

# Assessment of the SNA Research Agenda

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

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Towards the  
2025 SNA

# Background – introduction

- **May 2018:** ISWGNA Task Force, to formulate a Research Agenda for the update of the 2008 SNA
- **List of 61 issues** broken down into the following categories:
  - Globalization (1 – 11)
  - Digitalization (12 – 17)
  - Well-being and sustainability (18 – 26)
  - Other issues considered as a priority (27 – 35)
  - Long-term SNA Research Agenda (36 – 61)
- **October 2019:** Endorsed by the AEG
- **March 2020:** Endorsed by the UN Statistical Commission

# Background – introduction (cont.)

- **Note on the assessment of the SNA Research Agenda**, with the primary objective: assessment of the progress made
- **For each issue, the assessment resulted in one of the following status reports:**
  - Completed, or in the process of being completed (34 issues)
  - Further action needed (16 issues)
  - Issues without a concrete proposal for the way forward (3 issues)
  - To be excluded for consideration in the update of the 2008 SNA, but to keep on the post-2025 SNA Research Agenda (6 issues)
  - To be dropped from the SNA Research Agenda altogether (5 issues)
- Presentation will explicitly address the issues in the 2<sup>nd</sup> and 3<sup>rd</sup> category

# Issues without a concrete proposal for way forward (1)

## Issue 27: Statistical units

- Quite some work done
- Discussed at the 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> meeting of the AEG
- Conclusion at the 12<sup>th</sup> meeting: **additional work is needed**, among which a **consultation** on
  - (i) the **type of information used to make adjustments** to the targeted unit, whether this is based on a full set of information or on some indicator(s)
  - (ii) the **pros and cons of an integrated analysis** of production, income and finance
- **Two possibilities:**
  - **Global consultation**, based on an update of available documentation, on appetite for moving to enterprises as the main statistical unit
  - **Leave the conceptual guidance in the SNA on establishments and institutional units as is**, but provide more information on the practicalities of compiling data for these units

# Issues without a concrete proposal for way forward (2)

## Issue 47: Calculation of FISIM

- At its 10th Meeting (Paris, 13 – 15 April 2016), the AEG “*agreed that the Task Force on FISIM could revisit the conceptual merits of either excluding or including **credit default risk** in the calculation of FISIM, and in the case of the exclusion of credit default risk **developing practical methods that could support such exclusion**”*”
- **No further progress made, leaving three options:**
  - **Express the conceptual merits of excluding credit default risk** from the calculation of FISIM, with reservations around the practical implementation
  - **Express the conceptual merits of excluding credit default risk** from the calculation of FISIM, and look for countries who would be willing to participate in an **early implementation exercise**
  - **Include a discussion on the treatment of various risk elements in the calculation of FISIM, without expressing any conceptual preference**
- Certain preference for the **second option**, if not feasible the first option

# Issues without a concrete proposal for way forward (3)

## Issue 52: Recognition of social security entitlements as liabilities

- At its 10th Meeting (Paris, 13 – 15 April 2016), the AEG ...
  - Agreed that *more practical examples* ... of completing the supplementary pensions table should be analysed to assess what criteria are being used to differentiate between employer related pension funds and social security schemes
  - Agreed that ... *further guidance should be developed* in the short term on the distinction between social security and employment-related schemes to determine which schemes should be recorded in the central framework
  - Recognized that there are *valid arguments for using the asset boundary* to determine when liabilities should be recognized and recorded in the core accounts, and agreed that guidance applying the principles governing the SNA asset boundary should be considered over the longer term
- **No further progress made, quick resolution not considered feasible, put it on the post-2025 SNA Research Agenda**
- Inclusion of **supplementary table on household retirement resources?**
- Note: Action point 13

# Proposed action points

## **Action point 1 (issue 7 on price and volume measurement related to globalization) (2)**

- Provide broad conceptual guidance on price and volume measurement in chapter 18 of the 2025 SNA
- To be implemented by: Editorial team, in cooperation with a small number of experts

## **Action point 2 (issue 9 on nationality concept / Extension of IIP on a nationality basis) (2)**

- Add text on nationality concept in chapters 23, 29 and/or 37 of the 2025 SNA
- To be implemented by: Editorial team

## **Action point 3 (issue 13 on dual use consumer durables and fixed assets) (2)**

- Include text on partitioning of assets in chapters 14, 16 and/or 32 of the 2025 SNA
- To be implemented by: Editorial team

## **Action point 4 (issue 17 on crypto-assets) (1)**

- Provide guidance on the recording of crypto-assets without a corresponding liability designed to act as a medium of exchange
- To be implemented by: Financial Issues Task Team

# Proposed action points

## **Action point 5 (issue 27 on relationship between the SNA and IASB) (1)**

- Include text on significant differences between on the one hand the SNA, and on the other hand IPSAS and IAS, to be included in chapters 1, 28, 29 and 30 of the 2025 SNA
- To be implemented by: Editorial team, in cooperation with the IPSAS community

## **Action point 6 (issue 29 on trusts) (1)**

- Draft an issues note on when, and when not, to consider trusts and other types of funds as separate institutional units
- To be implemented by: Editorial team

## **Action point 7 (issue 32 on treatment of Public-Private Partnerships) (2)**

- Liaise with GFS community to update, if needed, the guidance on the treatment of public-private partnerships in chapter 30 of the 2025 SNA
- To be implemented by: GFS community

## **Action point 8 (issue 37 on measuring the output of government services) (1)**

- Draft an issues note on (the consistency in) the application of sum-of-costs approach.
- To be implemented by: Editorial team



# Proposed action points

## Action point 9 (issue 39 on output of central banks) (2)

- Include further guidance on the measurement of output of central banks ..., and draft an issues note on the possibility to address the current inconsistencies between the SNA and the ESA
- To be implemented by: Editorial team

## Action point 10 (issue 41 on the clarification of the income concept in the SNA) (1)

- Draft an issues note with more detailed guidance on (i) the inclusion of holding gains/losses in the changes in life insurance and annuity technical reserves and the changes in pension entitlements when calculating the implicit service charges for life insurance, annuities and pension funds; and (ii) the inclusion of capital income derived from the investment of an insurer's own funds in the calculation of the value added of insurance corporations
- To be implemented by: Editorial team

## Action point 11 (issue 48 on high inflation) (2)

- Include, in a concise way, already existing guidance on accounting under conditions of high inflation in chapter 20, and possibly other chapters, of the 2025 SNA
- To be implemented by: Editorial team

# Proposed action points

## Action point 12 (issue 50 on income arising from assets) (2)

- Add clarifications on the relationship between work-in-progress and non-produced assets on the one hand, and the measurement of capital services on the other hand
- To be implemented by: Editorial team

## Action point 13 (issue 52 on recognition of social security entitlements as liabilities) (1)

- Draft an issues note on the resolution of the current ambiguities and inconsistencies regarding the recording of social security and employment-related schemes, and on the current guidance for constructive liabilities in paragraphs 3.34 and 3.40 of the 2008 SNA
- To be implemented by: Editorial team, in cooperation with a small number of specialists

## Action point 14 (issue 59 on costs of ownership transfers of valuables and non-produced assets) (2)

- Add clarifications on the treatment of costs of ownership transfer for different types of assets, first and foremost in chapters 11 and 14 of the 2025 SNA
- To be implemented by: Editorial team

# Proposed action points

## **Action point 15 (issue 60 on current maintenance and capital repairs) (3)**

- Add clarifications on the distinction between maintenance and capital repairs for intangible assets in chapters 7 of the 2025 SNA
- To be implemented by: Editorial team

## **Action point 16 (issue 61 on transfer of ownership of an asset during its life) (3)**

- Draft issues note on a possible alternative treatment of the transfer of leased assets at the end of the lease period
- To be implemented by: Editorial team

# Questions to the AEG

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

- The way forward regarding issue 28 (**statistical units**), issue 47 (**calculation of FISIM**), and issue 52 (**non-recognition of unfunded pension entitlements and supplementary table on household retirement resources**)
- The **action points** listed in the documents
- Dropping issues 25, 42, 43, 59 and 60 from the SNA Research Agenda altogether
- Keeping issues 28, 30, 36, 38, 40, 41, 46, 49 and 51 on the post-2025 SNA Research Agenda
- Updating the various manual on the measurement of prices, the [UN Handbook on Links between Business Accounting and National Accounts](#), and possibly other manuals in the field of macroeconomic statistics
- Proposed way forward regarding the post-2025 SNA Research Agenda (see the end of Section 1)

Thank you for your attention!

