71 per cent) provide six or more tables of the MRDS and 102 Member States (53 per cent) provide seven of the MRDS tables. According to the milestone measure of the scope of national accounts data a vast majority of developed countries, and developing countries in Asia and in Latin America and the Caribbean compile national accounts according to Milestone Two, compared to 72 per cent of African countries. The 1993 SNA and the 2008 SNA have been implemented in over 95 per cent of the Member States; among the 16 Member States who reported switching to the 1993 SNA or to the 2008 SNA in the 2017 or the 2018 reporting cycle, 12 were from developing countries. These figures include Member States that have implemented the 2008 SNA without necessarily having implemented the 1993 SNA. 94 Member States report national accounts compilation according to the 2008 SNA. The number of Member States still on the 1968 SNA has been steadily decreasing and currently stands at 5.

Table 1 - Conceptual implementation of the 1993 SNA⁹ and timeliness of reporting for the period 2014 to 2018

	Total number of countries	Countries that implemented the 1993 or 2008 SNA		Countries that implemented the 1993 or 2008 SNA in 2016 or 2017		Countries that replied to UN-NAQ between 2014-2018		Of respondents, countries that implemented 1993 or 2008 SNA ^a		Countries that replied to UN-NAQ					Latest year of available data reported by countries					
		N	%	N	%	N	%	N	%	N	N	N	N	N	2017		2018		2017 or 2018	
															N	%	N	%	N	%
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s
UN Member States	193	188	97	16	8	184	95	181	98	166	166	161	163	166	49	25	114	59	163	84
Developed countries	48	48	100	4	8	48	100	48	100	47	47	45	47	47	8	17	39	81	47	98
Developing countries	145	140	97	12	8	136	94	133	98	119	119	116	116	119	41	28	75	52	116	80
<i>Africa</i>	54	52	96	5	9	52	96	51	98	43	42	42	44	44	20	37	23	43	43	80
Northern Africa	6	5	83	0	0	6	100	5	83	5	6	4	3	4	3	50	1	17	4	67
Sub-Saharan Africa	48	47	98	5	10	46	96	46	100	38	36	38	41	40	17	35	22	46	39	81
<i>Latin America and the Caribbean</i>	33	33	100	4	12	33	100	33	100	29	28	27	25	26	8	24	19	58	27	82
Caribbean	13	13	100	1	8	13	100	13	100	9	9	7	7	7	5	38	3	23	8	62
Latin America	20	20	100	3	15	20	100	20	100	20	19	20	18	19	3	15	16	80	19	95
<i>Asia^b</i>	46	43	93	2	4	43	93	41	95	41	41	42	41	42	10	22	30	65	40	87
Central Asia	5	5	100	0	0	4	80	4	100	3	2	3	3	4	1	20	3	60	4	80
Eastern Asia	4	3	75	0	0	3	75	3	100	3	3	3	3	3	0	0	3	75	3	75
South-eastern Asia	11	10	91	0	0	11	100	10	91	11	11	11	11	10	4	36	7	64	11	100
Southern Asia	9	9	100	2	22	9	100	9	100	8	9	9	9	9	2	22	5	56	7	78
Western Asia	17	16	94	0	0	16	94	15	94	16	16	16	15	16	3	18	12	71	15	88
<i>Oceania^c</i>	12	12	100	1	8	8	67	8	100	6	8	5	6	7	3	25	3	25	6	50
Official SDG Groupings																				
<i>Landlocked developing countries (LLDCs)</i>	32	32	100	2	6	31	97	31	100	29	27	28	28	30	10	31	21	66	31	97
<i>Small island developing States (SIDS)</i>	37	37	100	3	8	33	89	33	100	26	28	23	24	26	14	38	11	30	25	68
<i>Least developed countries (LDCs)</i>	48	45	94	3	6	45	94	43	96	37	36	35	40	40	21	44	18	38	39	81

Note: All percentages are based on the total number of countries, unless otherwise specified.

^a Percentage based on the number of countries that replied to the UN-NAQ between 2014 and 2018.

^b Excludes Japan which is represented under the developed countries.

^c Excludes Australia and New Zealand, which are represented under the developed countries.

⁹ Include countries and areas that implemented the 2008 SNA without necessarily having implemented the 1993 SNA.

Table 2 - The scope of national accounts data reported to the UNSD for the period 2014 to 2018

	Total number of countries	Tables of the Minimum Requirement Data Set														Six or more tables		Seven tables		Milestone Level			
		1.1		1.2		2.1 / 2.4		2.2 / 2.5		2.3 / 2.6		1.3/ 4.1		4.2						1 or higher ^a		2	
		N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%		
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w
UN Member States	193	177	92	160	83	185	96	178	92	155	80	160	83	110	57	136	70	102	53	178	92	157	81
Developed countries	48	46	96	46	96	48	100	46	96	47	98	45	94	41	85	43	90	40	83	46	96	44	92
Developing countries	145	131	90	114	79	137	94	132	91	108	74	115	79	69	48	93	64	62	43	132	91	113	78
<i>Africa</i>	54	48	89	44	81	50	93	46	85	38	70	37	69	21	39	29	54	19	35	49	91	38	70
Northern Africa	6	5	83	3	50	6	100	3	50	5	83	5	83	3	50	2	33	2	33	5	83	5	83
Sub-Saharan Africa	48	43	90	41	85	44	92	43	90	33	69	32	67	18	38	27	56	17	35	44	92	33	69
<i>Latin America and the Caribbean</i>	33	33	100	26	79	33	100	32	97	31	94	31	94	24	73	29	88	20	61	33	100	31	94
Caribbean	13	13	100	8	62	13	100	12	92	12	92	11	85	8	62	11	85	4	31	13	100	11	85
Latin America	20	20	100	18	90	20	100	20	100	19	95	20	100	16	80	18	90	16	80	20	100	20	100
<i>Asia^b</i>	46	44	96	39	85	44	96	44	96	36	78	39	85	22	48	33	72	21	46	44	96	39	85
Central Asia	5	4	80	4	80	4	80	4	80	4	80	3	60	2	40	3	60	2	40	4	80	3	60
Eastern Asia	4	3	75	2	50	3	75	3	75	2	50	3	75	3	75	2	50	2	50	3	75	3	75
South-eastern Asia	11	11	100	10	91	11	100	11	100	7	64	8	73	4	36	7	64	4	36	11	100	8	73
Southern Asia	9	9	100	8	89	9	100	9	100	6	67	8	89	3	33	6	67	3	33	9	100	8	89
Western Asia	17	17	100	15	88	17	100	17	100	17	100	17	100	10	59	15	88	10	59	17	100	17	100
<i>Oceania^c</i>	12	6	50	5	42	10	83	10	83	3	25	8	67	2	17	2	17	2	17	6	50	5	42
Official SDG Groupings																							
<i>Landlocked developing countries (LLDCs)</i>	32	30	94	28	88	30	94	30	94	25	78	24	75	15	47	22	69	14	44	31	97	25	78
<i>Small island developing States (SIDS)</i>	37	30	81	21	57	35	95	34	92	23	62	28	76	13	35	18	49	9	24	30	81	25	68
<i>Least developed countries (LDCs)</i>	48	42	88	39	81	44	92	42	88	28	58	30	63	11	23	23	48	10	21	42	88	29	60

Note: All percentages are based on the total number of countries, unless otherwise specified.

^a Eritrea, Kiribati, Korea DPR, Libya, Liechtenstein, Monaco, Nauru, Palau, Papua New Guinea, Samoa, Sao Tome and Principe, Somalia, Turkmenistan, and Tuvalu do not meet Milestone 1 in the current reporting period.

^b Excludes Japan which is represented under the developed countries.

^c Excludes Australia and New Zealand, which are represented under the developed countries.

Table 3 – Breakdown of base years reported to the UNSD for the period 2013 to 2017

	Total number of countries	Base Years															
		Prior to 1994		1995 to 1999		2000 to 2004		2005 to 2009		2010 or above		Prices of Previous year		Chain linked with fixed reference year		Not available ^a	
		N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
UN Member States	193	5	3	5	3	18	9	40	21	40	21	18	9	54	28	13	7
Developed countries	48	0	0	0	0	1	2	1	2	2	4	7	15	36	75	1	2
Developing countries	145	5	3	5	3	17	12	39	27	38	26	11	8	18	12	12	8
<i>Africa</i>	54	0	0	2	4	3	6	21	39	13	24	5	9	4	7	6	11
Northern Africa	6	0	0	0	0	1	17	0	0	0	0	1	17	1	17	3	50
Sub-Saharan Africa	48	0	0	2	4	2	4	21	44	13	27	4	8	3	6	3	6
<i>Latin America and the Caribbean</i>	33	4	12	2	6	3	9	11	33	3	9	1	3	7	21	2	6
Caribbean	13	1	8	1	8	0	0	7	54	2	15	0	0	1	8	1	8
Latin America	20	3	15	1	5	3	15	4	20	1	5	1	5	6	30	1	5
<i>Asia^b</i>	46	1	2	0	0	8	17	3	7	19	41	5	11	7	15	3	7
Central Asia	5	0	0	0	0	0	0	0	0	0	0	3	60	0	0	2	40
Eastern Asia	4	0	0	0	0	0	0	0	0	2	50	0	0	1	25	1	25
South-eastern Asia	11	0	0	0	0	2	18	0	0	7	64	0	0	2	18	0	0
Southern Asia	9	0	0	0	0	3	33	2	22	4	44	0	0	0	0	0	0
Western Asia	17	1	6	0	0	3	18	1	6	6	35	2	12	4	24	0	0
<i>Oceania^c</i>	12	0	0	1	8	3	25	4	33	3	25	0	0	0	0	1	8
Official SDG Groupings																	
<i>Landlocked developing countries (LLDCs)</i>	32	2	6	2	6	3	9	5	16	8	25	8	25	2	6	2	6
<i>Small island developing States (SIDS)</i>	37	1	3	2	5	4	11	16	43	7	19	0	0	4	11	3	8
<i>Least developed countries (LDCs)</i>	48	1	2	2	4	7	15	17	35	12	25	3	6	1	2	5	10

Note: All percentages are based on the total number of countries, unless otherwise specified.

^a Algeria, Barbados, Egypt, Eritrea, DPRK, Guyana, Liberia, Liechtenstein, Somalia, Sudan, Turkmenistan, Tuvalu and Uzbekistan.

^b Excludes Japan which is represented under the developed countries.

^c Excludes Australia and New Zealand, which are represented under the developed countries.

Table 4 – SNA Implementation by Member States

1968 (5)	1993 (94)		2008 (94)	
Eritrea	Afghanistan	Libya	Albania	Liechtenstein
Iraq	Algeria	Madagascar	Andorra	Lithuania
Korea, DPR	Angola	Malawi	Argentina	Luxembourg
Myanmar	Antigua and Barbuda	Mali	Armenia	Malaysia
Sudan	Azerbaijan	Marshall Islands	Australia	Maldives
	Bahrain	Mauritania	Austria	Malta
	Bangladesh	Micronesia (Federated States of)	Bahamas	Mauritius
	Barbados	Monaco	Belarus	Mexico
	Belize	Mozambique	Belgium	Mongolia
	Benin	Namibia	Bosnia and Herzegovina	Montenegro
	Bhutan	Nauru	Brazil	Morocco
	Bolivia (Plurinational State of)	Nepal	Brunei Darussalam	Netherlands
	Botswana	Nicaragua	Bulgaria	New Zealand
	Burkina Faso	Niger	Cameroon	Nigeria
	Burundi	Oman	Canada	Norway
	Cabo Verde	Palau	Chile	Pakistan
	Cambodia	Panama	China	Paraguay
	Central African Republic	Papua New Guinea	Colombia	Peru
	Chad	Qatar	Costa Rica	Philippines
	Comoros	Rwanda	Croatia	Poland
	Congo	Saint Kitts and Nevis	Cyprus	Portugal
	Côte d'Ivoire	Saint Lucia	Czechia	Republic of Korea
	Cuba	Saint Vincent and the Grenadines	Denmark	Republic of Moldova
	Democratic Republic of the Congo	San Marino	Dominican Republic	Romania
	Djibouti	Sao Tome and Principe	Ecuador	Russian Federation
	Dominica	Seychelles	El Salvador	Samoa
	Egypt	Sierra Leone	Estonia	Saudi Arabia
	Equatorial Guinea	Solomon Islands	Eswatini	Senegal
	Ethiopia	Somalia	Fiji	Serbia
	Gabon	South Sudan	Finland	Singapore
	Georgia	Suriname	France	Slovakia
	Grenada	Syrian Arab Republic	Gambia	Slovenia
	Guatemala	Tajikistan	Germany	South Africa
	Guinea	Togo	Ghana	Spain
	Guinea-Bissau	Tonga	Greece	Sri Lanka
	Guyana	Trinidad and Tobago	Hungary	Sweden
	Haiti	Tunisia	Iceland	Switzerland
	Honduras	Turkmenistan	India	Thailand
	Iran (Islamic Republic of)	Tuvalu	Indonesia	North Macedonia
	Jamaica	United Arab Emirates	Ireland	Timor-Leste
	Jordan	Uruguay	Israel	Turkey
	Kazakhstan	Uzbekistan	Italy	Uganda
	Kiribati	Vanuatu	Japan	Ukraine
	Kuwait	Venezuela	Kenya	United Kingdom
	Kyrgyzstan	Viet Nam	Lao People's Democratic Republic	United Republic of Tanzania
	Lesotho	Yemen	Latvia	United States
	Liberia	Zimbabwe	Lebanon	Zambia

^a Bolivia, Central African Republic, Syrian Arab Republic and Tuvalu are marked as 1993 SNA although UNSD received 1968 SNA data so far.

^b United Arab Emirates is recorded as 2008 SNA in AMA but remain as 1993 SNA in MADT.

Guidelines for monitoring the 2008 SNA implementation

**Extract of the report of the
Intersecretariat Working Group on National Accounts
to the forty second session (2011) of the
United Nations Statistical Commission**

Guidelines for monitoring the 2008 SNA implementation

A. Introduction

1. The *Implementation Programme for the System of National Accounts 2008 and Supporting Statistics* represents a global statistical initiative with the dual objective in assisting countries in developing the statistical and institutional capacity to (a) make the conceptual change over from the 1968 or 1993 SNA to the 2008 SNA and (b) improve the scope, detail and quality of the national accounts and supporting economic statistics.
2. The efficiency and sustainability of the global statistical initiative for the implementation of the 2008 SNA rest on the agreed principles of the implementation strategy, namely: (a) strategic planning, (b) coordination, monitoring and reporting; and (c) improving statistical systems. The strategy takes as a starting point the different levels of implementation of the SNA in various countries. It acknowledges the need for coordinated action, not only at the international level but also at regional and sub-regional levels and emphasizes the need for close cooperation with regional commissions.
3. The principles of the implementation strategy are operationalised through four elements, namely: (a) use of National Strategies for the Development of Statistics (NSDS) or similar national plans setting out priorities as the strategic planning framework, (b) the programme information structure built around the statistical production process, scope and compliance for the national accounts and supporting economic statistics, (c) the modalities of statistical capacity building through training and technical cooperation, publication of manuals and handbooks, research and advocacy, and (d) the stages of implementation leading to the change over to the 2008 SNA. The three stages are:
 - (a) Stage I. Review of strategic framework and detailing of national and regional implementation programmes;
 - (b) Stage II. Adaptation of classification frameworks, business registers and frames, surveys, administrative data sources and information technology infrastructure; and
 - (c) Stage III. Application of adapted frameworks and source data, backcasting and changeover to 2008 SNA.
4. Each country will determine its own duration of the stages to make the change over to the 2008. However, it is expected that from 2014 onwards, most of the Member States would change over to the 2008 SNA following a gradual two to three year transition for each change over stage.
5. These elements were extensively described in the paper *Progress on the Implementation Programme for the System of National Accounts 2008 and supporting statistics*, which was a background document to the report of the ISWGNA to the forty-first session of the Commission¹.

¹ <http://unstats.un.org/unsd/statcom/doc10/BG-NationalAccounts2008.pdf>

6. For the purpose of setting up a national implementation programme of the 2008 SNA it is necessary to assess the current capacity of all aspects of the statistical production process to produce national accounts and supporting statistics. From this assessment goals regarding the relevant scope and detail of the national accounts and supporting statistics required to inform policy and decision making needs to be set in consultation with all relevant stakeholders in the national statistical system. A plan, based on the self assessment, identifying a set of actions to accomplish statistical and institutional goals is an important step to establish a road map for the implementation of the 2008 SNA and supporting statistics and is instrumental in the improvement of the statistical agenda to ensure adherence to best practices in official statistics.

7. For the change over to the 2008 SNA the ISWGNA recognizes that three main dimensions need to be taken into account for determining implementation goals and for monitoring the progress of implementation. These are: (a) scope of the accounts, (b) compliance with the SNA concepts and (c) quality issues. All three aspects need to be assessed for a better and more comprehensive evaluation of the implementation of the System

8. The following paragraphs reports on the guidelines for monitoring the implementation of the 2008

B. Guidelines for monitoring the 2008 SNA implementation

9. For monitoring the implementation of the 1993 SNA the ISWGNA developed a set of six milestones to assess the scope of accounts that are compiled by countries. These milestones were later supplemented by three data sets describing (a) minimum set of accounts that need to be compiled; (b) a recommended set of accounts; and (c) a desired set of accounts. To assess the compliance with major 1993 SNA concepts the ISWGNA developed a set of questions. The quality of the national accounts dimension was assessed using the IMF quality assessment framework.

Milestones

10. The Commission approved the milestone measures at its twenty-ninth session². The purpose of the milestones is twofold. To provide some guidance to countries who are considering expanding the scope of their national accounts coverage in line with the recommendations of the SNA. To serve as a monitoring instrument that permits for measuring the level of national accounts development at different points in time, permitting the identification of the groups of countries (by type or by region) that would need particular attention from the international community.

11. However, there are some limitations to the milestone measure. Countries have taken the milestones as representing the order in which additions to national accounts must be approached. The milestones can also give the wrong impression of SNA implementation

² Report of the ISWGNA to the twenty-ninth session of the UNSC, document E/CN.3/1997/12.

because there are different degrees of implementation. For example, for some countries with relatively small economies that have a narrow range of activities, a full implementation could be a much smaller subset of the SNA than is required for others. In addition, the milestones make no reference to conceptual or quality issues since they are concerned only with coverage in terms of the accounts and tables recommended by the SNA.

Required data sets

12. Due to the limitations of the milestone approach, the ISWGNA developed the three data sets to assess the scope of national accounts implementation according to the 1993 SNA. The first set is a defined benchmark called the minimum requirement data set (MRDS). The MRDS is a set of annual accounts that essentially groups together the accounts recommended in milestones 1 and 2. The second set is the recommended data set, which are annual accounts “recommended” for compilation by all countries plus some “recommended” quarterly accounts; these are recommended because of their importance in assessing developments of an economy. The third data set is the desirable data set, which comprises useful data that should be compiled if possible. In addition, the recommended data set and the desirable data set facilitate scope assessments beyond the threshold of the benchmark. The Commission approved this measure at its thirty-second session and called for an assessment of the MRDS based on the United Nations national accounts database³.

Conceptual compliance

To determine conceptual adherence to the 1993 SNA the ISWGNA developed a set of questions. The questionnaire is limited in scope covering only some of the key conceptual differences between the 1993 SNA and the 1968 SNA. The questionnaire requires simple answers of yes/no/partly, with some elaboration if necessary. Its objective is to determine to what extent important concepts in the 1993 SNA affecting the level of GDP, gross capital formation and gross national income (GNI) have been implemented.

Data-quality assessment of national accounts

13. To assist in formulating strategies to improve data quality, IMF has developed a framework for assessing the quality of national accounts and other macroeconomic statistics. The framework provides a structure and common language for best practices as well as internationally accepted concepts and definitions. The framework follows a cascading structure that begins with a set of prerequisites and five dimensions of quality: integrity, methodological soundness, accuracy and reliability, serviceability and accessibility.

14. The IMF has used the framework as a tool for preparing the data module of Reports on the Observance of Standards and Codes (Data ROSCs) for its Member States. Data ROSCs cover the major macroeconomic data sets, including the national accounts. The data quality assessment framework is currently being reviewed to take on board recent

³ Report of the ISWGNA to the thirty-second session of the UNSC, document E/CN.3/2001/8.

changes in statistical methodologies. The review will continue to reflect best statistical practices and reinforce the links with work by other organizations in this domain.

15. The framework is also being used outside IMF since it encompasses the most important aspects of the statistical system and organizes them into a systematic framework that can be used across various areas of statistics. The framework can also be used, for instance, for self-assessments by national statistical offices and other users.

Scope and compliance measures for the 2008 SNA

16. The elements of the scope and compliance measures used for the 1993 SNA are deemed to be adequate to also assess the scope and compliance for the 2008 SNA. However, the need for more timely information to facilitate appropriate policy responses highlights the importance to include also the compilation of quarterly national accounts, which require some adjustments to the scope measure as reflected by the required data set measure.

17. The MRDS was broadened to include quarterly accounts for the nominal and volume measure of GDP by industry or by expenditure components and the quarterly compilation of the integrated accounts until net lending for the total economy and the rest of the world. The MRDS also extended to include the compilation of annual institutional sector accounts until net lending for the corporate, government, households and non-profit institutions serving households sectors while the quarterly compilation of these sectors is now recommended. Moreover, the annual compilation of the sectoral financial accounts and sectoral balance sheets and other changes in assets accounts is now recommended, while the compilation of their quarterly accounts is desirable. The adjusted MRDS, recommended and the desirable data sets are provided in Table 2 of Annex I.

18. The compliance questionnaire was adjusted to reflect the 2008 SNA concepts for determining the conceptual adherence to the updated SNA. The details of the questionnaire are presented in Table 3 of Annex I. Its objective is to determine to what extent important concepts in the 2008 SNA affecting the level of GDP, gross capital formation and gross national income (GNI) have been implemented. The ISWGNA will assess the need to expand the compliance questionnaire to include also other 2008 SNA concepts not currently covered in the compliance questionnaire at a later stage.

Annex I. Information system for assessing the progress of the implementation of the System of National Accounts 2008

Table 1 Scope of the implementation of the System of National Accounts 2008: Milestones

Implementation milestones	Complementary data systems	SNA-related data and development
Pre-SNA phases	Basic data on production, turnover, consumption, investment, exports and imports Consumer and producer price indices Balance of payments goods and services account Monetary survey statistics	
Milestone 1. Basic indicators of gross domestic product (GDP) Final expenditures on GDP current and constant prices GDP by industry at current and constant prices	Supply and use table worksheets Balance of payments: current, capital and financial accounts Government finance statistics (GFS) transaction accounts	
Milestone 2. Gross national income and other primary indicators • for rest of the world External account of primary incomes and current transfers Capital and financial accounts	Capital stock statistics International investment position GFS transactions and stocks in assets and liabilities Monetary and financial statistics	Quarterly national accounts Regional accounts Satellite accounts for environment and other satellite accounts Input-output analysis
Milestone 3. Institutional sector accounts: first step: • for all institutional sectors Production account • for general government Generation of income, Allocation of primary income, Secondary distribution income, Use of disposable income, Capital and financial accounts	Same as for milestone 2	Same as for milestone 2
Milestone 4. Institutional sector accounts: intermediate step 1: • for all institutional sectors Generation of income Allocation of primary income Secondary distribution of income Use of disposable income Capital accounts	Same as for milestone 2	Same as for milestone 2
Milestone 5. Institutional sector accounts: intermediate step 2: • for all institutional sectors Financial account	Same as for milestone 2	Same as for milestone 2
Milestone 6. Institutional sector accounts: final step: • for all institutional sectors Other changes in assets account Balance sheet	Same as for milestone 2	Same as for milestone 2

Table 2 Scope of the implementation of 2008 System of National Accounts – Data sets

NAQ Table number		Annual accounts	Quarterly accounts
GDP, value added and employment			
	Nominal and volume measure of GDP by industry or by expenditure components	Minimum requirement	Minimum requirement
1.1	Expenditures of the GDP in current prices	Minimum requirement	Optional Min Req
1.2	Expenditures of the GDP in constant prices	Minimum requirement	Optional Min Req
2.1	Value added and GDP in current prices by industry	Minimum requirement	Optional Min Req
2.2	Value added and GDP in constant prices by industry	Minimum requirement	Optional Min Req
2.3	Value-added components by industry, current prices	Minimum requirement	Recommended
	Employment by industry	Minimum requirement	Recommended
Integrated accounts and tables, including integrated satellite accounts			
1.3/4.1	Accounts for the total economy (until net lending)	Minimum requirement	Minimum requirement
	Supply and use table	Recommended	Desirable
5.1	Cross-classification of output/value added by industries and sectors	Recommended	
	Tourism accounts, environmental accounts and other socio-economic accounts	*	
Purpose classification of expenditures			
3.1	General government final consumption (and other) expenditure by purpose in current prices	Recommended	
	General government final consumption expenditure by purpose at constant prices	*	
3.2	Individual consumption (and other) expenditures by purpose in current prices	Recommended	
	Individual consumption expenditures by purpose at constant prices	*	
	Purpose classification of intermediate and final consumption across all sectors	*	
Institutional sector accounts (until net lending)			
4.2	Rest of the world accounts (until net lending)	Minimum requirement	Minimum requirement
4.3	Non-financial corporations sector accounts (until net lending)	Minimum requirement	Recommended
4.4	Financial corporations accounts (until net lending)	Minimum requirement	Recommended
4.5	General government sector accounts (until net lending)	Minimum requirement	Recommended
4.6	Household sector accounts (until net lending)	Minimum requirement	Recommended
4.7	Non-profit institutions serving households sector accounts (until net lending)	Minimum requirement	Recommended
Financial accounts			
4.1-4.7	Financial accounts for all sectors	Recommended	Desirable
Balance sheets and other changes in asset accounts			
	Balance sheets, revaluation and other volume changes in asset accounts for all sectors	Recommended	Desirable

Note: Minimum requirement indicates an adequate scope of implementation of the 2008 SNA, when relevant.. Recommended: recommended for compilation by all countries. Desirable: Useful statistics that should be compiled, if possible. * Other data sets that would count in assessing the degree of 2008 SNA implementation. Tables shown without a number are not included in the annual United Nations questionnaire (NAQ). For the Institutional sector accounts the Household accounts and the non-profit institutions serving households could be presented together

Table 3: Conceptual Compliance Questionnaire for the System of National Accounts 2008

Question: Does your country's reported national accounts data currently include estimates for ...:	Yes	No	Partly	Not applicable
Elements affecting the level of Gross Domestic Product (GDP)				
Gross capital formation (GCF)/output				
1. the entire defence expenditure incurred by government included in the GCF?				
2. consumption of fixed capital measured on all government fixed assets (airfields, roads, hospitals, docks, dams and breakwaters and other forms of construction except structures) including military weapon systems?				
3. the expenditure on Research and Development included in the output and GCF?				
4. all (successful and unsuccessful) mineral exploration expenditure capitalized?				
5. purchases of computer software expected to be used for more than a year included in GCF?				
6. expenditure on software development on own account expected to be used for more than a year and for sale included in GCF and output?				
7. the expenditure on all databases expected to be used for more than a year, whether purchased on the market or developed in-house, included in the GCF and output?				
8. expenditure on entertainment, literary or artistic originals included in the GCF and on their development included in the output?				
9. expenditure on valuables included in the GCF?				
10. the natural growth of cultivated forests included in output in GCF?				
11. the output of financial intermediation services indirectly measured (FISIM) calculated on loans and deposits only using interest rates on deposits and loans and a reference rate of interest?				
12. the output of FISIM allocated to users?				
13. the production of all goods that are produced by households whether for sale or not —included in the output?				
14. the activity of the own-account money lenders included in the output?				
15. the value of output of goods and services produced by households and corporations for own final use, when estimated on cost basis, include a return to capital?				
16. the output of non-life insurance services in the event of catastrophic losses estimated using adjusted claims and adjusted premium supplements?				
17. the output of the Central Bank estimated separately for financial intermediation services, monetary policy services and supervisory services overseeing financial corporations?				
18. the unit undertaking purely ancillary activity, located in a geographically separate location from establishments it serves, treated as a separate establishment?				
19. the output of the activity of non-autonomous pension funds and unfunded pension schemes separately recognised?				
Volume estimates				
20. volumes estimated using a chaining procedure on an annual basis?				
Social contributions/insurance				
21. unfunded social contributions (for sickness, unemployment, retirement etc.) by enterprises imputed as compensation of employees and included as contributions to social insurance?				

22. non-life insurance estimates include premium supplements rather than being based just on premiums less claims?				
23. life insurance estimates include premium supplements rather than being based just on premiums less claims?				
Elements affecting Gross National Income (GNI)				
24. reinvested earnings estimates included in the rest of the world account?				
25. foreign workers' remittances excluded from GNI?				
Elements not affecting the level of GDP/GNI				
Valuation of output				
26.a output and value added measured at basic prices? ^a				
26.b output and value added measured at producers' prices? ^a				
26.c value added measured at factor cost? ^a (not part of the 2008 SNA)				
27. the goods for processing recorded on a net basis?				
Final consumption				
28. government final consumption expenditure broken down into individual and collective consumption?				
Status of implementation of the 2008 SNA				
29. the 2008 SNA has not been implemented in officially reported national accounts, when does the country plan to implement and release data based on the 2008 SNA? (Specify the year.)				

a These questions are raised for information only since the SNA allows alternative treatments.