

Towards the
2025 SNA

Annotated outlines of SNA-only chapters

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Meeting of the Advisory Expert Group (AEG) on
National Accounts

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Short recap of the process

- Development of **high-level outlines for 2025 SNA and BPM7**
 - Identification of joint chapters/common content and lead editors
- Identification **relevant chapters for annotated outlines**
 - New chapters
 - Chapters requiring substantial revision
- Brainstorming **sessions with stakeholders**
- Drafting of annotated outline by lead editor
- Review by stakeholders
- **Written consultation of AEG** for initial feedback
- Identification of **major issues for discussion**
- Next step: **global consultation** of annotated outlines, based on revised versions

Chapter 2. National Accounts and measures of wellbeing and sustainability

New chapter providing a short and concise overview of the system of national accounts in the context of measuring wellbeing and sustainability, with references to more detailed discussions in chapters 34 and 35

Outline

- I. Introduction
- II. Approaches to the measurement wellbeing and sustainability
- III. Summary of contribution of the core SNA to the measurement of wellbeing and sustainability
- IV. Overview of complementary approaches to the measurement of wellbeing and sustainability
- V. Applications of SNA-related measures of wellbeing and sustainability data

Chapter 2. National Accounts and measures of wellbeing and sustainability

Main issues from written consultation

- Concern on the **additional size** of the SNA if the topics are treated in detail, keeping it concise for a non-technical audience => Accept this concern; careful balance will need to be found on the breadth of material that can be covered; aim is to place the role of the SNA in context, not requiring an exhaustive discussion of all possible approaches
- **Rationalization** of the need to incorporate measures of sustainability and wellbeing, and highlight the advantages of the SNA in playing a role in supporting related analysis => Agreed – this is key
- Clarify distinctions between **thematic/supplementary accounts and core accounts** => Agreed – this will be an important drafting consideration
- Need for some **clarifications**, being open to **future developments**, confusion about **research agenda** => Will be taken on board
- Links to the **Network of Economic Statisticians** => Yes – very relevant

Chapter 34. Measuring wellbeing

New chapter providing a more detailed discussion of measurement issues and approaches on wellbeing

Outline

- I. Introduction
- II. Defining SNA boundaries for the measurement of wellbeing
- III. Supporting broader measurement of wellbeing
- IV. Issues in the measurement of wellbeing

Chapter 34. Measuring wellbeing

Main issues from written consultation

- Discussion on the allocation of discussion on **non-market digital services** is best covered => Likely that primary focus will be in the chapter on digitalisation
- Clarify that some parts of wellbeing are **covered in the core accounts and others not** => Point taken to be picked up in drafting
- **Defining or describing well-being?** => Intention not to develop a precise definition but to demonstrate how the SNA can contribute to the measurement of wellbeing
- Discussion on the role and measurement of **volunteering, unpaid work and other forms of work, including links to ICLS** => Topics will be incorporated with text on specific issues to ensure connection to relevant materials; references to other chapters, including the labour chapter, also important to ensure a consistent drafting of work-related concepts
- Clarify discussion of **informal/non-observed economy** => Agreed – in cooperation with the TTIE
- Ensure links **to time-use data** and associated definitions are incorporated => Agreed

Chapter 35. Measuring sustainability

New chapter providing a more detailed discussion of measurement issues and approaches on sustainability more generally, and environmental sustainability in particular

Outline

- I. Introduction
- II. Defining asset boundaries for the measurement of sustainability
- III. Measuring environmental sustainability
- IV. Considerations in the measurement of sustainability

Chapter 35. Measuring sustainability

Main issues from written consultation

- Include text on treatment and classification of **environmental activities and products** with links to ISIC and CPC, including recent work from Eurostat and the SEEA community => Agreed
- Include **text on wider sustainability measurement initiatives and typologies** => Could indeed be mentioned but given space constraints very concisely; the same holds for rapidly evolving work in the corporate space, requiring ongoing engagement (NB: currently on the work program of the SEEA)
- **Concern on the use of the word “sustainability”**, propose to focus on sustainable growth => Agreed that this can be challenging, but the objective is to provide clarity about the contribution of the SNA to the measurement and assessment of sustainability, with no intention to take a specific view on exactly what would (not) be sustainable, as this would entail adopting a specific conceptualisation which is not the ambition; moreover, this issue would also arise in the case of a seemingly narrower concept, such as sustainable growth

Chapter 16. Labour accounts

Substantially revised version of 2008 SNA Chapter 19 on Population and labour inputs, covering labour accounts and placing labour in the same position as other primary inputs in the production process, also supporting extensions, including valuing human capital. The chapter will also discuss different forms of employment in view of changes in the labour market over the past two-three decades, amongst others in view of increasing globalisation and digitalisation

Outline

- I. Introduction
- II. Types of labour
- III. Labour account framework
- IV. Enhanced measures of labour inputs
- V. Links to Supply and Use Tables (SUTs)
- VI. Specific issues
- VII. Labour and labour accounts links to education, training and human capital

Chapter 16. Labour accounts

Main issues from written consultation

- Logic and coverage of chapter is good
- Change in the **chapter title** to “Labour” => Agreed
- Need to reflect much more from the **ICSE-18 and ICLS-19** => Agreed
- Need to address terminology and definitional **differences between SNA and ICLS** => Agreed
- Include more details on the **payments and volume quadrants** => Agreed – Will be covered in a concise way
- Briefly cover issues such as **regional data and production for own consumption** => Agreed
- Various small refinements and textual changes provided => Will be included
- Need to include additional references => Agreed

Chapter 20. Elaborating the accounts

Substantially revised version of 2008 SNA Chapter 18, focusing on conceptual and measurement issues regarding three topics: (i) temporal disaggregation (first and foremost quarterly accounts); (ii) spatial disaggregation (regional accounts); and (iii) revisions and compilation of time series

Outline

- Introduction
- Temporal disaggregation
- Spatial disaggregation
- Revisions and compilation of time-series

Chapter 20. Elaborating the accounts

Main issues from written consultation

- Review **chapter title** and align with content => Needs further reflection
- **Link/overlap with the communication chapter** => Agreed, overlap will be kept to a minimum
- Discussion on **balancing** seems to fit here rather than in Chapter 19 => Not sure, as it goes beyond the topics covered in chapter 20, but will have a closer look at it
- Suggestion to also cover **compilation issues affecting financial accounts** and less focus on non-financial accounts, e.g., benchmarking quarterly data to annual data not common in financial accounts => Agreed
- Suggestion to reflect increasing use of **micro data** for compiling financial statistics => Agreed
- Recommend **compilation of financial accounts on the basis of fwtw information** (or in chapter 37) => Agreed
- Suggestion to include discussion on **discrepancies** in this chapter and link to chapter 18 => Will consider
- Helpful links, various small refinements and textual changes provided => Will be included

Chapter 25. Selected issues on financial instruments

Chapter grouping together parts 3, 4 and 6 of 2008 SNA Chapter 17, focusing on a discussion of additional details specific to certain instruments. As such, it does not require a major re-write, but the discussion and exposition of certain topics can likely be improved, while suggestions for other financial instruments which may require a more detailed discussion

Outline

- I. Introduction
- II. The treatment of standardized guarantees in the SNA
- III. Employee stock options
- IV. The recording of flows associated with financial assets and liabilities

Chapter 25. Selected issues on financial instruments

Main issues from written consultation

Received **divergent comments**:

- Some supportive to **expand details** (e.g., derivatives, provisions on loans, of which details for loans, etc.)
- Some suggesting the inclusion of **including other material** (e.g., defined benefit pension surplus/deficits, shadow banking financial instruments)
- Some suggesting that the current planned **contents might be better placed in other chapters**
- One suggesting to **cover other topics** (income-revaluation nexus, control, corporate saving, etc.)

=> Agreed on most suggestions for expanding details in the chapter

=> However, **need to re-evaluate** what can be included in Chapter 25 versus other chapters, to ensure that **purpose, direction and balance of the chapters are clear and duplication is avoided**; also alternative options could be considered (boxes, annexes and the like)

Chapter 29. Financial corporations

New chapter providing a more detailed discussion of financial corporations' sector, thereby including and building upon parts of what was covered in SNA 2008 Chapters 4 on Institutional units and sectors, as well as 2008 SNA Chapter 21 on Measuring corporate activity. It will also expand on Section F of 2008 SNA Chapter 6 on The production account, by referencing the relevant content of the manual *Financial Production, Flows and Stocks in the System of National Accounts*

Outline

- I. Introduction
- II. Overview of financial corporations and financial activity
- III. Financial corporations' sector and subsectors
- IV. Non-bank financial intermediaries
- V. Links with monetary and financial statistics

Chapter 29. Financial corporations

Main issues from written consultation

- Received a number of very good comments, some perhaps relating to the fact that the annotated outline is inevitably limited in detail
- Suggestion to have a more in-depth discussion of the **linkages in the S12 subsectors** => Agreed, this could be included in a concise way
- Possibly include text on financial sector **SPEs**, including consolidation issues => Will be looked into how to address this
- Include text on the treatment of **captive institutions** as well as on selected issues related to output and income (e.g. pensions, factoring) => Agreed – These topics will be covered
- Suggestion to **avoid jargon**, such as “shadow banking” and “FinTech” => Agreed
- Some supportive comments about **linking SNA financial corporations to MFSM**, but one question was raised about how much MFSM detail should be in the new SNA => MFSM will be referred to quite extensively, but details will be very limited

Chapter 37. From-whom-to-whom tables

New chapter providing an overview of the from-whom-to-whom (FWTW) dimension of relevant transactions and positions in the sequence of (institutional sector) accounts as well as providing an overview of institutional sector related financial indicators

Outline

- I. Introduction
- II. Overview of SNA sector table structures and derivation of from-whom-to-whom tables
- III. From-whom-to-whom tables in the sequence of SNA accounts
- IV. Related financial analysis

Chapter 37. From-whom-to-whom tables

Main issues from written consultation

- Chapter was generally very much welcomed, and considered complete
- Specific comments, particularly on **terminology and presentation** => Agreed, although not clear whether there is scope to change the frequently used FWTW term
- Suggestion to put more emphasis on **other types of spillover effects** => Agreed - welcome suggestion
- Suggestion **to separate uses from presentational aspects** => Agreed, although a complete divorce of the two elements may not be feasible
- Two comments on **chapter organization** relating to (i) the sub-section on “other financial indicators”; and (ii) the text on the use of FWTW information in compilation => Will be reflected upon during drafting process, but, for the time being, these elements seem to fit best in Chapter 37
- A few comments through Chapters 25, 29 and 37 about the **best place to discuss financial stability** => Financial stability issues can show up in more than one chapter (without necessary duplication) but the focus on this topic is considered to be best placed in Chapter 37, also taking into account the proposed change of the title to “From-whom-to-whom tables and related financial analysis”

Chapter 38. Thematic accounts

Substantially revised version of 2008 SNA Chapter 29 on Satellite accounts and other extensions, focusing on the role of thematic accounts and extended accounts in providing complementary information, and also providing guidelines for developing a thematic account

Outline

- I. Introduction
- II. Relation between Extended and Thematic Accounts
- III. Developing a thematic account

Chapter 38. Thematic accounts

Main issues from written consultation

- Suggestion to add “extended (accounts)” to the **title of the chapter** => Agreed – suggested new title: Thematic and extended accounts
- Need to further clarify the **distinction between a thematic account and an extended account** => Agreed – Need to liaise and coordinate with the Communications Task Team
- Suggestion to drop the **term “key sector”** (the term for the theme of a thematic account used in the satellite account chapter of the 2008 SNA) should be dropped, as it could lead to confusion with an institutional sector => Agreed

General comment from the ECB

- The ECB expressed concerns about the thematic chapters and provided a proposal for having separate publications for the various themes or, alternatively, limiting their number in *BPM7* and *2025 SNA*

Questions to the AEG

The advice of the AEG is sought regarding the following issues:

- Does the AEG have any other suggestions regarding the draft annotated outlines of the chapters?
- Does the AEG agree with the proposed structure and coverage of topics in the chapters?
- Comment by ECB: referred to the combined AEG/BOPCOM meeting

Thank you for your attention!

