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For discussion

CM.1 An Assessment Framework to Measure Alignment with the Economic Accounting Statistical Standards

Prepared by the Communications Task Team (CMTT)

CM.1 An Assessment Framework to Measure Alignment with the Economic Accounting Statistical Standards[1, 2]

The international community has developed several economic accounting statistical standards (EASSs) such as the System of National Accounts (SNA), the Balance of Payments Manual (BPM), and the Government Finance Statistics Manual (GSFM) to assist countries in developing internationally consistent macroeconomic statistics. One important feature of these standards is their ability to facilitate the comparison of estimates across countries. For users to be confident when making these cross-country comparisons, they need some assurance that the countries they are comparing have implemented these standards consistently. However, for several reasons, when countries use an economic accounting standard to compile macroeconomic statistics, a certain degree of choice, freedom, and variation can be taken in implementing the recommendations. This results in varying degrees of "alignment" to the EASSs across countries. This guidance note (GN) proposes an alignment framework that countries can use to assess the alignment of their national economic statistics to the EASSs. The framework is structured around the key building blocks of the statistical standards—concepts, accounting rules, methods, classifications, and the resulting accounts and/or tables that are produced and published. The current frameworks reflect the current standards, they will be updated in the editorial process to reflect changes to the standards and relevant explanatory notes.

INTRODUCTION

1. **The degree of alignment with economic accounting statistical standards (EASSs) provides two important signals to users.** First, it provides information about the quality of cross-country comparisons, and second, it signals to users the extent to which major revisions should be expected in the future, in cases where an economy is not aligned with the EASSs. Additionally, this helps producers of statistics to identify areas for improvement, prioritize resources, and formulate strategic plans, assist users to make appropriate adjustments to achieve comparability in their analyses, among others.

2. **Currently, alignment with EASSs is somewhat arbitrary and self-imposed.** That is, each country declares whether it is compliant or non-compliant. With the launch of the updates to the *System of National Accounts, 2008 (2008 SNA)* and the *Balance of Payments and International Investment Position Manual, sixth edition (BPM6),* it is important to move away from this arbitrary approach. The next update of EASSs should include a set of internationally accepted frameworks that provide structured, systematic, and consistent methods to measure an economy's alignment to EASSs. It is noted that supported by various statistical legislation, European Union (EU) Member States have a high degree of alignment with various international statistical standards and those specifically adapted for the EU.

[1] Prepared by Mr. Charles Sessede (AfDB), Mr. James Tebrake, Ms. Francien Berry, Ms. Kristy Howell, and Mr. David Bailey (IMF), and Mr. Eric Metreau (World Bank) (primary drafters). The work, including drafting was undertaken under the supervision of Mr. Sanjiv Mahajan (United Kingdom: Chair, CMTT).

[2] This note was presented at the IMF's Balance of Payments Committee (BOPCOM) meeting on October 28, 2021. In addition to other comments (not yet taken on board), some members highlighted that the previous terminology "*international economic statistical standards" did not* adequately reflect the range of national and international macroeconomic statistics. The current proposed terminology is "Economic Accounting Statistical Standards".

3. **Therefore, in the context of the update of the *2008 SNA* and *BPM6*, it is an opportune time to consider the guidance provided to national authorities regarding the way they communicate their alignment with EASSs to users.** An internationally adopted framework that presents a country's alignment to a statistical standard would assist users by perform more accurate cross-country comparisons and anticipate the likely size and extent of future revisions to macroeconomic statistics. While such a framework could take many different forms, this GN proposes three key alignment frameworks—for the SNA, GFS, and BOP domains—that are structured around the key building blocks of an EASS—concepts, accounting rules, methods, classifications, and the resulting accounts and/or tables that are produced and published. These proposed frameworks draw heavily on existing assessment frameworks such as the IMF's Data Quality Assessment Framework, the UN's Data Quality Assessment Framework and the ISWGNA's Minimum Required Data Set (MRDS). The intent is to add this assessment framework to each of the EASSs (SNA, BPM and GFSM) and for countries to periodically assess their macroeconomic statistics programs against these frameworks.

4. **This guidance note (GN) contains two parts:** (i) three proposed frameworks that countries can use to assess their alignment to the concepts, methods, accounting rules, classifications, and accounts/tables associated with a given economic accounting statistical guidance; and (ii) a means to present and communicate this information to users in a standardized manner.

5. **The Communication Task Team proposes that the recommendations in this GN are included as part of a chapter to the SNA, BPM, and GFSM titled *"Economic statistics – Communication Practices and Recommendations."***

EXISTING MATERIAL

6. **The GN draws upon several existing frameworks already developed by international organizations.** The components of the proposed assessment framework are based primarily on the IMF's Data Quality assessment Framework (DQAF) and the United Nations National Accounts Questionnaire (UN-NAQ).[3] The IMF's DQAF provides a framework for qualitative self-assessments (among other types) of an economy's macroeconomic statistics. Although the DQAF outlines six elements of quality,[4] the CMTT's proposed framework centers primarily on the methodological soundness component. Using the NAQ, the UNSD "evaluates" the availability, scope, and coverage of national accounts data and the implementation of *SNA 2008*. "Conceptual compliance" with the *2008 SNA* is evaluated in terms of milestones and a Minimum Required Data Set (MRDS).[5,6]

[3] See https://dsbb.imf.org/content/pdfs/dqrs_nag.pdf and https://unstats.un.org/unsd/statcom/doc11/2011-6-NationalAccounts-E.pdf

[4] DQAF elements: (i) prerequisites Quality, (ii) Integrity, (iii) Methodology, (iv) Accuracy and reliability, (v) Serviceability; and (vi) Reliability.

[5] The milestones provide guidance to countries that are considering expanding the scope of their national accounts coverage in line with the recommendations of the SNA while also serving as a monitoring instrument permitting the measurement of the level of national accounts development at different points in time and the identification of countries that might benefit from capacity development assistance.

[6] See for example UNSD developing a global programme for the implementation of the *2008 SNA* and supporting statistics: https://unstats.un.org/unsd/nationalaccount/docs/impPaper.pdf, UNSD Self-assessment evaluation of the status of National Accounts and Supporting Statistics:

RECOMMENDED APPROACH

The proposed frameworks for measuring and communicating alignment to the EASSs do not require a change to either the SNA, BPM, or GFSM. Instead, the recommended frameworks are stand-alone tools intended for national statistical authorities and international agencies to assess the methodology underlying a country's (or group of countries') macroeconomic statistics and the content of these macroeconomic statistics. It is expected that the relevant framework would be included in a chapter of the SNA, BPM, and GFSM and that countries would be encouraged to use the frameworks and make the results publicly available for all users.

ALIGNMENT FRAMEWORK

7. **Macroeconomic statistics have several different types of users and uses.** Primarily, they inform users about the performance and structure of the domestic economy. They also inform users about the performance and composition of the economy relative to other economies. For the latter to be achieved, users require some assurance that the statistics they are comparing across countries have been consistently compiled. If there are inconsistencies, users need to be aware of the major methodological differences in the data compiled by different economies.

8. **Currently the SNA, BPM, and GFSM do not include a framework that compilers can use to assess their country's alignment to the EASS.** When countries communicate their alignment to a standard, it is usually done in the context of the version of the EASS used to produce the national estimates. While this is important information, it does not indicate the degree to which they implemented the recommendations contained in the relevant standard (or version thereof). Users are therefore left to assume that all countries have implemented the standard to the same degree—either completely or not at all. This is not always the case and while countries may be using the same version of an EASS, the method and degree to which it is implemented may vary significantly. This impacts user's interpretation and the cross-country comparability of the estimates.

9. **To illustrate, consider two economies A and B.** Country A indicates it uses the *2008 SNA* to compile its national accounts but does not record cultivated biological assets. Country B, also *2008 SNA* compliant, records cultivated biological assets in its national accounts. Both economies comply with the latest EASS, however, the asset boundary in each country is slightly different. When comparing the investment data, balance sheets and productivity data of the two countries, it is important for the user to understand these differences. Country A may not record cultivated biological assets because they are not material for that economy, or they may be material but have no data. If this is the case, then this information should also be provided to users so that they do not attempt to compensate for the different treatment when making the cross-country comparisons. An internationally adopted and accepted alignment framework would assist users in making cross-country comparisons.

10. **The term alignment is purposeful, as it is unrealistic to expect a country to fully "comply" to an EASS.** Economic structures, users' data needs, resources, statistical infrastructure, and source data vary across countries. Therefore, producers of statistics must weigh the needs of its users—who

https://unstats.un.org/unsd/nationalaccount/docs/evaluation.doc, Report of the IMF Government Finance Statistics Advisory Committee, 2015 https://www.imf.org/external/pubs/ft/gfs/gfsac/gfsac15.pdf, and the BOPCOM Paper – Progress in Implementing *BPM6* https://www.imf.org/external/pubs/ft/bop/2015/pdf/15-05.pdf.

may require a country specific accounting treatment—with the need to ensure that the resulting data are internationally comparable. In other cases, a given activity/concept may be economically immaterial for a given country and therefore, for pragmatic and resourcing reasons, the recommendation is not implemented. While countries strive to "align" to an EASS, most countries do not fully comply. As a result, a proposed framework needs flexibility to take into consideration that certain parts of the standard may not apply to a given economy or a given situation or the activity may exist but deemed not to be relevant for policy users within their jurisdiction.

11. **An effective alignment framework should have some degree of flexibility and be easy to implement, update and communicate.** While this framework can take many different forms, the CMTT recommends that the alignment framework be structured around the key components of an EASS. At a very high level, an EASS consists of a set of (i) concepts; (ii) accounting rules; (iii) methods; (iv) classification systems; and (v) tables/accounts.

12. **Concepts are the foundation of an EASS.** They reflect the articulation of a macroeconomic idea, activity, interaction, state, or notion. Concepts determine what gets measured. Consider the concept of production in the *2008 SNA*. The *2008 SNA* paragraph 1.40 states that production is *".....a physical process, carried out under the responsibility, control and management of an institutional unit, in which labour and assets are used to transform inputs of goods and services into outputs of other goods and services. All goods and services produced as outputs must be such that they can be sold on markets or at least be capable of being provided by one unit to another, with or without charge. The SNA includes within the production boundary all production destined for the market, whether for sale or barter. It also includes all goods or services provided free to individual households or collectively to the community by government units or NPISHs."* The concept of production, and the production boundary, in the SNA ultimately determines the size of a given economy. Other key concepts include income, assets, capital formation, expenditure, and consumption among others.

13. **Accounting rules reflect the guidelines that macroeconomic compilers should follow when recording transactions and other economic flows.** In the context of the EASSs, accounting rules determine how activities get recorded. For example, a key accounting rule in the *2008 SNA* is the rule that transactions are recorded *"on an accrual basis throughout"* (*2008 SNA*, paragraph 3.163). The EASSs have numerous accounting rules related to the time of recording, valuation, consolidations, and netting that should all be considered "in-scope" for an alignment framework.

14. **Methods are closely associated with accounting rules.** One way to interpret a method is to view it as the way a macroeconomic accountant implements an accounting rule or measures a concept. For example, one compiler may decide to use a series of price indices to derive an estimate of the market value for a stock of assets while another compiler may decide to obtain observed values recorded on the balance sheets of enterprises. Both are following the same valuation rule but are using different methods to apply the rule. The EASSs list several recommended methods—related to valuation, the calculation of volumes, etc.—that should be included in an alignment framework.

15. **Classifications determine the level of detail that is presented to users.** As discussed earlier, the concept of production in the *2008 SNA* determines what gets measured. At the limit, this could result in publication of a single (albeit very large) number. Presenting a single estimate of production would not be very useful and would only lead to a series of additional questions from users such as which firms contributed the most to production? or which regions contributed the greatest share? Classifications

facilitate a consistent and coherent presentation of detailed or granular information to users as well as a standard approach to aggregating the information.

16. **The sequence of accounts/specific tables outline how information is presented to users.** They specify the structure and terminology that should be adopted when communicating macroeconomic statistics to users. They also outline what information is provided to users. Most EASSs have already identified a set of accounts or tables that are considered *the minimum requirements* to declare alignment to a set of standards. Since this is both well-defined and widely used, it is proposed that this is incorporated into the alignment framework.

17. **While the five categories noted above can serve as an overarching structure for the alignment framework some granularity is needed.** Since a given EASS has many concepts, accounting rules, methods, classifications, and accounts/tables, it is not possible or pragmatic to list them all within the framework—a subset is required. Many users of macroeconomic statistics use the data to analyze and compare the structure and evolution of the economy over time and across jurisdictions. It seems appropriate that the individual items to be included in the framework focus on those categories that impact the interpretation and assessment of levels and growth rates. Using these criteria, alignment checklists have been developed and included in Annexes II, III, and IV of this guidance note respectively for the SNA, GFSM, and BPM.[7] These include a preliminary list for each statistical standard that requires refinement through a series of consultations. In addition, the final checklists that will be included in the updates SNA, BPM, and GFSM can only be determined once decisions have been made regarding the concepts, accounting rules, methods, classifications, accounts to be included in the updated EASSs.

BENEFITS OF THE ALIGNMENT FRAMEWORK

18. **The assessment frameworks do not provide an evaluation of the quality of an economy's macroeconomic statistics as this would require a more rigorous investigation of the source data, etc.** However, there are several key benefits for national users and the international economic community. Notably, the benefits include *improving cross-country comparability of the SNA, GFS, and BPM estimates, signaling the extent of possible future revisions to data users, and assisting in NSOs' planning and resource prioritization process.*

19. **The use of an alignment framework will facilitate cross-country comparisons as well as help users anticipate the potential impact of subsequent revisions to the statistics.**[8] A recent survey conducted by IMF staff showed that almost 64 percent of the 200 economies surveyed indicated that their national accounts statistics are aligned to the *2008 SNA* or the *ESA 2010*.[9] However, from a global or regional perspective, these data are not directly comparable because of variations in aspects of the underlying methodologies and coverage of the data by the different economies. Against this background, the proposed alignment framework provides a structure for users to assess one country's statistical estimates—coverage, concepts, and methodologies—against existing best practices. This is expected to be valuable for user in a number of instances. For example, if the economy's statistical

[7] The annex current reflects the preliminary framework/questions relevant for the SNA, BPM, and GFSM.

[8] The definition and types of revisions are discussed further in CMTT C.3. "*Taxonomy for Communicating Economic Statistics Releases, Products, and Product Updates".*

[9] Estimates from National Accounts Metadata Survey conducted by the IMF in September 2021.

framework, including the country-level data surveys are not aligned to the current economic statistics standards, the user can expect that there are gaps in the existing data and should anticipate significant revisions of previously compiled data once the statistical program becomes aligned with the latest statistical standard.

20. **As another example, assume that a country undertakes a comprehensive revision where they introduce several conceptual and accounting changes to the macroeconomic accounts.** Assume that change results in a 20 percent increase in the level of GDP. A logical question a user may raise is whether there may be additional revisions at some point in the future, and the scale of the revised estimates may be. If a country can demonstrate that its latest revision with the standard brings it fully in line with the current set of international recommendations, users will have some assurance that future changes will be small. Although the concepts may be covered, this does not preclude other methodological or data source improvements.

COMMUNICATING WITH USERS

21. **The previous section outlined an alignment framework that could be used to determine alignment with an EASS**. This section of the note outlines how macroeconomic compilers can communicate this information to users. While some consideration may be given to the development of a scoring system/methodology, it is recommended that a dashboard approach be taken. Scoring a country's alignment to a statistical framework may create a disincentive to use the framework. In addition, any aggregate score would require some form of weighting mechanism which would introduce a high degree of subjectivity (i.e., is alignment to concepts more important than alignment to accounting rules) into the process. A dashboard that does not attempt to quantify or summarize the information will still provide useful information to users in a simple, straight forward, and flexible manner.

22. **The starting point for the dashboard is the alignment framework presented in Annexes II to IV.** While most of the items in the framework can be structured to solicit a "yes" or "no" response, it is felt that this would not provide the granularity users require to properly interpret the results nor would it provide the compiling country the flexibility it needs to properly convey the scope of its program. Since the framework is intended to measure the degree of alignment to a standard it was felt that the tool used to undertake the assessment should also include the notion of "degree". It is proposed that for each item on framework the compiling organization indicate whether they:

a) **Fully align** with the recommendation **–** meaning that between 95-100 percent of the recommendations are implemented.

b) **Highly align** with the recommendation- meaning that between 75-95 percent of the recommendations are implemented.

c) **Broadly align** with the recommendation – meaning that between 50-75 percent of the recommendations are implemented.

d) **Partially align** with the recommendation – meaning that between 25-50 percent of the recommendations are implemented.

e) **Do Not align** with the recommendation **–** meaning between 0-25 percent of the recommendations are implemented.

f) The recommendation is **Not Applicable –** meaning that for issues of materiality or relevance, the recommendation is not implemented. Materiality is subjective but a steer would be less than 0.05 percent (and/or a monetary equivalent) of GDP.

23. **The introduction of the notion of "percent aligned" does introduce some subjectivity and flexibility into the exercise thus a range approach has been adopted.** This was done because it is difficult to define (and impossible to measure) what would constitute being 100 percent aligned to a concept, accounting rule, method, etc. It is proposed that country compilers use their knowledge of their processes and an assessment of economic activity in their country to make this determination for example, assume that the alignment framework includes the item—recording of illegal activity. Assume that the country includes estimates of illegal drug production and illegal drug-trafficking in its estimates but does not account for illegal tobacco smuggling. Assume that illegal tobacco smuggling is small relative to illegal drug trafficking and, at most, represents five percent of the value of drug production and drug trafficking. In this case the country compiler would indicate that they fully align with the EASS since they are capturing approximately 95 percent of illegal activity. While this requires some subjectivity on the part of the country compiler it is felt that this flexibility in determining full versus partial versus no alignment was necessary and informative without putting too much burden on the compilers.

24. **It is recommended that the dashboard be presented in digital format and be included as a part of the sources and methods documentation for a given EASS.** The assessment can be done for the entirety of a macroeconomic accounts program, or it can be completed for individual accounts. It is also recommended that the assessment be color coded such that:

- Fully Aligned = Green
- Highly Aligned = Light green
- Broadly Aligned = Yellow
- Partially Aligned = Light Yellow
- Not Aligned = Red
- Not Applicable = Black.

25. The following is an example of what an EASS alignment dashboard could look like (using the first few items from Annex II).

Category	**Comments**	**Degree of Alignment**
Production Boundary Covers		
Observed market output		
Non-observed market output.		
Non-market output		
Output for own final use	Household output for own final use is not included.	
Imputed services		
Illegal output	Estimates of illegal activity are not included.	

The fully aligned, partially aligned and not aligned categories **are appropriate** when considering concepts, methods, and accounting rules but **not when considering classifications** used, tables or accounts. It is proposed that the timeliness (days released after the reference period) and granularity (number of detailed classes) be used in "quantifying" the alignment of tables and accounts to a given standard as showing in Annex II.

SECTION IV: RECOMMENDED APPROACH - PRACTICAL ASPECTS

26. **This recommendation has several practical considerations for compilers**. First, it recommends that compilers assess the alignment of their macroeconomic program to the relevant EASS. Second, it recommends that national compilers communicate the results of this assessment broadly to both users and the international statistical community at large. Finally, since the macroeconomic accounts in most countries are continuously evolving, it implies that countries will need to periodically update this assessment to ensure it reflects the current state of their macroeconomic accounts program.

27. **Different levels of alignment were introduced in order to accommodate the differences in the national statistical systems across various economies.** The alignment frameworks in Annexes II, III, and IV provide different level of details that can be specified by each economy to provide the level of their alignment to the EASS. These frameworks will help users clearly identify the changes to the relevant statistical programs to align to the EASS. The levels proposed provide more flexibilities to help economies with advanced and developing economies to provide more details based on the level of development of their national statistical system (L0, L1, or L2).

SECTION V: CHANGES REQUIRED TO THE *2008 SNA* AND OTHER STATISTICAL DOMAINS

28. **This recommendation does not propose changes to the concepts of the EASS**. This recommendation defines a set of concepts, accounting rules, methods, classifications, and tables/accounts that constitute a given EASS. This "set" was determined by a deliberate assessment of those components of an EASS that have a significant impact on either the level or growth of the macroeconomic statistics.

29. **The CMTT recommends that the above proposals are included as part of a chapter to the SNA, BPM, and GFS titled "Economic statistics – Communication Practices and Recommendations."** In addition to including the information from this GN, this proposed chapter should also include information from the CMTT GNs on Terminology (CM.2) and Taxonomy (CM.3). Countries should be encouraged to use the framework and make the results publicly available for all users.

Annex I. Referenced Documents

Carson, Carol S., Sarmad Khawaja, and Thomas K. Morrison, 2003, Revisions *Policy For Official Statistics: A Matter of Governance*, 54th Session of the International Statistical Institute Berlin, Germany, available at https://dsbb.imf.org/content/pdfs/RevPolicyStat.pdf

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United Nations Statistics Division, *Developing a global programme for the implementation of the 2008 SNA and supporting statistics*, available at https://unstats.un.org/unsd/nationalaccount/docs/impPaper.pdf

United Nations Statistics Division, *Self-assessment evaluation of the status of National Accounts and Supporting Statistics,* available at https://unstats.un.org/unsd/nationalaccount/docs/evaluation.doc

Annex II. System of National Accounts Alignment Framework for Concepts, Methods, Rules, and Classification

The underlying questions in this questionnaire format is intended to ensure some form of structure is used in assessing the quality of the accounts. The questionnaire lists a number of points to consider for each section. It is primarily targeted at availability, alignment and comparability in this context, the SNA, the BPM, and the GFS.

The following table identifies the key assessment questions related to (i) key concepts (ii) methods; (iii) accounting rules, and (iv) classifications against which alignment with the SNA can be assessed. The key concepts and definitions proposed are in line with the statistical best practices outlined in the SNA framework. The key concepts are broadly based on the IMF DQAF Questionnaire and the UNSD's *2008 SNA* Compliance Questionnaire.

I. SNA Alignment Framework – Metadata

Is there a National Code of Practice?	Y/N	Insert link:
Last benchmark year for GDP	Enter year:	Insert link to revisions publication:
Latest period for which balanced SUTs are available?	*(select from dropdown)*	
Latest period for which institutional sector accounts are available?	*(select from dropdown)*	
Do you have a published revision policy?	Y/N	Insert link:
What is the release cycle used for?		
Annual National Accounts	*(select from dropdown)*	
Quarterly National Accounts	*(select from dropdown)*	
Other Documentation (e.g. sources of data and compilation methods) – useful links		
Topic Theme	Insert name:	Insert link:
Topic Theme	Insert name:	Insert link:
Topic Theme	Insert name:	Insert link:

II. SNA Alignment Framework – Concepts and Methods

Use the framework to indicate the degree of alignment with the SNA concepts and definitions, methods, accounting rules: (i) **fully align** with the recommendation means that between **95-100 percent** of the recommendation is implemented, (ii) **highly align** with the recommendation means between **75-95 percent** of the recommendation is implemented, (iii) **broadly align** with the recommendation means between **50-75 percent** of the recommendation is implemented (iv) **partially align** with the recommendation means between **25-50 percent** of the recommendation is implemented (v) **do not align** with the recommendation means that between **0-25 percent** of the recommendation is implemented; and (vi) **the recommendation is not applicable** – meaning that for issues of materiality or user requirements the recommendation is not implemented.

Each alignment framework consists of five (5) dimensions. The first three dimensions were designed around the concepts and definitions, and accounting rules. The second dimension highlights the different classifications used by economies to compile their national accounts. The main information provided with classifications are names, versions, level of detail used for SUTs. And the dimension is built around accounts/tables and deals with the timeliness (e.g., T+30 days, T+3 months, etc.), the granularity (number of industries or number of transaction lines) and the limitations (e.g., missing entries). The levels are specified to help each economy to choose the appropriate level according to the development of their national system of statistics.

Three levels are suggested in the framework. National compilers are invited to be aligned with one of them regarding the level of development of their national statistical system. The first level **L0** = minimum details required for each economy in line with the EASS, **L1** = middle level for economies which statistical system are well developed to provide important details but not enough to provide all details required and **L2** = the last level suggested for economies that are able to provide all details required to show their alignment to different EASS.

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly Aligned	Partially Aligned	Not Aligned	N/A
I. Concepts and definitions *An SNA concept reflects the articulation of a macroeconomic idea, activity, interaction, state, or notion. Concepts determine what gets measured, an example is the concept of production in the SNA.*							
L0	i) Units of the economy include						
L0	Domestic territory						
L0	Territorial enclaves in the rest of the world						
L1	Free zones/bonded warehouses / factories operated by offshore enterprises under customs control						
L1	Workers who work part of the year in another country						
L1	Goods that do not change economic ownership are part of the economy (not recorded in exports and imports)						
L0	ii) Production boundary covers						

L0	Market output						
L0	Non-market output						
L0	Output for own final use						
	- In particular, the following items are included						
L1	Informal economy						
L1	Underground economy						
L1	Illegal activities						
L2	Other non-observed activities						
L2	Imputed services (of owner-occupied dwellings)						
L2	Own-account production of all goods for own final consumption						
L2	Research and development for market and own account						
L2	Output of goods for own-account fixed capital formation;						
L2	Costs of mineral exploration						
L2	Production of entertainment, literary, or artistic originals						
L2	Production of computer software for own account						
L0	iii) Asset boundary						
L0	Dwellings						
L0	Other buildings and structures						
L0	Machinery and equipment						
L0	Weapons systems						
L1	Cultivated biological resources						
L1	Intellectual property products						
L1	Valuables						
	- In particular, the following items are included						
L2	Defense related assets that could be used for civilian purposes						
L2	Weapons systems such as warships, submarines, tanks, missile carriers and launchers, etc.						
L2	Valuables and historical monuments						
L2	Agricultural work-in-progress						

L2	Mineral exploration and evaluation (whether successful or not)						
L2	Systems and standard applications computer software and databases (purchased or built in-house)						
L2	Entertainment, literary or artistic originals						
L2	Research and development products						
L2	Leases and other transferable contracts (such as purchased goodwill)						
II. Accounting Rules *The SNA accounting rules reflect the guidelines that compilers should follow when recording transactions and other economic flows. They determine how activities get recorded, for example accrual basis of recording principle.*							
L0	Valuation						
L1	Output is valued at basic prices						
L1	Output for own use is valued at equivalent market prices						
L1	If levied, sales and excise taxes are included in the valuation of intermediate consumption						
L1	If value added taxes are in place, they are included in the valuation of intermediate consumption, excluding the deductible part of the value added taxes						
L1	If applicable, the deductible part of the value added taxes is excluded from the valuation of final uses						
L1	Corrections are made when transfer prices are detected						
L1	Information on the cost of insurance and freight for merchandise imports is available						
L1	Total imports and exports are valued on an f.o.b. basis						
L1	Transactions in foreign currency are converted using the mid-point exchange rate prevailing in the market when they take place						
L1	Proper adjustments are made if a system of multiple official exchange rates exists						
L1	Consumption of fixed capital is valued at						

	current replacement cost.						
L1	Stock of non-financial assets are valued at market prices.						
L0	Time of Recording						
L1	Transactions and flows are recorded on an accrual basis						
L1	Work-in-progress is recorded in the period it is produced						
L1	Government-related transactions are recorded on an accrual basis, in particular taxes and subsidies on products; expenditures; revenues.						
L0	Grossing / Netting, Consolidation						
L1	Transactions between establishments within the same enterprise are recorded on a gross basis						
III. Methods *EASSs methods are closely associated with accounting rules. One way to interpret a method is to view it as the way a macroeconomic accountant implements an accounting rule or measures a concept. For example, one compiler may decide to use a series of price indices to derive an estimate of the market value for a stock of assets while another compiler may decide to obtain observed values recorded on the balance sheets of enterprises. Both are following the same valuation rule, but both have used different methods to apply the rule.*							
L0	Sub-annual series are seasonally adjusted						
L0	Output and intermediate consumption are deflated by appropriate price indexes at basic prices or at producer prices consistently						
L0	Volume indexes are chained-weighted						
L0	ANA and QNA volume are chain-linked						

III. SNA Alignment Framework – Classification

The following section of the framework requests details on the classification systems and SNA tables/accounts that are compiled and disseminated.					
Classifications/ and Presentation of Accounts					
Category / level	**Classifications Standard**	**Name**	**Version**	**Level of Detail**	**Used for SUTs? (Y/N)**
L0	International Standard Industrial Classification (ISIC)				
L0	Central Product Classification (CPC)				
L0	Classification of Individual Consumption by Purpose (COICOP)				

L0	Classification of the Functions of Government (COFOG)				
L0	Classification of the Purposes of Non-profit Institutions serving households (COPNI)				
	Other Classifications used:	**Name**	**Version**	**Level of Details**	**For which purpose**
L0	*Enter Name*				
L0	*Enter Name*				
L0	*Enter Name*				
	Statistical Unit				
	What is the statistical unit used for?	**SUTs and IOTs (Y/N)**		**Institutional sector accounts (Y/N)**	
L0	Local Kind of Activity Unit (LKAU)				
L0	Kind of Activity Unit (KAU)				
L0	Unit of Homogeneous Production (UHP)				
	What is the statistical unit used for?	**SUTs and IOTs (Y/N)**		**Institutional sector accounts (Y/N)**	
L0	Local UHP				
L0	Enterprise				
L0	Institutional unit				
L0	Enterprise Group				
L0	Other (name)				

IV. SNA Alignment Framework - Accounts/Tables				
Category / level	**Sub-Category**	**Timeliness (e.g. T+30 days, T+3 months, etc.)**	**Granularity (Number of industries or number of transaction lines)**	**Limitations (e.g. missing entries)**
Presentation: Accounts and Tables				
L0	Annual value added by industry and GDP in current prices and in volume terms			
L0	Annual GDP by expenditure in current prices and in volume terms			
L0	Annual GDP by income in current prices			
L1	Annual sequence of accounts for the total economy (until net lending / borrowing)			
L1	Annual rest of the world accounts (until net lending / borrowing)			
L1	Annual non-financial corporation sector accounts (until net lending /			

	borrowing)			
L1	Annual financial corporations sector accounts (until net lending / borrowing)			
L1	Annual general government sector accounts (until net lending / borrowing)			
L1	Annual household sector accounts (until net lending / borrowing)			
L1	Annual non-profit institutions serving households sector accounts (until net lending / borrowing)			
L0	Quarterly value added by industry and GDP in current prices and in volume terms			
L2	Quarterly sequence of accounts for the total economy (until net lending / borrowing)			
L2	Quarterly rest of the world accounts (until net lending / borrowing)			
	Optional minimum requirement			
L0	Quarterly GDP by expenditures in current prices and in volume terms			
L1	Quarterly GDP by income in current prices			
	Recommended tables and accounts			
L0	Annual Supply and Use tables			
L1	Annual Input-Output tables			
L1	Annual integrated economic account table			
L2	Annual financial accounts for all institutional sectors			
L2	Annual cross-classification of output/value added by industries and institutional sectors			
L2	Annual general government final consumption expenditure by purpose in current prices and in volume terms			
L2	Annual individual final consumption (and other) expenditure by purpose in current prices			
L2	Annual balance sheets, revaluation and other volume changes in asset accounts for all institutional sectors			
L0	Quarterly value added components by industry in current prices and in volume terms			
L0	Quarterly employment by industry			

L2	Quarterly non-financial corporation sector accounts (until net lending/borrowing)			
L2	Quarterly financial corporations sector accounts (until net lending/borrowing)			
L2	Quarterly general government sector accounts (until net lending/borrowing)			
L2	Quarterly household sector accounts (until net lending)			
L2	Quarterly non-profit institutions serving households sector accounts (until net lending)			
	Desirable tables and accounts			
L2	Annual social accounting matrices			
L2	Quarterly Supply and Use tables			
L2	Quarterly financial accounts for all sectors			
L2	Quarterly balance sheets, revaluation and other volume changes in asset accounts for all institutional sectors			
	Others			
L2	Capital stock			
L2	Labour accounts			
L2	Productivity tables (multi-factor, labour and capital)			
L2	Annual tourism accounts, environmental accounts and other socio-economic accounts			
L2	Annual general government final consumption expenditure by purpose in volume terms			
L2	Annual individual consumption expenditures by purpose in volume terms			
L2	Annual purpose classification of intermediate and final consumption across all institutional sectors			

Annex III. Balance of Payments and International Investment Position Manual (BPM) Alignment Framework for Concepts, Methods, Rules, Classification, Accounts and Tables

The following table identifies the key assessment questions related to: (i) key concepts (ii) methods; (iii) accounting rules, (iv) classifications, and (v) accounts and tables against which alignment with the BPM can be assessed. The key concepts and definitions proposed are in line with the statistical best practices outlined in the BPM framework. The key concepts are broadly based on the IMF DQAF Questionnaire.

I. BPM Alignment Framework – Metadata

Do you have a published revision policy?	Y/N	Insert link:
Is the BoP revision policy consistent with the National Accounts revision policy?	Y/N	Insert link
If the answer to the above question is no, are there reasons why not?		
Other Documentation – useful links		
Topic Theme	Insert name:	Insert link:
Topic Theme	Insert name:	Insert link:
Topic Theme	Insert name:	Insert link:

II. BPM Alignment Framework – Concepts and Methods

Use the framework to indicate the degree of alignment with the BPM concepts, definitions, methods, accounting rules: (i) **fully aligned** with the recommendation means that between **95-100 percent** of the recommendation is implemented, (ii) **Highly aligned** with the recommendation means between **75-95 percent** of the recommendation is implemented, (iii) **broadly aligned** with the recommendations means between **50-75 percent** of the recommendations is implemented, (iv) **partially aligned** with the recommendation means between **25-50 percent** of the recommendation is implemented, (v) **not aligned** with the recommendation means that between **0-25 percent** of the recommendation is implemented; and (vi) **the recommendation is not applicable** – meaning that for issues of materiality, the recommendation is not implemented.

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly aligned	Partially Aligned	Not Aligned	N/A
I. Concepts and definitions *A BPM concept reflects the articulation of a macroeconomic idea, activity, interaction, state, or notion. Concepts determine what gets measured, an example is the concept of residency in the BPM.*							
L0	i) Units of the economy include						
L0	Domestic territory						
L0	Incorporated or unincorporated affiliates of non-resident companies						
L0	Territorial enclaves in the rest of the world						
L0	Free zones / bonded warehouses / factories operated by offshore enterprises under customs control						
L0	Workers who work part of the year in another country						
	- In particular						
L1	Residence of Special Purpose Entities (SPEs) is attributed to the economy in which they are located						
L1	International organizations and supranational authorities are not considered residents of any national economy						
L1	All units of general government (e.g. embassies, military bases) are considered to be resident in their own economy						
L1	Subject to specific circumstances, an individual may cease being a resident of his country when he or she works continuously for one year or more in a foreign country						
L0	ii) Balance of payments accounts cover						
L1	Both foreign currency and domestic currency transactions with non-residents						

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly aligned	Partially Aligned	Not Aligned	N/A
L1	Both exchanges and unrequited transfers (transactions without a quid pro quo)						
L2	Goods for processing						
L2	Repairs on goods						
L2	Non-monetary gold						
L2	Shuttle trade						
L2	Smuggling						
L2	Purchase of computer software						
L2	Mineral exploration						
L2	E-commerce transactions						
L2	Leases and other transferable contracts						
L2	Reinvested earnings						
L2	Inter-company lending						
L2	Portfolio investment of private sector						
L2	Trade credit						
L2	Short-term debt transactions						
L2	Debt arrears						
L2	Non-cash transactions						
L0	iii) International investment position accounts cover						
L0	All financial claims between resident institutional units and non-residents						
L0	iv) Structure, in terms of concepts and definitions						
L1	Current, capital, and financial accounts of the BOP statement are defined according to *BPM6*						
L1	Net lending / net borrowing recorded as the current and capital account balance is in principle equal to net lending / net borrowing recorded as the financial account balance						
L1	Double-entry system is applied in constructing the BOP statement, and the net residual is embedded in the errors and omissions item; net errors and omissions are derived as net lending / net borrowing from the financial account minus the same item derived from the current and capital account						
L1	A clear distinction is made between the income						

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly aligned	Partially Aligned	Not Aligned	N/A
	component and the goods and services components.						
L1	The BOP financial account provides for a separate recording of transactions in assets and transactions in liabilities.						
L1	Foreign direct investment is presented on a gross assets and liabilities basis.						
L1	Data on foreign direct investment on the directional basis (i.e. inward and outward direct investment) are also available						
L1	Transactions in goods and services by government entities abroad are classified under the government services not-included-elsewhere component						
L1	Manufacturing on physical inputs owned by nonresidents is recorded as a service						
L1	Merchanting of goods is classified under goods trade, with both gross and net values shown; the net amounts are included in the goods exports aggregates						
L1	Outright purchases and sales of the results of R&D (including patents and copyrights) are recorded under R&D services						
L1	Charges for the use of the outcomes of R&D are classified as a service under charges for the use of intellectual property n.i.e.						
L1	Financial intermediation services indirectly measured (FISIM) are distinguished from investment income and classified under financial services						
L1	All changes related to migrants' transfers are excluded from the BOP; corrections in the form of other changes are made in the IIP for the relevant positions in assets and liabilities.						
L1	Long-term construction projects are classified under foreign direct investment						
L1	License fees for fishing and hunting are included in the capital account						
L1	Borrowing and lending - including debt securities and						

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly aligned	Partially Aligned	Not Aligned	N/A
	supplier's credits - between direct investors and direct investment enterprises are classified under foreign direct investment, except where transactions / positions are between a selected category of affiliated financial intermediaries						
L1	Loan transactions and positions of the banking sector are classified separately from currency and deposits transactions / positions of this sector; however, interbank loan positions are classified under deposits.						
L1	The short-term and long-term attribution of transactions and positions in the other investment component is made according to the original maturity of the financial instrument						
L0	v) Functional categories						
L1	Foreign direct investment transactions are defined as equity ownership representing 10 percent or more of the voting power						
L1	Reserve assets are defined considering the concept of monetary authorities' effective control and availability for use						
L0	vi) Sectorization						
L1	Government guaranteed external debt transactions are attributed to the institutional sector of the borrower						
L1	Government-controlled enterprises that are public corporations are excluded from general government and are included as public enterprises in the appropriate nonfinancial or financial corporations sector						
II. Accounting Rules *The BPM accounting rules reflect the guidelines that compilers should follow when recording transactions, positions, and other economic flows. They determine how activities get recorded, for example accrual basis of recording principle.*							
L0	Valuation						
L0	Market prices are used to value transactions and positions; for some positions, proxies are used						
L0	Monetary gold is valued at market prices						

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly aligned	Partially Aligned	Not Aligned	N/A
L0	Financial instruments traded on a regular basis are valued by directly using the price quotations from markets						
L0	Total imports and exports are valued on an f.o.b. basis						
L0	Appropriate substitute measures are developed when no actual market prices are available, for example for:						
L2	Barter trade, transactions between affiliated enterprises, gifts or grants						
L2	For financial instruments that are not or infrequently trade in financial markets a fair value is estimated that approximates market value						
L2	Loans, deposits, and other accounts receivable/payable are recorded at nominal value						
L0	When transactions estimates are derived from stock data, the value of the transaction excludes valuation and other changes						
L0	Transactions in foreign currency are converted using the mid-point exchange rate prevailing in the market when they take place						
L0	When transactions estimates are derived from stock data, an attempt is made to value the stock data in their original currencies, and then convert the change in original currency to domestic currency/unit of account at the average exchange rate for the applicable period						
L0	Proper adjustments are made if a system of multiple official exchange rates exists						
L0	Time of Recording						
L1	Transactions are recorded on an accrual basis						
L1	Transactions are recorded according to the change in ownership principle						
L0	Grossing / Netting, Consolidation						
L1	Current and capital account transactions are						

Category / level	Sub-Category	Fully Aligned	Highly aligned	Broadly aligned	Partially Aligned	Not Aligned	N/A
	recorded on a gross basis while financial account transactions are recorded on a net basis, separately for the individual asset and liability components						
III. Methods *EASSs methods are closely associated with accounting rules. One way to interpret a method is to view it as the way a macroeconomic accountant implements an accounting rule or measures a concept. For example, one compiler may decide to use a series of price indices to derive an estimate of the market value for a stock of assets while another compiler may decide to obtain observed values recorded on the balance sheets of enterprises. Both are following the same valuation rule, but both have used different methods to apply the rule.*							
L0	Investment income is obtained directly (e.g., reported on a survey) or is estimated by multiplying outstanding stock of financial assets by a corresponding representative yield						
L0	Direct investment relationships identified by applying the Foreign Direct Investment Relationship (FDIR) or similar methods						

III. BPM Alignment Framework – Classification

The following section of the framework requests details on the classification systems that are used in the compilation of BOP and IIP statistics.

Category / level	Classifications Standard	Name			Version	Level of Details	For which purpose
L0	BPM6 Classification of Institutional Sectors (Table 4.2)						
L0	Primary income, financial account, and IIP classified according to Functional Categories						
L0	BPM6 classification of financial assets and liabilities by instrument (Table 5.2)						
L0	BPM6 Classification of Services (Table 10.1)						
	Other Classifications:	Name			**Version**	**Level of Details**	For which purpose
	Enter Name						
	Enter Name						
	Enter Name						

IV. BPM Alignment Framework – Accounts/Tables

The following section of the framework requests details on the BPM tables/accounts that are compiled and disseminated.

Category / level	Sub-Category	Timeliness (e.g. T+30 days, T+3 months, etc.)	Granularity (e.g. level of detail)	Limitations (e.g. any missing lines)
L0	Balance of payments standard components and memorandum items (Appendix 9)			
L0	International investment position standard components and memorandum items (Appendix 9)			
L0	Reserve-related liabilities (Table A9-V)			
L0	Non-performing loans separately at fair value (para. 7.45-7.56)			
L0	Currency composition of assets and liabilities and institutional sector (Table A9-I)			
L0	**Additional Supplemental Items for BOP, and IIP as applicable**			
L1	Direct investment by instrument, maturity, and institutional sector (see para. 2.32, 2.34, and 14.59)			
L1	Direct investment involving resident SPEs (see para. 4.50 and 4.87)			
L1	Direct investment in the reporting economy and direct investment abroad (see Box 6.4)			
L1	Real estate investment (see para. 6.31)			
L1	Pass-through funds (see 6.33-6.34)			
L1	Data by kind of economic activity (industry) (see para. 6.50)			
L1	Mergers and acquisitions (see para. 8.18)			
L1	Data for money-issuing sector (see para. 4.72)			
L1	Financial account items for public corporations (see 4.108)			
L1	Data by partner economy (see para. 4-146-4.148)			
L1	Detail for investment income to match the IIP (see para. 7.13 and 11.6)			
L1	Gross flows for financial account items (see para. 8.9)			
L1	Reconciliation table between merchandise source data and goods on a balance of payments basis (see Table 10.2)			
L1	Gross insurance premiums earned and unadjusted insurance claims (see			

Category / level	Sub-Category	Timeliness (e.g. T+30 days, T+3 months, etc.)	Granularity (e.g. level of detail)	Limitations (e.g. any missing lines)
	para. 10.112)			
L1	Transfers implied by loans at concessional interest (see para. 12.51)			
L1	Personal remittances (see para. 12.27(a))			
L1	Total remittances (see para. 12.27(b))			
L1	Total remittances and transfers to nonprofit institutions serving households (see para. 12.27(c))			
L1	Insurance claims included in other capital transfers (see para. 13.24)			
L0	**Additional Supplemental Items for IIP**			
L1	Currency composition of assets and liabilities and institutional sector (Tables A9-II and A9-III)			
L1	Foreign currency assets of monetary authorities: Foreign currency deposits with deposit-taking corporations resident in the reporting economy (see para. 6.65) and Foreign currency assets of monetary authorities: Foreign currency claims on neighbouring economies (see para. 6.73)			
L1	Foreign assets of special purpose government funds not included in reserve assets (see para. 6.93-6.98)			
L1	Pooled assets included in reserve assets (see para. 6.99-6.101)			
L1	Pledged assets excluded from reserve assets (see para. 6.107-6.109)			
L1	Debt securities at nominal values (see para. 7.30)			
L1	Remaining maturity split for debt liabilities (Table A9-IV) for each instrument and sector			
L1	Integrated IIP statement with positions, transactions, and other changes in volume, exchange rate changes and other revaluations (as shown in Table 7.1) by asset and liability category; also changes in positions due to transactions by other parties (see para. 9.16)			
L1	Contingent assets / liabilities (see para. 5.10)			

Annex IV. Government Finance Statistics (GFS) Alignment Framework – Concepts, Accounting Rules, and Methods

The following tables identifies the key assessment questions related to: (i) key concepts (ii) methods; (iii) accounting rules, and (iv) classifications against which alignment with the *Government Finance Statistics Manual 2014* (*GFSM 2014*) can be assessed. The key concepts and definitions proposed are in line with the statistical best practices outlined in the *GFSM 2014*. The key concepts are broadly based on the IMF's Data Quality Assessment Framework (DQAF) Questionnaire. * GFS (Government Finance Statistics) is used here and later to refer to GFS as defined in the *GFSM 2014* (which provides a framework for the preparation of public sector financial statistics, including debt statistics)

I. GFS* Alignment Framework – Metadata

Do you publish annual GFS?	Y/N	Insert link:
How soon after the end of the year are the data published?	*(select from dropdown)*	
Do you publish quarterly GFS?	Y/N	Insert link:
How soon after the end of the quarter are the data published?	*(select from dropdown)*	
Do you publish monthly GFS?	Y/N	Insert link:
How soon after the end of the month are the data published?	*(select from dropdown)*	
Do you follow one of IMF's data dissemination standards?	Y/N	
Of which standard are you a subscriber (SDDS+ / SDDS / e-GDDS)?	*(select from dropdown)*	
Do you have a published revision policy?	Y/N	Insert link:
Is the GFS revision policy consistent with the National Accounts revision policy?	Y/N	Insert link
If the answer to the above question is no, are there reasons why not?		
Do you have a published list of government and/or public sector units?	Y/N	Insert link:
How frequently is the list updated?	*(select from dropdown)*	
Is the process of producing the list published?	Y/N	Insert link:
Are the different GFS publications harmonized and consistent?	Y/N	
Are high frequency GFS consistent with annual GFS?	Y/N	*(additional detail)*
Are public sector debt statistics consistent with other GFS data?	Y/N	*(additional detail)*
Are the published GFS harmonized and coherent with National Accounts publications?	Y/N	*(additional detail)*
Are the published GFS harmonized and coherent with External Sector Statistics publications?	Y/N	*(additional detail)*
Other Documentation – useful links		
Topic Theme	Insert name:	Insert link:

II. GFS Alignment Framework – Coverage (Institutional and Stock/Flow)

	BCG	EBCG	CG	SSF	SG	LG	GG	NFPC	FPC	PS
What is the accounting bases of the statistics (CA, AC, PA)?										
Are the data consolidated (Y/N)?										
What is the highest frequency of publication (A, Q, M)?										
Revenue										
Expenditure – economic classification										
Expenditure – functional classification (COFOG)										
Transactions in financial assets and liabilities										
Nonfinancial assets (stocks)										
Financial assets (stocks)										
Liabilities - including debt (stocks)										
Other economic flows										
Contingent liabilities (stocks)										

BCG = Budgetary Central Government, EBCG = Extrabudgetary Central Government, CG = Central Government, SSF = Social Security Funds, LG = Local Government, GG = General Government, NFPC = Nonfinancial Public Corporations, FPC = Financial Public Corporation, PS = Public Sector, CA = Cash, AC = Accrual, PA = Partial Accrual*, A = Annual, Q = Quarterly, M = Monthly.

(* Partial Accrual may indicate that either some items/interactions are recorded on a cash basis and others on an accrual basis; or that all items/interactions are neither recorded on a pure cash or a pure accrual basis.)

"NP" to be used if institutional sector not applicable to country, "NA" if institutional sector is applicable but data are not compiled/published.

III. GFS Alignment Framework – Concepts, Accounting Rules, and Methods

Use the framework to indicate the degree of alignment with the GFS concepts, definitions, methods, accounting rules: (i) **fully aligned** with the recommendation means that between **95-100 percent** of the recommendation is implemented, (ii) **highly aligned** with the recommendation means between **75-95 percent** of the recommendation is implemented, (iii) **broadly aligned** with the recommendations means between **50-75 percent** of the recommendations is implemented, (iv**) partially aligned** with the recommendation means between **25-50 percent** of the recommendation is implemented, (v) **not aligned with the recommendation** means that between **0-25 percent** of the recommendation is implemented; and (vi) the recommendation is not applicable – meaning that for issues of materiality the recommendation is not implemented.

Category	Sub-Category	Fully Aligned	Highly aligned	Broadly Aligned	Partially Aligned	Not Aligned	N/A
A. Concepts and definitions *GFS concepts identify and define what units, activities, interactions, and notions get recognized and measured in GFS. Examples are the concept of the general government sector, and the concept of debt liabilities.*							
L0	i) Units of general government include:						
L0	All central government budgetary units						
L0	Territorial enclaves in the rest of the world						
L0	All state government units						
L0	All local government units						
L0	All social security funds						
L1	All non-market nonprofit institutions (NPIs) controlled by government units						
L1	All non-financial corporations controlled by government which do not meet the criteria to be market producers						
L1	All financial corporations controlled by government which do not meet the criteria to be market producers						
L0	ii) Public corporations include:						
L0	Central Bank, and central supervisory authorities which are financial auxiliaries						
L0	All non-financial corporations controlled by government which are institutional units and meet the criteria to be market producers						
L0	All financial corporations controlled by government which are institutional units and meet the criteria to be market producers						
L0	iii) Revenue includes only those transactions which increase net worth						
	- In particular, the following concepts are followed:						
L1	In-kind revenues are included						
L1	Transactions in debt forgiveness (to government) are included						
L1	All social contributions are included without consolidation (as these are						

	treated as transactions between households and government)						
L1	Only that portion of dividends which do not meet the “super-dividend test” (see GFSM 2014 paras. 5.115-6) are included						
L1	Only taxes and social contributions where there is a realistic expectation of collection are included						
L1	Principal payments related to (policy) lending are excluded						
L1	Privatisation proceeds are excluded (and included instead as disposals of equity)						
L1	Non-financial asset sale proceeds are excluded (and included as transactions in nonfinancial assets)						
L0	iv) Expense includes only those transactions which decrease net worth						
	- In particular, the following concepts are followed:						
L1	In-kind expenses are included						
L1	Consumption of fixed capital is included						
L1	Compensation of employees includes all amounts payable to employees in the form of cash, goods, services, interest foregone (etc.) in return for work performed						
L1	Compensation of employees includes imputed employers’ social contributions related to pension, and other social benefit, entitlements						
L1	Subsidies only include transfers made to enterprises based on their production levels or quantities						
L1	Capital injections are included where there is no effective financial claim or expectation of realistic return						
L1	Transactions in debt forgiveness (by government) are included						
L1	All capital transfers (external and domestic) are included						
L1	Acquisitions of equity and (policy) lending are excluded						
L0	v) Transactions, flows, and stocks in non-financial assets are reported						
	- In particular, the following items are included:						
L1	Buildings (such as government offices, army barracks, public monuments, schools, and hospitals)						
L1	Infrastructure (such as roads, bridges, railways, tunnels, sewers, harbors, dams, power lines)						
L1	Transport equipment (such as cars, trains, planes)						
L1	ICT equipment (such as computer hardware, telecommunications equipment)						
L1	Cultivated biological resources (such as trees, crops)						
L1	Research and development products						

L1	Mineral exploration and evaluation (whether successful or not)						
L1	Weapons systems (such as warships, submarines, tanks, missile carriers and launchers, etc.)						
L1	Inventories						
L1	Natural resources (such as land, mineral and energy resources, radio spectrum)						
L1	Contracts, leases and licenses (such as transferable permits to use natural resources or to undertake a specific activity)						
L0	vi) Transactions, flows, and stocks in financial assets and liabilities are reported						
	- In particular, the following items are included:						
L1	Monetary gold (assets only)						
L1	Special Drawing Rights						
L1	Currency and deposits						
L1	Debt securities						
L1	Loans						
L1	Equity						
L1	Pension entitlements and/or Claims of pension funds on pension managers, for employment-related pensions (as applicable)						
L1	Provisions for calls under standardized guarantee schemes						
L1	Financial derivatives						
L1	Other accounts receivable / payable						
B. Accounting Rules *The GFS accounting rules reflect the guidelines that compilers should follow when recording stocks, transactions and other economic flows. They determine how activities get recorded, for example accrual basis of recording principle.*							
L0	Valuation						
L1	All stocks, transactions, and other economic flows are recorded using a single unit of account (usually the domestic currency)						
L1	Stocks of financial assets and liabilities are valued at market prices						
L1	Debt statistics are produced at nominal value						
L1	Stocks of non-financial assets are valued at market prices						
L1	Transactions in non-financial produced fixed assets are net of consumption of fixed capital						
L1	Transactions in non-financial produced assets include costs of ownership transfer (such as fees, taxes, transport and installation charges)						
L1	Costs of ownership transfer related to nonfinancial non-produced assets are included as non-financial produced (fixed) assets						

L1	Transactions in foreign currency are converted using the mid-point exchange rate prevailing in the market when they take place						
L1	Stocks in foreign currency are converted using the exchange rate prevailing in the market at the time of measurement						
L1	Consumption of fixed capital, where reported, is valued at current replacement cost.						
L0	Time of Recording						
L1	Transactions and flows are recorded on an accrual basis						
	- In particular:						
L2	Interest is recorded as accruing continuously, over the period that the financial asset to which it relates exists						
L2	Rent is recorded as accruing continuously, over the period of the resource lease						
L2	Dividends are recorded when the corporation declares the dividend payable						
L2	Fines and penalties are recorded when the recipient has an unconditional claim to the funds						
L2	Transactions in non-financial assets are recorded when economic ownership of the assets changes						
L2	Where there is a material difference between when goods are purchased and used, they are first recognized as inventories before being expensed						
L0	Consolidation						
L1	Internal transactions within an institutional unit are consolidated and not recorded						
L1	Transactions between units within a subsector are consolidated and not recorded in the GFS for that subsector						
L1	Transactions between government (or public sector) sub-sectors are consolidated and not recorded in the GFS for the general government sector (or public sector)						
L1	Internal stock positions within an institutional unit are consolidated and not recorded						
L1	Stock positions between units within a sub-sector are consolidated and not recorded in the GFS for that subsector						
L1	Stock positions between government (or public sector) subsectors are consolidated and not recorded in the GFS for the general government sector (or public sector)						

C. Methods *EASSs methods are closely associated with concepts accounting rules. One way to interpret a method is to view it as the way a macroeconomic accountant implements an accounting rule or measures a concept. For example, one compiler may decide to report taxes using a time adjusted cash method and another following the assessment/declaration approach. Both are following the same accrual time of recording accounting rule, but both have used different methods to apply the rule.*							
L0	Taxes are recorded using either the time-adjusted cash method or the assessment/declaration approach (see GFSM 2014 para. 3.80)						
L0	Costs incurred in own-account capital formation are treated solely as transactions in nonfinancial assets and are excluded from expense						
L0	Employment-related pension liabilities are calculated using an actuarial approach (and related property expenses, and employers' social contributions within compensation of employees, imputed)						
L0	Dividend payments are assessed using the "super-dividend test" and split between revenue/expense and transactions in financial assets/liabilities, as required						
L0	Capital injections are assessed using the "capital injection decision tree" and split between expense/revenue and transactions in financial assets/liabilities, as required						
L0	The nature of leases is carefully examined to distinguish operating leases from financial leases						
L0	The risk and reward assessment of Public-Private Partnerships (PPPs) is conducted to determine whether or not the assets should be on the public sector balance sheet						

IV. GFS Alignment Framework – Classifications & Accounts/Tables

Category / Levels	Sub-Category	Reported (Y/N)	Timeliness	Level of Detail	Omissions (if applicable)
Presentation: Accounts and Tables (includes classifications)					
L0	Statement of Operations	Y/N			
L1	Revenue	Y/N			
L1	Expense	Y/N			
L1	Transactions in Nonfinancial Assets, Financial Assets, and Liabilities	Y/N			
L0	Expenditure by COFOG	Y/N			
	- including, Cross-Classification of Expenditure by Function (COFOG) and Economic Classifications	Y/N			
L1	Statement of Sources and Uses of Cash	Y/N			
L1	Statement of Other Economic Flows	Y/N			
L1	Balance Sheet	Y/N			
L1	Integrated Statement of Flows and Stock Positions	Y/N			
L1	Statement of Total Changes in Net Worth	Y/N			
L1	Summary Statement of Explicit Contingent Liabilities and Net Implicit Obligations for Future Social Security Benefits	Y/N			
L1	Gross Debt at Market, Nominal, and Face Value	Y/N			
L1	Net Debt at Market, Nominal, and Face Value	Y/N			
L1	Counterparty of Transactions in Financial Assets and Liabilities by Institutional Sector	Y/N			
L1	Counterparty of Stocks in Financial Assets and Liabilities by Institutional Sector	Y/N			

Annex V. Outcome of July 2021 AEG Discussion

AT THE JULY 2021 MEETING, THE AEG MEMBERS WERE ASKED TO REFLECT ON THE FOLLOWING QUESTIONS:

1. Do you agree with the components of the SNA, BPM and GFS alignment frameworks as presented in the Annex?
2. Do you agree with the 'dashboard' methodology used for the assessment framework?
3. Do you agree with the definition of the categories – fully aligned, highly aligned, broadly aligned, and partially aligned – used to demarcate the degree of alignment?
4. Do you have proposals on how to communicate a country's overall level of alignment to users?

SUMMARY OF DISCUSSIONS

- **The members welcomed the progress of the work of the CMTT.** However, they encouraged the CMTT to ensure that the alignment frameworks align with those already developed such as the UN National Quality Assurance Framework, IMF's Data Quality Assurance Framework (DQAF) and the Generic Statistical Business Process Model (GSBPM).
- **Members emphasized the need to provide countries with flexibility to note in the frameworks when they deviate from international recommendations due their domestic circumstances and users' needs.** As such, the framework now reflects a category for 'not applicable' for countries to indicate when a particular element of the framework is not applicable either because of user needs or relevance of the concept etc to the reporting economy.
- **On the dashboard relative to scoring approach, the members recognized the need to have an overall assessment which would define (and communicate explicitly to users) the degree to which a country has adopted the statistical recommendations in its entirety**. However, members were generally not in favour of using a 'score' to measure alignment to the international standards (or to indicate quality). Some members also noted concerns about the subjectivity of the assessment and requested more information on how this tool differs from or compliments metadata available from other national and international sources.
- **Finally, the CMTT was asked to further refine the guidance note with the target for the next version to be ready by the end of September 2021.**Since the meetings, the guidance note has been updated to reflect the comments of the members.

Annex VI. Outcomes of October and November 2021 BOPCOM and AEG Meetings

THE MEMBERS OF THE COMMITTEES WERE ASKED TO REFLECT ON THE FOLLOWING QUESTIONS:

Questions to the Committee

1. Do you agree to move this note forward to global consultation?
2. Do you agree with the components of the SNA, BPM and GFS alignment frameworks as presented in the Annex?
3. Do you agree with the 'dashboard' methodology used for the assessment framework?
4. Do you agree with the definition of the categories – fully aligned, highly aligned, broadly aligned, and partially aligned – used to demarcate the degree of alignment?
5. Do you have proposals on how to communicate a country's overall level of alignment to users?

SUMMARY OF DISCUSSIONS

1. Committee members fully supported moving the GN for global consultation. Further, Committee members strongly supported the alignment frameworks and the dashboard approach proposed in the GN. While national statistical agencies have their own approaches to convey information to the public, they agreed that the dashboard format is one of the most appropriate communication mechanisms. Nevertheless, members made the following suggestions to bring further improvements to the GN including on the approaches for communicating a country's overall level of alignment to users:

- conduct pilot surveys on the proposed alignment frameworks among countries that are interested in volunteering.
- include guidelines on appropriately balancing between providing information on alignment with international standards and providing other metadata (specifically focusing on the statistical offices with limited resources).
- provide further guidance on the interpretation of the dashboard (e.g., after paragraph 23, one category (output for final use) is shown as both broadly aligned with international standards and as not aligned).
- granularity of the components could be finalized after updated BPM6 recommendations (and other Manuals) are available, as not every economy may need them all.
- further guidance on judging the dashboard elements may be provided to avoid subjectivity in the assessment;
- link the self-assessments to the equivalent standard page on the IMF's Enhanced General Data Dissemination System (e-GDDS), Special Data Dissemination Standard (SDDS), and/or SDDS+; and

- promote a central webpage could be good practice—on the lines of the IMF Dissemination Standards Bulletin Board (DSBB) “National Summary Data Page”.

2. In addition, some members supported that full alignment (as per the dashboard) may not always be associated with better quality as countries with partial alignment but better source data than others with full alignment would be shown as inferior.

SUMMARY OF GLOBAL CONSULTATION

3. **The consultation received a total of sixty-nine (69) responses from fifty-five (55) economies—**from a mix of national accounts, balance of payments, and government finance statistics compilers (see Figure 1). Respondents from European economies had the largest participation (35 percent), followed by those from Western Hemisphere countries (23 percent), Asia and Pacific countries (17 percent), Middle East and Central Asia countries (13 percent), and from Sub-Saharan Africa (12 percent). Majority of the respondents (70–80 percent) agreed with incorporating a set of alignment frameworks in the next update of the SNA, BPM, and GFSM statistical standards.

4. **A significant majority of the respondents agreed with the concepts and definitions, accounting rules, classification systems, and presentation dimensions (and elements) of the three alignment frameworks** (see Figure 2). However, some respondents noted that they would require further clarification on some elements of the frameworks. Specifically, the respondents noted that (i) less details (less elements in each dimension of the frameworks) would be preferred; (ii) options could be included for national classification systems (customized versions of international classifications); and (iii) some dimensions of the framework be combined to make it more concise (e.g., the accounting rules dimensions).

5. **Respondents generally agreed with the dashboard presentation of the alignment frameworks** (see Figure 3). While the respondents appreciated that the frameworks build on existing quality assessment frameworks[10] some expressed concerns about the extent to which the frameworks rely on statistical offices to be objective about the degree of alignment of their statistical programs. They also expressed concern that with the categories (expressed in percent), it could be difficult for compilers to judge elements that are not aligned with statistical standards. On the balance of payments framework, it is argued that it is much more detailed than current balance of payments metadata surveys completed by countries (particularly for the Balance of Payments Statistics Yearbook). The respondents also appreciated the ability to provide explanations for any deviation from the standards. They requested additional explanatory notes for the frameworks and suggested explaining in the Guidance Note (GN), the level of detail that would be published to the public.

6. **The consultation also sought feedback on the overall communication strategy—the need to present an overall message on the economy’s degree of alignment** (see Figure 4). The respondents had split views on the proposal to use an overall score. Those that disagreed argued whether it would be feasible to generate a meaningful overall assessment ‘score’ given the complexities of the frameworks. Those in favor agreed with the perspective that a score would provide a snapshot of

[10] Such as the IMF’s Data Quality assessment Framework (DQAF), United Nations National Accounts Questionnaire (UN-NAQ), and the Quality Assurance Framework of the European Statistical System.

the overall level of alignment for an economy and would be worthwhile for users. Majority of the respondents also agreed that the dashboard should be updated on an ad-hoc basis (once every 3–5 years) to reflect updates to the relevant statistical programs.

7. **A slight majority of respondents agreed that it would be feasible for their office to update, maintain, and publish the framework regularly** (see Figure 5). They recognize the initial upfront resource cost to complete the framework. However, they highlight that any subsequent updates to the frameworks would require less resources and therefore would be feasible. The other half of the respondents argued that their agencies do not have sufficient resources to regularly maintain the frameworks. Some recommended that the GN provide specific guidelines on the periodicity of updating the frameworks and propose recommendations for data exchange with other international agencies that might collect similar information.

8. **Twenty economies (out of sixty-nine) agreed to complete the alignment frameworks for their respective statistical programs.** About 20 percent (of the 20 respondents that agreed to complete the framework) noted that, in practice, the framework was difficult to complete; the remaining 80 percent thought that the alignment framework was fairly straightforward. Some specific feedback received include: (i) the elements related to statistical units were particularly difficult to understand and complete; (ii) the framework should limit the free-text options and instead provide more dropdowns, etc., for countries to select their responses; (iii) provide more guidance/explanatory notes; (iv) substitute the terms “accounting rules” (which could be misunderstood by macroeconomic compilers) to perhaps “economic accounting rules” to avoid confusion; (v) provide additional guidance to ensure consistency of color ratings; (vi) add a field in the metadata section to indicate the observation date for which the information applies; and (vii) add fields for valuation of financial assets and liabilities.

PROPOSED CHANGES TO THE GN

a) Review completed frameworks and make adjustments/clarifications based on the feedback received including (i) adding explanatory notes for the frameworks, (ii) reviewing the elements in each dimension of the framework, and (iii) reviewing whether there needs to be an overall “alignment score” or message to communicate overall level of alignment.

b) Include guidelines on appropriately balancing the provision of information on alignment with statistical standards and providing other metadata (specifically focusing on the statistical offices with limited resources).

c) Add a section to the GN to detail the benefits of the alignment frameworks for users.