

# Progress report on the SNA update

Towards the  
2025 SNA

**Pete Harper**

SNA Update Project Manager

**Peter van de Ven**

SNA Update Lead Editor

Meeting of the Advisory Expert Group (AEG) on National Accounts  
28 – 30 October 2024  
Washington DC

# Towards the 2025 SNA

## Outstanding issues: Natural capital

- An **Issues Note regarding Natural Capital** was presented to the July 2024 AEG meeting
- It was subsequently updated and circulated to the AEG for their views on the Note's recommendations
  - The outcome of the AEG consultation is as follows:

	Agree	Don't agree
Issue 1: Recording of regeneration of biological resources	8	0
Issue 2: Asset classification of non-renewable mineral and energy resources	8	0
Issue 3: Treatment of land, specifically forest land		
3a Do you agree with the recommendation to classify forest land under land resources, with forest land understood as having both a 'space' and 'provisioning' element?	7	0
3b Do you agree with the recommendation to revise the classification of biological resources, as originally recommended in Guidance Note WS.8?	8	0
Issue 4: Classification of land improvements	1	7
Issue 5: Treatment of long-term leases on land	7*	1

\* Includes one 'partly agree'

3c Alternative classification	n
Option 1	5
Option 2	1
No preference	2

# Towards the 2025 SNA

## Outstanding issues: Natural capital (continued)

- The Issues Note was also **discussed with the SEEA Central Framework Technical Committee (TC)**
  - For **the most part, the TC members had similar views to the AEG members**. However:
    - Issue 2: Two people spoke strongly against the recommendation, arguing that oil and natural gas should be kept separate
    - Issue 3(c): There was general support for option 2 (noting that only a few people commented on this)
  - For issue 3(a), while it was recognised that the recommendation would create a difference with SEEA, no one spoke out strongly against the recommendation
  - For issue 4, a few people suggested that “land improvement” be changed to something like “land preparation” to remove the impression that all changes to land were “improvements” from an environmental sense

# Towards the 2025 SNA

## Outstanding issues: Natural capital (continued)

### CONCLUSION

- As there is generally a clear majority view, **all recommendations other than the recommendation for issue 4 should be considered as endorsed.**
- On issue 2, to take account of the SEEA CF TC views, it is recommended that **where it is significant and where countries can do so, that oil and natural gas can be shown separately**, but the standard item is for them to be combined.
- On the **revised classification of biological resources, it is proposed to go with option 1.** This was the majority view of the AEG. While some in the SEEA CF TC expressed support for option 2, this is not considered sufficient to over-turn the AEG view.
- On issue 4, regarding the **suggestion to retitle “land improvements”** to “land preparation” (or something else), it is considered that there is merit in thinking about this. However, rather than looking at in isolation, **it is proposed to consider the issue as part of a wider range of issues relating to land on the Research Agenda.** This would enable it to be looked at in a broader context with proper consultation.

# Towards the 2025 SNA

## Outstanding issues: Treatment of loyalty schemes

- A paper prepared by UNSD was discussed at the July 2024 AEG meeting
- The paper was subsequently **circulated to the AEG and other key stakeholders** (IMF MFS, GFS and the ISWGP Secretariat) for consultation
- While there is **a level of support for treating these schemes as financial instruments**, this would represent **a significant change to macro-economic statistic standards**
- It is view of the SNA and BPM update project teams that it is **too late to be contemplating such a significant change** as the ramifications have not been fully worked through **and the issue has not undergone broader consultation**
- Instead, **it is proposed that it be placed on the Research Agenda** for investigation soon after the 2025 SNA is finalised

# Towards the 2025 SNA

## Outstanding issues: Treatment of crypto lending

- This issue was discussed at the July 2024 AEG meeting
- An updated paper has been prepared by the IMF in consultation with the SNA Update team for discussion during the meeting
- This paper will also be discussed at the upcoming BOPCOM meeting

# Towards the 2025 SNA

## Global consultation on the full draft 2025 SNA

- On 17 June 2024 **global consultation commenced on the complete draft of the 2025 SNA**, with the consultation concluding on 13 September 2024
- There was a **parallel global consultation process for BPM7**
- As the content of the 2025 SNA had already been subject to extensive review, **the purpose of the global consultation** on the 2025 SNA was to ensure:
  - that the **agreed recommendations for change to the 2008 SNA have been incorporated correctly**
  - that material is presented in a way that can be **clearly understood**
  - that there are **no errors or inconsistencies**
- To ensure that the global consultation runs smoothly, reviewers were asked to:
  - not **re-open debate about recommendations that have been agreed**,
  - not raise issues **regarding the 2008 SNA text that is unaffected by the agreed recommendations**
  - not put forward **minor editorial suggestions**
- The full draft 2025 SNA was out for global consultation it also being **read from 'cover to cover' by the lead editor** to check for any inconsistencies etc

# Towards the 2025 SNA

## Global consultation on the full draft 2025 SNA (continued)

- **Four questions** were asked in the global consultation:
  1. Have the agreed recommendations for the update to the 2008 SNA that are relevant to this chapter been reflected appropriately?
  2. Is the material in the chapter clear when it comes to the conceptual guidance provided?
  3. Are there any errors in this chapter, or inconsistencies either within this chapter or with other chapters?
  4. Do you have any other concerns with this chapter?
- About **1300 comments** were provided by **63 respondents**
- In contrast, the consultation on BPM7 received **200 comments** from **10 respondents**
- Several of the BPM7 comments **related to joint BPM/SNA chapters**



# Towards the 2025 SNA

## Global consultation on the full draft 2025 SNA (continued)

- Of the 63 respondents to the SNA consultation:
  - **8 were from IOs** and **31 were from NSOs** (there were multiple responses from some NSOs and IOs, and there were some responses from persons outside NSOs/IOs)
- Of the 31 respondents from NSOs
  - 13 were from Europe, 13 were from Asia, 4 were from the Americas and 1 from Africa
- For **each chapter, a report has been prepared** showing the substantive comments and the proposed response
  - These **take into account comments from the BPM7 consultation on the joint chapters**
  - We **worked closely with the IMF BPM Update Team** where relevant
  - The reports will be **discussed at this meeting**
  - The reports on the joint chapters will also be taken to the **upcoming BOPCOM meeting**
- Two **reports on cross-cutting issues** have also been prepared, which will also be discussed:
  - On **generic** cross-cutting issues
  - On cross-cutting issues **relating to natural resources**

# Towards the 2025 SNA

## Global consultation on the full draft 2025 SNA (continued)

- Most of the responses were a **simple 'YES'** (or 'NO' in the case of question 4)
- Some respondents sought **detail beyond what is appropriate for the SNA and/or compilation guidance**
- Quite a few comments related to **minor editing** which will be addressed as editing of the 2026 SNA proceeds
- Some respondents raised issues that go **beyond the mandate for the update to the 2008 SNA** and those that are relevant will be added to the **Research Agenda**
- **We did not identify any 'show stopping' issues**
- However, we did receive **many useful comments** which will make the 2025 SNA a better document
  - The changes that we are proposing to make will generally involve rather minor editing and not substantial re-writing

# Towards the 2025 SNA

## Global consultation on the full draft 2025 SNA (continued)

- Some (but generally only a few) **respondents continue to raise issues that have been agreed** to by the Commission including:
  - Treatment of real estate investment trusts
  - Inclusion of return to capital for valuing output of non-market producers
  - The treatment of crypto assets without a corresponding liability used a medium of exchange
  - Treating depletion as a transaction
- We have **reported on these for information** but do not plan to discuss them in the AEG meeting
  - It is important to note that each of **these issues has already undergone extensive discussion and global consultation** and **no new issues were raised** in this latest round of global consultation that would warrant them being revisited

# Towards the 2025 SNA

# Finalising the 2025 SNA Annexes

- **Annex 1: International standards for macro-economic statistics, and the links with the SNA**
  - Currently being drafted
  - Will be circulated to the custodians of the standards in November for their comments
  - Will then be circulated to AEG/ISWGNA for comment probably in December
- **Annex 2: The classification hierarchies of the SNA and associated accounts**
  - Currently being prepared
  - Given the nature of this Annex, no AEG consultation is proposed
- **Annex 3: The sequence of accounts**
  - This Annex is drawn from spreadsheets which are being updated
  - Given the nature of this Annex, no AEG consultation is proposed
- **Annex 4: Changes from the 2008 SNA**
  - Currently being drafted
  - Will be circulated to AEG/ISWGNA for comment in November
- **Annex 5: Research Agenda**
  - It has been decided that there will be **a joint SNA/BPM research agenda**
  - It will be discussed at this meeting (and at the upcoming BOPCOM meeting), and it takes account of feedback on the paper that was discussed at the October 2023 AEG meeting and also feedback from the IMF BPM Update Team
  - Following the AEG and BOPCOM meeting a global consultation during the second half of November is planned

# Towards the 2025 SNA

## Finalising other components of the 2025 SNA

- **Preface**
  - This will be prepared soon.
  - The contribution of AEG members will be acknowledged in this
- **Glossary**
  - The master glossary is currently being 'finalised' in consultation with IMF BPM Update Team. The glossary in the printed version of the SNA will be drawn from this.
- **Index**
  - It is considered that it is not necessary to have the index ready when the 2025 SNA goes to the UNSC for its approval, as indexes are typically prepared in the final editorial stage.
- **Tables in chapters**
  - There are two type of these tables: (1) those drawn from the sequence of economic accounts (ie those tables typically appearing at the bottom of pages in the 2008 SNA) and (2) other tables. The former will be produced as a by-product of preparing Annex 3. Regarding the latter, those that need to be produced will be identified from the draft 2025 SNA and then prepared.
- **Figures in chapters**
  - Those that need to be produced will be identified from the draft 2025 SNA and then prepared.

# Towards the 2025 SNA

## Finalising the 2025 SNA (continued)

- The draft 2025 SNA will be updated following the AEG and BOPCOM meetings and the ISWGNA will submit the 2025 SNA to the **UNSC for its approval at its 56<sup>th</sup> Session** to be held during 4 – 7 March 2025
- The 2025 SNA will be **professionally edited** during 2025 to conform with the United Nations Editing Manual
- Following this, it will be **translated into the official languages** of the United Nations
  - The UNSD will also arrange **translation of the master glossary**
- **Digital version of the 2025 SNA**
  - Work on preparing this will ramp up later in early 2025
  - It is likely to be similar to the digital version of the ESA

# Towards the 2025 SNA

## Implementation

- Progress on **issues related to implementation** will be discussed under other agenda items for this meeting:
  - Development of the **implementation strategy** for the 2025 SNA
  - Handbook on **data as an asset**
  - Guidelines for estimating the **return to capital for non-market production**
- Progress on measuring **knowledge-based capital – marketing assets** is provided as a ‘for information’ item for the meeting
- Progress on developing the **OECD Natural Capital Compilation Guide** is shown on the next slide
- The IMF is developing the **Compilers Hub**, which will be a repository for materials to assist compilers of macro-economic statistics as well provide a space to share knowledge and experiences and for collaboration. A demonstration of the prototype be presented later in the meeting.

# Towards the 2025 SNA

## OECD Natural Capital Compilation Guide

- The **full draft Guide** (around 170 pages, 4 workbooks, 10 country examples) is currently being revised to take account of comments from the Expert Group on Natural Capital Members
- In December 2024 to early January 2025 there will be **wider consultation** on the draft including OECD WPNA, ISWGNA and **AEG** and the UN Committee of Experts on Environmental-Economic Accounting
- In February 2025 an **interim version** will be available in time for the 2025 UNSC meeting
- Later in 2025 there will be:
  - **Global consultation**
  - Final **sign-off by the AEG**
  - Publication of the **final version**



# System of National Accounts 2025! ~~2008~~

- As this is likely to be the last AEG meeting prior to finalising the 2025 SNA for the approval of the UNSC, the Project Team would like to acknowledge the **commitment and effort of the AEG members**, who have significantly contributed to the update of the SNA in many ways over several years.
  - **The Project Team is extremely grateful** for the excellent work of the AEG

# THANK YOU!



Organisation for Economic  
Co-operation and Development



United Nations



World Bank



Question or Comments?