Development of 2025 SNA implementation strategy

DEVELOPING THE IMPLEMENTATION STRATEGY FOR THE 2025 SNA

The attached paper provides a draft high-level overview of the proposed strategy for implementing the 2025 SNA. It builds on the discussion on this topic at the October 2024 AEG meeting, as well as subsequent discussion with ISWGNA members.

The strategy is still broad brush and further work is needed to flesh it out. Following on feedback from the AEG discussion, this will be done in coming months. There will continue to be consultation with key stakeholders. An important element of this will be consultation with the IMF's BPM team to ensure that there is a coordinated approach to implementing the 2025 SNA and BPM7. It is planned that there will be global consultation on the strategy around September 2024.

An updated version of the strategy will be presented to the AEG for its discussion at its meeting at the end of October 2024. The ISWGNA will then finalise the strategy for presentation to the 2025 UNSC meeting, which will be held from 4-7 March 2025.

The Implementation Strategy essentially focusses on the "what" of implementation. To complement the strategy, a plan that sets out the "how", "who" and "when" needs to be developed. This work will also be undertaken in the following months and will also be reported back to the October 2024 AEG meeting. Also, there will be a need to organise discussions with organisations who may potentially be able to provide funding support for the implementation.

The AEG is invited to provide feedback on the proposed strategy. In particular, AEG members are asked for their views on the following questions:

- Is the general approach appropriate, or should it be modified in some way?
- Is there anything missing?
- Is there anything that is unclear?
- Is there anything that causes concern?
- Are there any aspects that should be the subject of particular focus as work proceeds on finalising the strategy?

WORK-IN-PROGRESS

TOWARD THE 2025 SNA: IMPLEMENTATION STRATEGY

A   Overview of the strategy

1   It is anticipated that the strategy will have two broad components. The first component, labelled the core elements, consists of six aspects that are considered fundamental for implementing the SNA. These are:

- Strategic approach

- Advocacy

- Training

- Technical assistance

- Preparing manuals and handbooks

- Ongoing research

2   The second component, labelled program modalities, comprises five elements related to giving effect to the strategy. These are:

- Planning, monitoring and evaluation

- Assessment of country preparedness

- Implementation stages

- Timing of implementation

- Coordination and governance

B   Core elements

Strategic approach

3   The implementation of the 2025 SNA within a country should be built into the strategic plans of the national statistical office (or whichever institution is responsible for compiling the national accounts). 2025 SNA implementation should have strong visibility within the strategic plan, with concrete objectives and timing

4   Guidelines, such as those for the preparation of a National Strategy for the Development of Statistics (NSDS), can be helpful to countries in developing their strategic plans. As the implementation of the 2025 SNA will be a significant undertaking

and impact several key stakeholders, the implementation of the 2025 SNA could act as a catalyst for countries to update their NSDSs (or equivalent). Materials could be produced to assist countries in incorporating the implementation of the 2025 SNA into their NSDSs.

5   At the level of UN Regional Commissions, the implementation of the 2025 SNA in member countries should be a key strategic priority

Advocacy[1]

6   It is important that key stakeholders are aware of, and support, the implementation of the 2025 SNA. Countries should be encouraged to develop a stakeholder engagement plan for the implementation of the 2025 SNA to accompany the strategic planning. Gaining the support of government for implementation, and obtaining the necessary resources, is particularly important. It is also important that there is good communication with users so that they are aware of the changes that will be made to the national accounts and that their support is obtained.

7   It is suggested that generic advocacy materials be prepared that could be adapted and utilised by countries, including guidelines on the best approaches to advocacy.

8   This should be supported by global and regional outreach efforts, for example by way of conferences of users and producers of national accounts statistics. Countries should also be encouraged to undertake outreach events to users in their countries, and supporting materials could be developed for countries to use in this.

9   Where appropriate, advocacy for the implementation of the 2025 should leverage off relevant global priorities, such as the SDGs and initiatives related to climate change.

Training

10   Training courses should be developed to aid countries in the implementation of the 2025 SNA. It is suggested that both in-person and on-line training be developed. The extent to which there could be joint training with BPM7 implementation training should be considered. While it might not be feasible to undertake joint training as a matter of

---

[1] Some have expressed concern as to whether "advocacy" is the right term to use, as it may have negative connotations. "Outreach" has been suggested as an alternative. In the context of the implementation strategy, advocacy is about obtaining the support of key decision makers for the implementation of the 2025 SNA, including the provision of financial support, which is seen as vital for the successful implementation of the 2025 SNA. Outreach is a more general term and it is considered that if it was used to describe this component of the strategy it could remove the focus on the need to engage key decision makers. However, for advocacy to be successful it will need to be complemented by a broader outreach program. Further thought will be given to how to best describe this component.

course, there should be a coordinated approach to training, as part of a broader coordinated approach to the implementation for the 2025 SNA and BPM7 (see below).

11   In-person training is probably best delivered regionally. Both 'high-level' and 'in depth' training should be provided. The program of training for regional statistical training institutes should include elements related to training for the implementation of the 2025 SNA.

12   Given recent technological advances, and the significant penetration offered by on-line training, the development of on-line training materials should be prioritised. It is hoped that an international organization or organizations will take responsibility for the development of these materials.

13   On-line training materials should be made widely available through a central repository – preferably maintained by an international organization. The Compilers Hub is seen as the appropriate place to host material or at least provide a portal where material hosted by other can be accessed.

Technical cooperation

14   It is considered that some countries (particularly those with less developed statistical systems) will require technical assistance to implement the 2025 SNA.

15   International organisations with on-going technical assistance programs (such as the IMF and World Bank) should be encouraged to incorporate the implementation of the 2025 SNA into these programs, where relevant and appropriate. The aforementioned development of training courses will play an important role in delivering technical cooperation.

16   Potential donor organisations should be mobilised to provide funding for technical cooperation. A concerted effort by relevant ISWGNA member agencies to reach out to possible donors should be undertaken early on.

Preparing manuals and handbooks

17   There is already a concerted program for the development of manuals and handbooks to support the implementation of the 2025 SNA. While much of this work will be completed by 2025, particularly in regard to providing guidance for the more significant changes in the 2025 SNA, the work on developing implementation guidance will likely continue throughout the implementation period. In particular, the guidance can be refined considering the experience of using it in practice.

18   The proposed Compilers Hub will provide a repository for these materials and the manuals and handbooks should be translated into languages other than English.

Ongoing research

19   While the update of the 2025 SNA has been undertaken in a comprehensive manner, there may be residual areas where further work is required to support implementation, or new issues may emerge that require consideration. There should be provision for this in the implementation strategy. This should be integrated with the broader post-2025 SNA research agenda.

C   Program modalities

Planning, monitoring and evaluation

20   Specific plans for the 2025 SNA implementation program need to be developed, including the development of targets, milestones and performance metrics, and the assigning of responsibilities. The setting of priorities will also be important. Appropriate mechanisms for the monitoring and evaluation of the 2025 SNA implementation program need to be established. Tools such as Results Based Management should be used for monitoring and managing the implementation strategy.

21   It would be helpful to undertake an evaluation of the implementation of the 2008 SNA in order to identify 'lessons learnt' and have these reflected in the planning for the 2025 SNA implementation.

22   Undertaking a risk assessment and identifying mitigations should also be undertaken.

23   The question "what does it mean to be compliant with the 2025 SNA?" needs to be addressed to both guide the planning of the global implementation of the 2025 SNA as well as to assist countries in developing their implementation plans.

Assessment of country preparedness

24   Countries should be strongly encouraged to self-assess their preparedness for implementing the 2025 SNA. This will provide countries with useful information to assist them in their planning for implementation.

25   To assist this, it is proposed that an on-line self-assessment tool be developed. This would be built on existing frameworks such as the alignment with Macroeconomic Statistics Standards framework developed as part of the SNA update and the IMF's National Accounts Data Quality Assessment Framework (DQAF), which may have to be tweaked for the 2025 SNA.

26   Countries should be encouraged to make the results of their self-assessment available to the United Nations Statistical Division in order to assist with global planning for the implementation.

Implementation stages

27   It is proposed that the implementation in countries be broken down into the following stages:

•   Initial planning for the implementation

•   Adaption of existing data sources, business registers and frames, classifications and information technology to support the 2025 SNA implementation, and the development of new data sources/methods[2] as necessary, particularly where it is not feasible to use existing data sources

•   Preparation of national accounts estimates on a 2025 SNA basis, including backcasting

28   The existing early implementation program will give countries a 'head start' on the implementation work.

29   Guidance should be developed for countries on how to give effect to the implementation stages.

Timing of implementation

30   It is acknowledged that different countries will take different periods of time to implement the 2025 SNA, depending on resource availability, technical skill and national circumstances. Also, different countries will have different priorities for the implementation. Countries should be given guidance on how to set priorities that are relevant to their circumstances. While it is unlikely that the full coordination of implementation across countries could be achieved – because of the different circumstances of countries – countries should be encouraged to share their implementation plans and discuss where common approaches may be helpful. Forums such as the OECD's Conference on National Economic and Financial Accounts and the ECE's Group of Experts on National Accounts, as well as relevant forums hosted by other regional commissions, should be utilised to share implementation plans.

31   Some countries are yet to transition to the 2008 SNA. These countries should be specifically targeted as part of the implementation program, particularly for technical assistance. For countries that are not on a 2008 SNA basis, the transition to the 2008 SNA is a necessary step for implementing the 2025 SNA, so any current work on implementing the 2008 SNA should not be put on hold pending the development of plans for implementing the 2025 SNA for these countries. However, it is likely that for some countries there may be overlap in the implementation for the 2008 and 2025 SNAs and guidance should be provided to countries on how this can be managed.

---

[2] In this regard, recent technological developments and the availability of 'big data are likely to offer new opportunities for estimating certain national accounts components and reduce the need for reliance on traditional data sources. These should be explored.

32   It is proposed that countries be encouraged to implement the 2025 SNA within a reasonable time frame following its adoption by the UNSC, and a general target date of 2030 is suggested as a possibility. In the case of the European Union, a revised ESA based on the 2025 SNA will be developed, and it is likely that EU countries will move to the new SNA in 2029.

33   Most countries undertake periodic (e.g. every five years) benchmarking of their national accounts and this would be a logical time to implement the 2025 SNA. It is also important that countries 'backcast' their national accounts statistics on a 2025 SNA basis to the extent that is feasible.

34   Countries should be encouraged to develop estimates on the statistical impact of moving to the 2025 SNA, which will be helpful in communicating the impact of changes to users.

35   For some time, some countries will be compiling estimates on a 2025 SNA basis, while others will still be compiling them on a 2008 SNA (or earlier) basis. While this could affect international comparability, growth rates should be broadly similar. Also, providing information to users on the statistical impacts of moving to the 2025 SNA can help them understand the potential extent of differences between national accounts compiled on the basis of different vintages of the SNA.

36   The timing of implementation will also need to take account the timing of implementation of other statistical updates, including the BPM7 (see below) and the updated ISIC and CPC.

Coordination and governance

37   It is suggested that the United Nations Statistics Division be assigned operational responsibility for coordinating the implementation strategy. In doing this, it is expected that they will work closely with the Regional Commissions.

38   It is proposed that the governance be kept 'light touch', with no new bodies created. Instead, the Intersecretariat Working Group on National Accounts (ISWGNA) would have oversight of the implementation program. The Advisory Expert Group on National Accounts can play a role in advising the ISWGNA. There would be regular reporting to the UNSC on progress with implementation.

39   As the implementation of the 2025 SNA will proceed in parallel with the implementation of BPM7, mechanisms will need to be established to achieve coordination in the implementation of the two manuals.

40   Executing the implementation strategy will require resources, which will need funding. This could come from 'core' funds within international organizations to the extent that they may be available or through donor funding. The possibility of setting up a trust fund or funds, or leveraging existing funds, as a repository for donor finance

should be explored. A successful implementation program should be seen as a global investment in ensuring that macroeconomic statistics remain relevant.