

Provisional Outline of the 2025 SNA

Advisory Expert Group (AEG) on National Accounts (10th of May, 2022)

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Introduction

- **Proposal for changing overall structure of the SNA**, focusing on addition/deletion of chapters and major changes
- Starting points:
 - **Paper publication, in addition to digital version**
 - **Maximum alignment with BPM**
 - **Active involvement of other stakeholders (GFSM, MFSM, SEEA, etc.)**
- Important to have a working hypothesis, **to organise the editorial process**

Introducing an overarching structure (starting from the 2008 SNA)

- A. Introduction and overview (chapters 1 – 2)
- B. The main foundations (chapters 3 – 5)
- C. Structure of the framework and the sequence of economic accounts (chapters 6 – 16, and chapters 18 - 20)
- D. Cross-cutting issues (chapter 17)
- E. Institutional units and sectors in more detail (chapters 21 – 24, and chapter 26)
- F. Extended and thematic accounts and tables (chapter 25, and chapters 27 – 29)
- G. Supplementary material (annexes 1 – 4)

Wellbeing and sustainability

- Issues around **well-being and sustainability have become much more prominent** in discussing the role and composition of the national accounts, including what the SNA measures or, more importantly, what it does not measure
- Important to address these issues in the 2025 SNA
- Introduction of three new chapters:
 - **Chapter 2. National Accounts and measures of well-being and (environmental) sustainability:** More general discussion on the SNA and measures of welfare, or more generally, well-being and sustainability, followed by the introduction of a broader framework of national accounts
 - **Chapter 34. Measuring well-being:** Discussion of the concept of well-being and various approaches/methods to measure it, and how extended accounts can support all of this
 - **Chapter 35. Measuring sustainability:** discussion on monitoring sustainability using the capital approach, what the SNA does (not) measure, and SEEA as a complementary system to monitor environmental sustainability

Digitalisation and globalisation

- Two **priority research areas** which have affected the conceptualisation, the compilation, and the interpretation of the system of national accounts most dramatically
- Introduction of **two new chapters**, to consolidate the growing understanding of these phenomena, including their impact on the compilation and interpretation of (the main macro-economic indicators derived from) the system of national accounts
 - **Chapter 22. Digitalisation: focus on recording of recently emerged phenomena**, such as digital intermediary platforms, “free” services, crypto assets, data, e-commerce, etc.; and addressing the compilation of **supplementary tables** such as digital supply and use tables
 - **Chapter 23. Globalisation**: consolidated **overview of the newly established guidance** on global production arrangements, SPEs, the impact of the minimisation of the global tax burden, etc.; and **tools for better understanding domestic developments** (breaking out transactions and positions of multinational enterprises, Global Value Chains, Trade in Value Added, and the consolidation of corporate activities using the “nationality” perspective)
- **Note: Dual character of these chapters**

Supply and use tables, labour accounts and capital services

- Some discussion on the **allocation of the chapter on supply and use tables**, given its increasing role in compiling national accounts
- However, ... would break the logic of the SNA, certainly if taking into account the more prominent role of labour accounts
- In the end, it is proposed to **group together the three chapters with a focus on statistics by industry**, as follows:
 - **Chapter 15. Supply and use tables**
 - **Chapter 16. Labour accounts** (Note: Moved upwards, and re-allocation of the part on population)
 - **Chapter 17. Capital services** (Note: Moved upwards, and re-allocation of the part on valuation of assets)
- It is also proposed to pay much **more attention to these tables and accounts in the introductory chapters**

Other considerations regarding the structure

- Some discussion on the **allocation of the chapter on price and volume measures**, given the prominence of volume measures in policy and research
 - Not changed, mainly because of the logic of the story-telling
 - However, more attention in the introductory chapters
- Proposed to split the lengthy chapter on **cross-cutting issues**, add a chapter on Islamic finance, thus arriving at the following chapters, in addition to digitalisation and globalisation:
 - **Chapter 24. Insurance and pensions** (Part 1 and 2 of chapter 17 in the 2008 SNA)
 - **Chapter 25. Specificities of certain financial instruments** (Part 3, 4 and 6 of chapter 17 in the 2008 SNA)
 - **Chapter 26. Islamic finance** (new chapter)
 - **Chapter 27. Contract, leases, licenses and permits** (Part 5 of chapter 17 in the 2008 SNA)

Other considerations regarding the structure

- **Splitting the current chapter 21 on measuring corporate activity** into two chapters, one dealing with **non-financial corporations** (chapter 28 in the 2025 SNA, and another one focusing on **financial corporations** (chapter 29 in the 2025 SNA)
- **Refocusing the current chapter 27** on links to monetary statistics and the flow of funds **to matrix-based presentations of institutional sector accounts** (from-whom-to-whom tables) (chapter 37 in the 2025 SNA)
- **New chapter 21 on communicating the accounts**, in view of the outcomes of CMTT:
 - **Terminology for revisions of estimates and the status of statistics** (official statistics versus experimental estimates), including the various types of additional accounts and tables
 - The assessment of the **alignment of a country's national accounts with the international standards**
 - Probably some other topics as well
- **Re-allocation of the current chapter 25 on Informal aspects of the economy**

Other more substantial changes to chapters

- **Chapter 1. Introduction:** More prominence to **volume and price measures**; **basic identities** of the system; **net measures**; and slightly more elaborated information on the **links with other statistical standards and business accounting standards**
- Further elaboration of text on **productivity**, and re-allocation to chapter 18. Measuring prices, volumes and productivity
- Adding text on **balancing the accounts** to chapter 19. Summarising, integrating and balancing the accounts
- **Refocusing the current chapter on elaborating (and presenting) the accounts** (Ch.18 in the 2008 SNA and Ch.20 in the proposal for the 2025 SNA) **to the following topics**, thereby also paying more attention to institutional sector accounts:
 - **Temporal disaggregation** (e.g., quarterly accounts)
 - **Territorial disaggregation** (e.g., regional accounts)
 - **Regular and benchmark revisions, and the compilation of time series data**

Other more substantial changes to chapters

- Complete redraft of the current chapter 29 on satellite accounts and other extensions toward **chapter 38 focusing on thematic (satellite) accounts**, including re-allocation of text on extended accounts for well-being and sustainability to chapters 34 and 35, and re-allocation of text on functional classifications to the relevant annex
- Paying much more attention to **the relationship between and the consistency of the various international standards for compiling macro-economic statistics**, by:
 - Including succinct information in chapter 1 (see above)
 - More detailed information in the relevant chapters on institutional sectors, and the chapter on sustainability
 - Adding a separate annex on the interrelationships

Overview of the chapters in the 2025 SNA

A. Introduction and overview

Chapter 1. Introduction (revised content)

Chapter 2. National accounts and measures of well-being and environmental sustainability (new chapter)

Chapter 3. Overview of the economic accounts (revised title)

B. The main foundations

Chapter 4. Stocks, flows and accounting rules

Chapter 5. Institutional units and sectors

Chapter 6. Enterprises, establishments and industries

Overview of the chapters in the 2025 SNA

C. Structure of the framework and the sequence of economic accounts

Chapter 7. The production account

Chapter 8. The distribution of income accounts

Chapter 9. The redistribution of income accounts

Chapter 10. The use of income accounts

Chapter 11. The capital account

Chapter 12. The financial account

Chapter 13. The other changes in assets account

Chapter 14. The balance sheet

Chapter 15. The supply and use tables (revised title)

Chapter 16. Labour accounts (chapter 19 in the 2008 SNA, moved upwards, revised title and revised content)

Chapter 17. Capital services (chapter 20 in the 2008 SNA, moved upwards, revised title and revised content)

Chapter 18. Measuring prices, volumes and productivity (revised title and revised content)

Chapter 19. Summarizing, integrating and balancing the accounts (revised title and revised content)

Chapter 20. Elaborating the accounts (moved upwards, revised title and revised content)

Chapter 21. Communicating the accounts (new chapter)

Overview of the chapters in the 2025 SNA

D. Cross-cutting issues

Chapter 22. Digitalisation (new chapter)

Chapter 23. Globalisation (new chapter)

Chapter 24. Insurance and pensions (Parts 1 and 2 of chapter 17 in the 2008 SNA, moved downwards)

Chapter 25. Specificities of certain financial instruments (Parts 3, 4 and 6 of chapter 17 in the 2008 SNA, moved downwards)

Chapter 26. Islamic finance (new chapter)

Chapter 27. Contracts, leases, licenses and permits (Part 5 of chapter 17 in the 2008 SNA, moved downwards)

E. Institutional units and sectors in more detail

Chapter 28. Non-financial corporations (revised title and revised content)

Chapter 29. Financial corporations (new chapter)

Chapter 30. General government and the public sector (revised title)

Chapter 31. Non-profit institutions

Chapter 32. Households (revised title and revised content)

Chapter 33. Transactions between residents and non-residents (moved upwards, revised title)

Overview of the chapters in the 2025 SNA

F. Extended and thematic accounts and tables

Chapter 34. Measuring well-being (new chapter)

Chapter 35. Measuring sustainability (new chapter)

Chapter 36. Input-output tables (moved upwards, revised title and revised content)

Chapter 37. From-whom-to-whom tables (chapter 27 of the 2008 SNA, moved downwards, revised title and revised content)

Chapter 38. Thematic accounts (moved upwards, revised title and revised content)

Chapter 39. Informal activities (moved downwards, revised title)

G. Supplementary material

Annex 1. International standards for macro-economic statistics, and the links with the SNA

Annex 2. The classification hierarchies of the SNA and associated codes (revised content)

Annex 3. The sequence of accounts

Annex 4. Changes from the 2008 System of National Accounts (revised title)

Annex 5. Research agenda

References

Glossary

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Questions to the AEG

- Do you agree with the proposal for including a **new chapter on national accounts and measures of well-being and sustainability right at the start of the 2025 SNA (chapter 2), with reference to a more detailed chapter on well-being, and one on sustainability further down?**
- Do you agree with the inclusion of a **chapter on digitalisation and one on globalisation** in the 2025 SNA?
- Do you agree with the **other proposals for (not) restructuring the chapters** in the 2025 SNA?
- Do you agree with the **various proposals on changing the content of chapters** in the 2025 SNA?
- Would you have **additional comments and suggestions?**

Thank you for your attention!

