

WS.1: Enhancing and broadening the SNA framework to better capture elements of well-being and sustainability Outcome of global consultation

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AEG meeting, 10-13 July 2023













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# Overview of responses (60 in total)





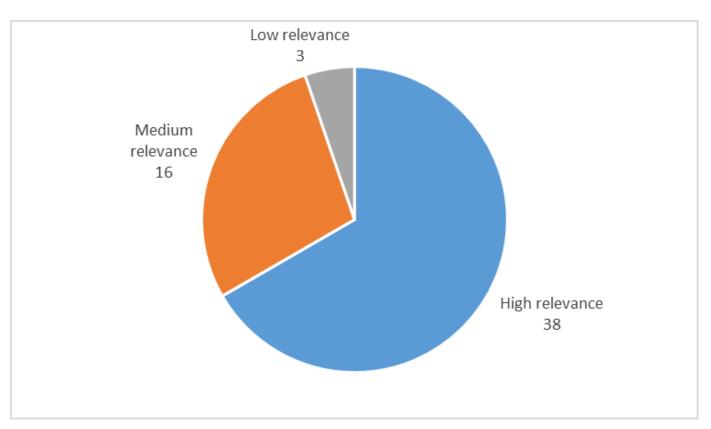
# Is the topic of well-being and sustainability relevant for your country?

#### High:

- Well-being and sustainability are key areas for our users and policymakers
- Importance in view of future developments
- Specific national policy goals on sustainable development
- Information provides more comprehensive view on equity, inclusion and environmental issues, correlated with economic activity

#### Low:

- Debate on the topic is scarce in our country
- A broad array of indicator sets is available independent from the NA
- Some extensions may be less relevant for us



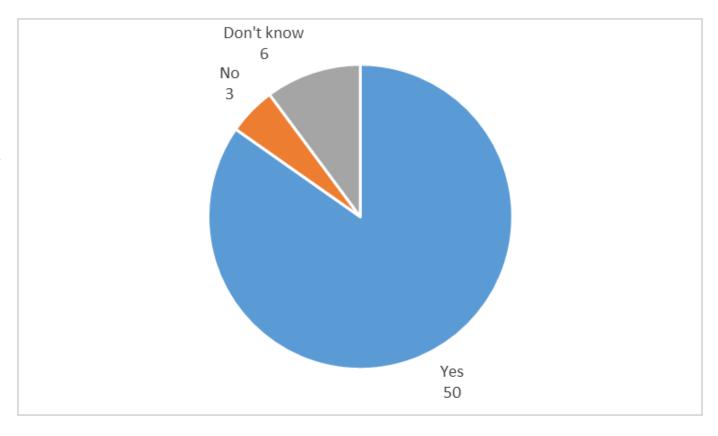




# Do you feel the recommendations of the elements in the guidance notes are properly reflected?

#### No:

- Highly relevant aspects of education and health quality are not mentioned
- Question regarding link between splitasset approach and proposed recording of ETS
- More detailed descriptions of proposed indicators required



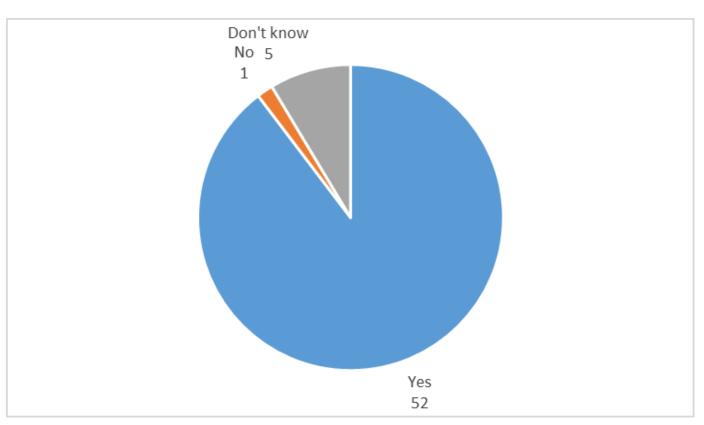




# Do you agree with how the topics are linked to current and future well-being in the figure in Section 4.1?

#### Comments made:

- Suggest including new components: environment, family, social welfare, housing and public safety
- It should be made clear that these are topics that can be covered from SNA perspective (but that there are many others outside the SNA)
- There is a need to provide a more systematic distinction between current well-being and future well-being
- The issue is more complex than presented. E.g., it does not include the distribution of resources both domestically and between regions around the world. Furthermore, well-being does not only depend on available resources but also on how these are being used





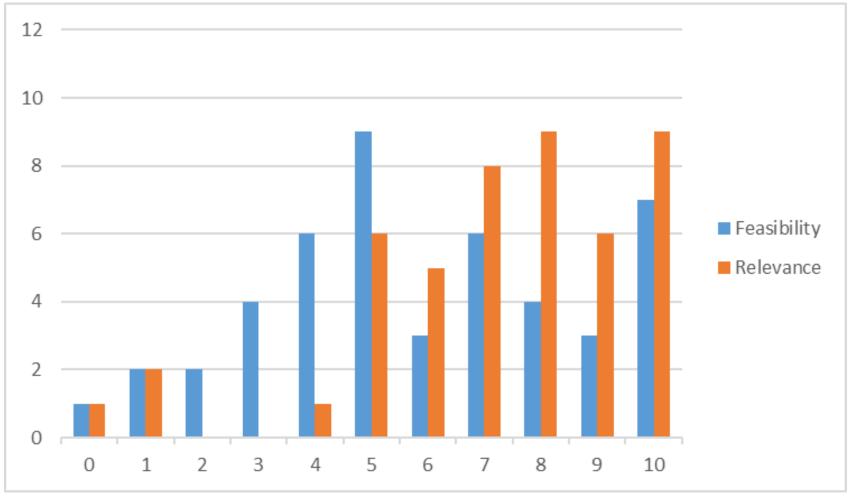


# Assessment of feasibility and relevance





# **Unpaid household service work**



#### Average scores:

- Feasibility: 5.9

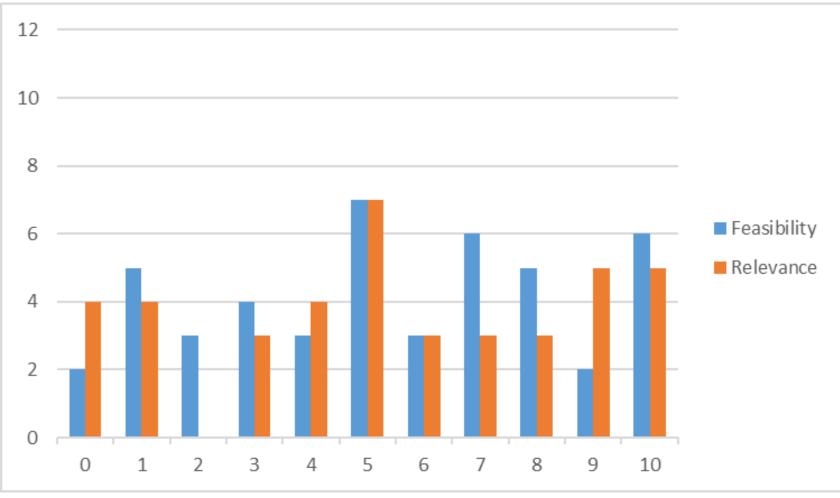
- Relevance: 7.2







# Split asset approach



#### Average scores:

- Feasibility: 5.4

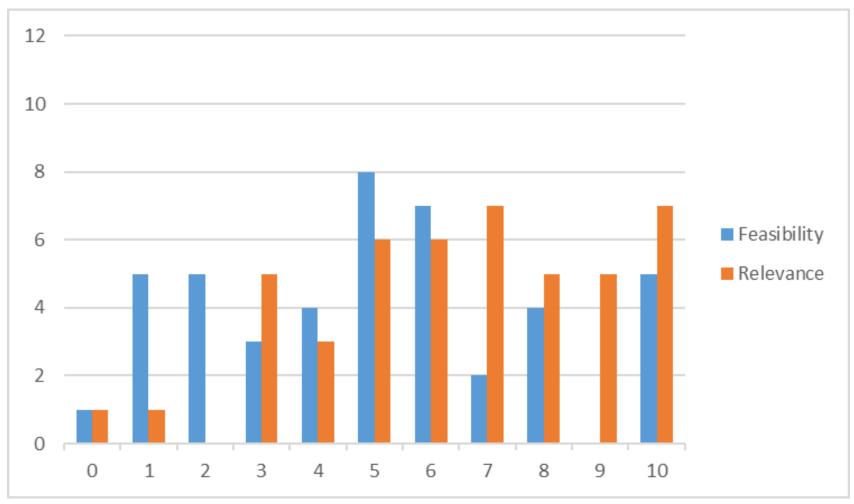
- Relevance: 5.4







# **Experimental** extended table on human capital



#### Average scores:

- Feasibility: 5.0

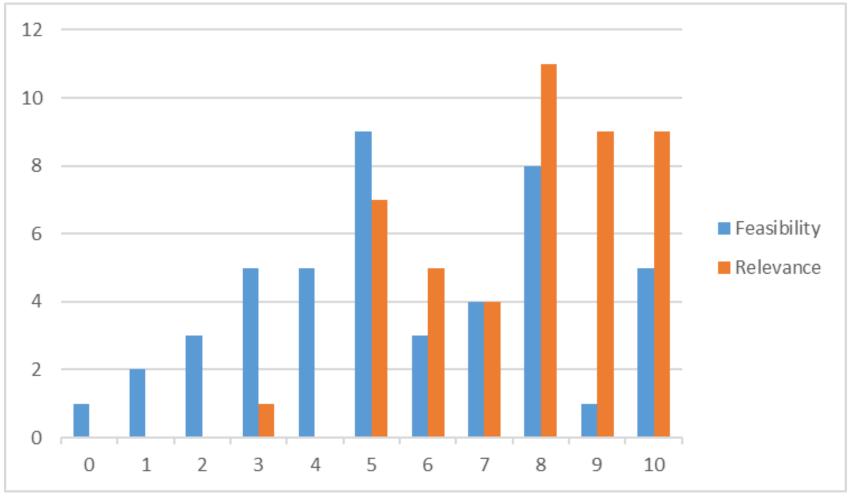
- Relevance: 6.5







# Renewable energy resources



#### Average scores:

- Feasibility: 5.6

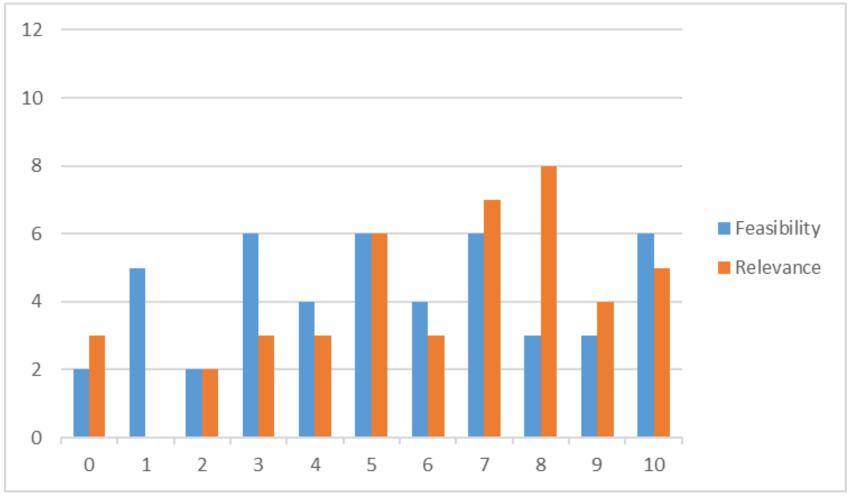
- Relevance: 7.7







### **Environmental taxes and subsidies**



#### Average scores:

- Feasibility: 5.8

- Relevance: 6.5

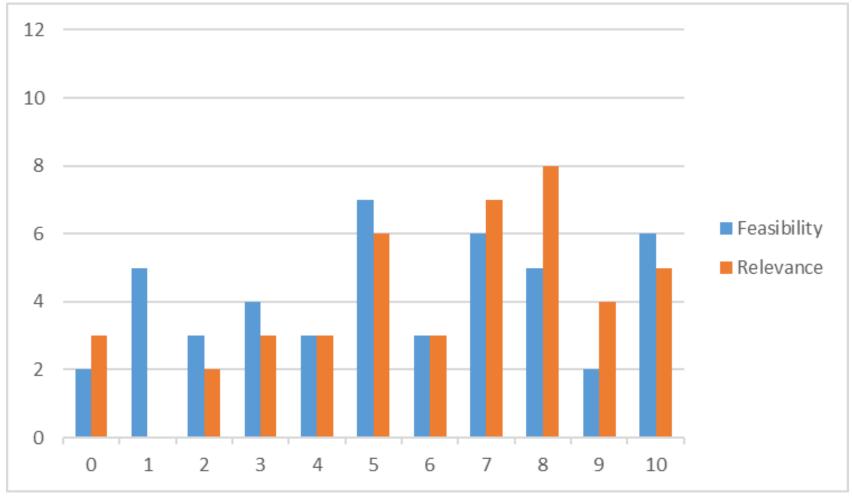
Note: Some countries expressed higher feasibility for taxes than for subsidies







# **Natural resource rent categories**



# Average scores:

- Feasibility: 5.3

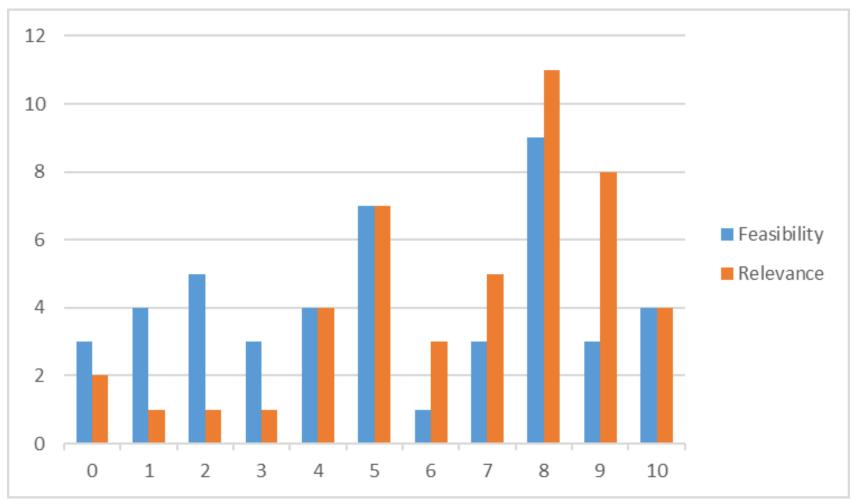
- Relevance: 6.2







# **Depletion of natural resources as input cost of production**



#### Average scores:

- Feasibility: 5.2

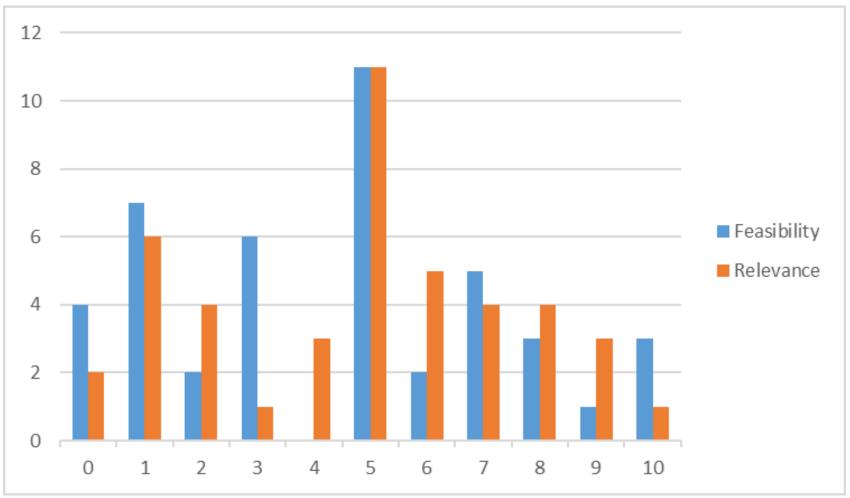
- Relevance: 6.6







# Remove distinction cultivated vs. non-cultivated and only distinguish migrating vs. non-migrating biological resources



Average scores:

- Feasibility: 4.4

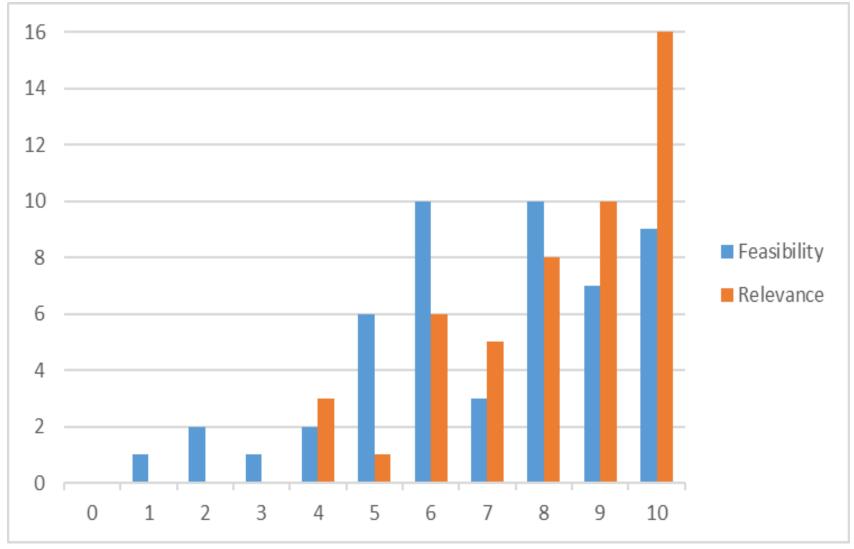
- Relevance: 4.8







## **Household distributions**



Average scores:

- Feasibility: 7.1

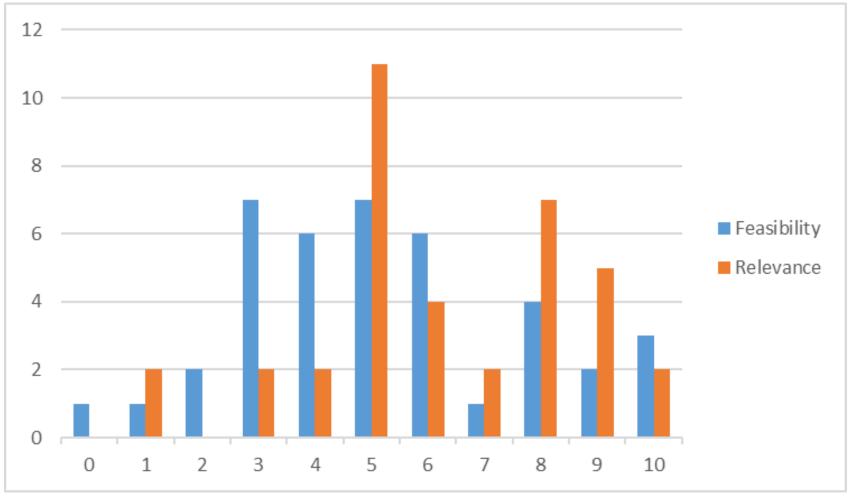
- Relevance: 8.2







# **Supplementary table on provisions**



#### Average scores:

- Feasibility: 5.2

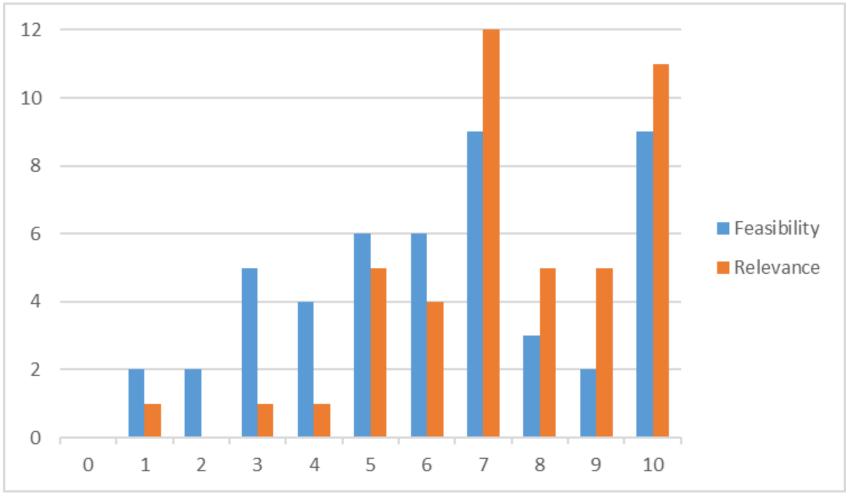
- Relevance: 6.2







# **Supplementary** tables on health care



#### Average scores:

- Feasibility: 6.2

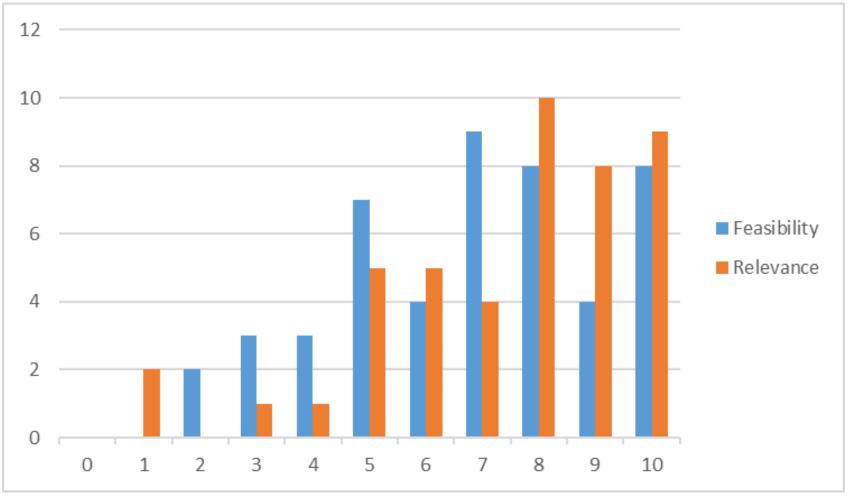
- Relevance: 7.5

Number of responses per score





# **Standard labour tables**



Average scores:

- Feasibility: 6.8

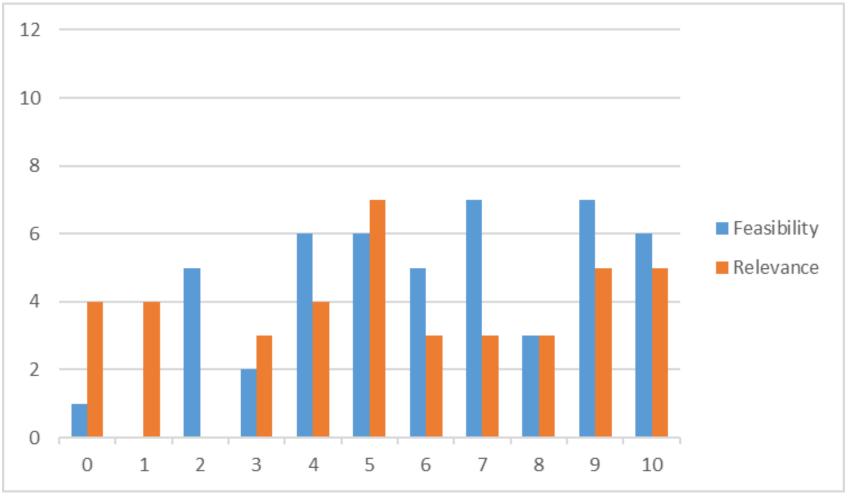
- Relevance: 7.4

Number of responses per score





# Thematic tables on education and training



#### Average scores:

- Feasibility: 6.2

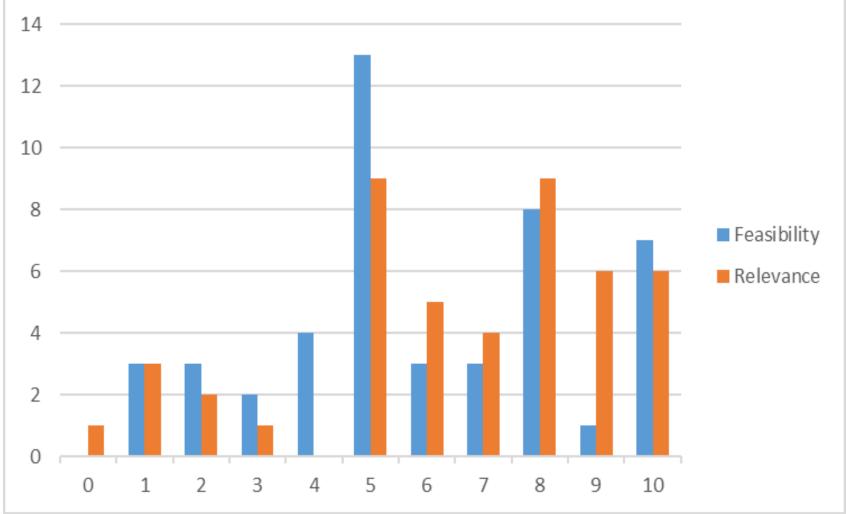
- Relevance: 7.3







# Separate asset class for natural capital



Number of responses per score

#### Average scores:

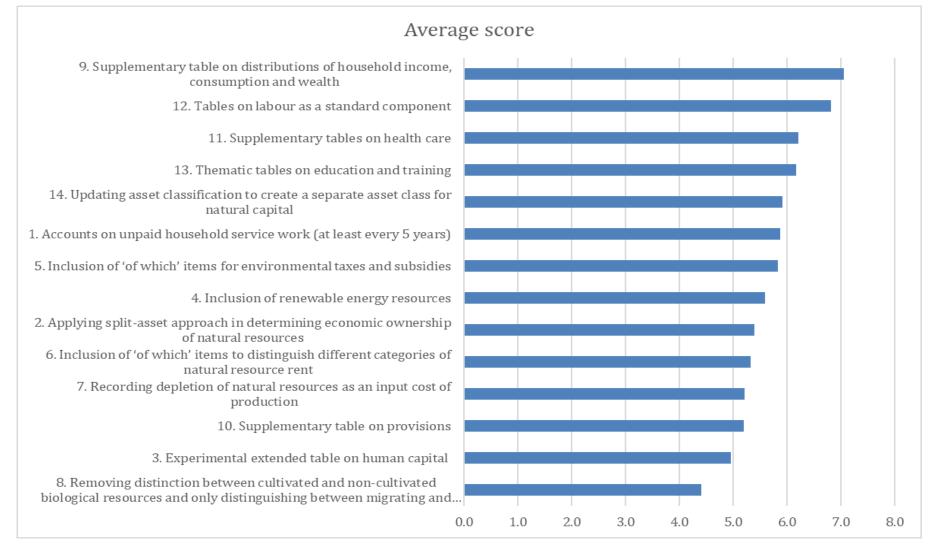
- Feasibility: 5.9

- Relevance: 6.5





# Please rate each proposal in terms of feasibility







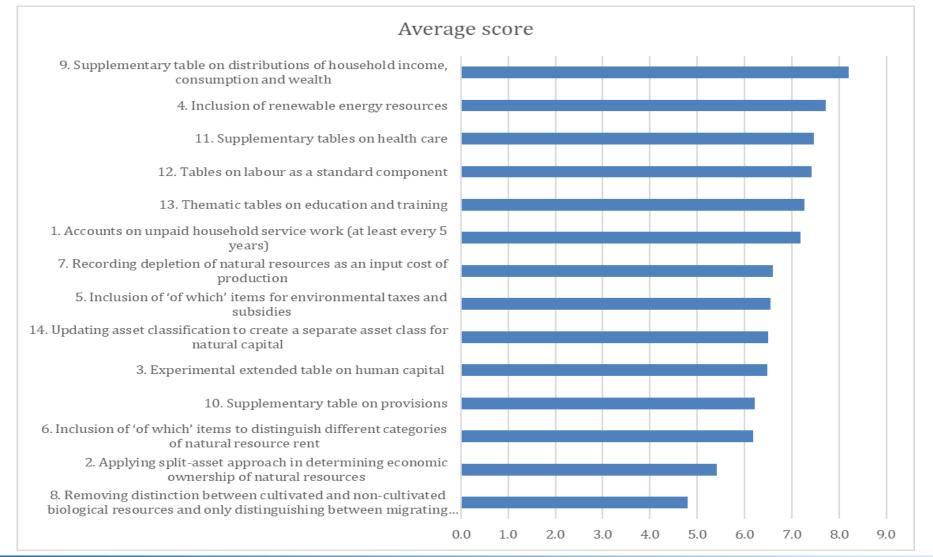
# Main issue regarding feasibility

- "Lack of data sources" (among others on natural resources and unpaid service work)
- "Lack of human resources"
- "Majority of proposals require a fundamental change of our processes and significant broadening of data collection"
- "Some proposals (e.g., removing split cultivated vs non-cultivated) require development of proper methodology first before considering inclusion in 2025 SNA"
- "Some proposals still require proper definitions (e.g., ESG/Green finance, environmental subsidies, natural capital)"
- "Large estimation errors for asset value that will be based on future projections and other factors"
- "Separate category for natural capital will make it more difficult to understand the link between stocks of produced assets and (their role in) production"





# Please rate each proposal in terms of relevance







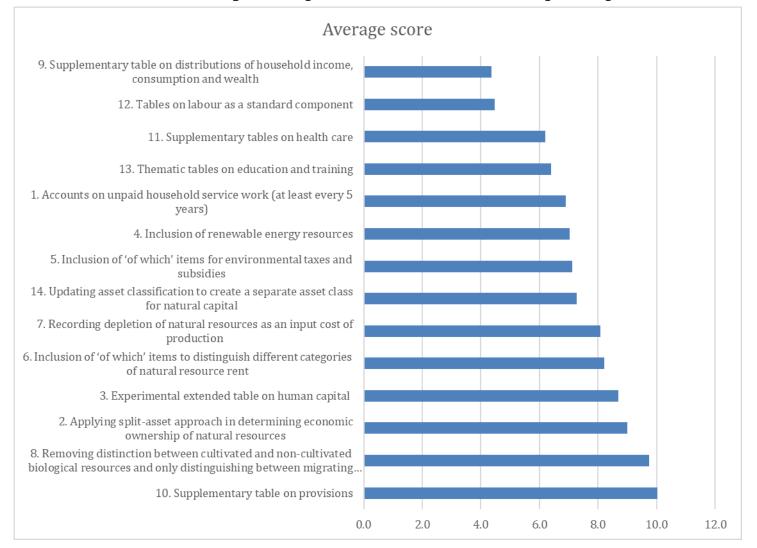
# Main issue regarding relevance

- "We do not have a lot of natural resources, so they are of less relevance to us"
- "Users have not yet been consulted"
- "Information on depletion and human capital is mainly demanded by academia, whereas government institutions are more interested in assessing and evaluating policies"





# How would you prioritise the proposals?







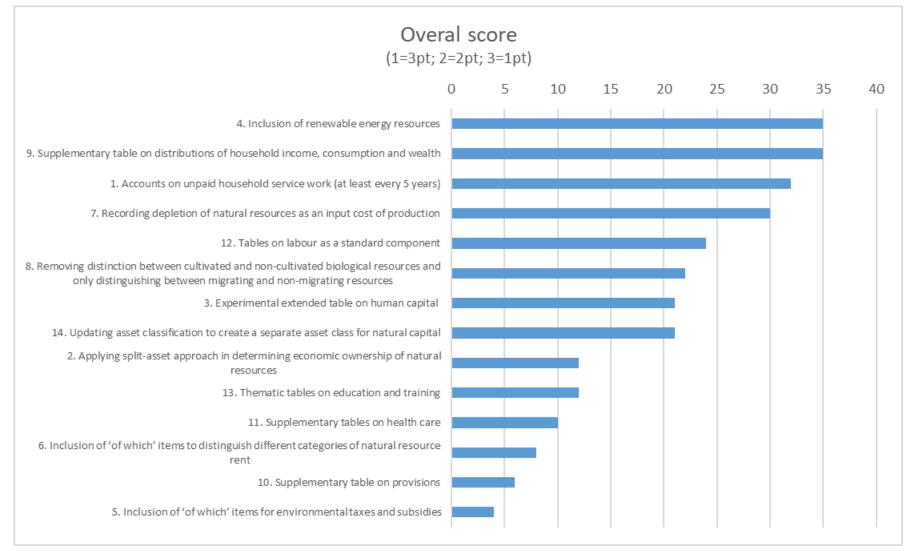
## Main comments regarding prioritisation

- "Highly subjective"
- "Users have not yet been consulted"
- "Priorities may change after more widely user consultation"
- "Difficult to rank; would be easier to distinguish 'high priority' versus 'low priority'
- A lot of respondents seem to have ranked according to feasibility (and 'low hanging fruit' principle)





# Where do you see largest need for additional guidance?







# Main comments regarding need for additional guidance

- "Some proposals (e.g., removing split cultivated vs non-cultivated) require development of proper methodology first before considering inclusion in 2025 SNA"
- "In area of distributional results, more guidance is needed on matching data from different surveys and from administrative data"
- "More guidance is needed for unpaid household work given the difficulties measuring it"
- "Considerably more challenges in proper accounting of today's (and tomorrow's!) natural resources than in the amplification of social statistics"
- "Specific guidance is needed on the recording of depletion"
- "First focus should be on what will be included in main sequence of accounts"
- "Recording of renewables is fraught with measurement challenges"





## Any additional suggestions?

- "Incorporate the issue of financial sustainability"
- "Given recent inflationary pressures, evaluate impact of price changes on income measures"
- "Further collaboration with UNESCO would be welcomed to conduct research on measurement of heritage, cultural capital, etc. (i.e., cultural satellite accounts)"
- "Also explore alternative estimation approaches when data may be lacking"
- "Stress importance of providing separate information on volumes of activity (e.g., volunteer work, participation in education, health care use, etc.) in addition to monetary values"
- "A broader set of data is needed to support different approaches in describing the economy in relation to climate policy"
- "Bear in mind the limited resources available at statistical offices to do this work"
- "UNECE Guide on Education and training is missing in the list of references"





# Conclusions





# **Conclusions on the guidance note**

- 2/3 feel that the topic of well-being and sustainability is of high relevance for their country
- More than 85% agree that recommendations of underlying GNs have been properly reflected
- 90% agree with the visual representation of how the various topics link to current well-being and sustainability
- Still some concerns with specific recommendations by a few countries, but no issues raised that warrant changes to the guidance note





## **Lessons for implementation**

- Lack of data, resources and methodological guidance as well as high dependency on assumptions for some specific topics are raised as main areas of concern
- Results provide useful insights into countries' priorities and need for additional guidance:
  - There is a group of topics that are seen as **both relevant and feasible** so ranked as *top four priorities*: household distributions, labour accounts, health, education and training
  - Some topics are seen as high relevance but low feasibility, e.g., inclusion of renewable energy resources, which therefore ends up as top of the list for needing additional guidance
- These outcomes can help us decide on how to target guidance and support in the early implementation phase
- Exchanges on prioritisation at the national level would also be useful (not only focusing on well-being and sustainability, but on the SNA update more broadly)





# Questions for AEG





## **Questions for AEG**

- What are your views on the main outcomes of the global consultation?
- Do you agree with the main conclusions?
- Do you agree that the global consultation does not warrant any update of the GN?
- Do you endorse this GN (pending small updates to align with final decisions on a few remaining notes)?





# **THANK YOU!**









