

Towards the
2025 SNA

Report on the Outcome of the Global Consultation on the Draft 2025 SNA

Generic cross-cutting issues

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Prepared the Issues Note

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

28 – 30 October 2024

Washington DC

Generic cross-cutting issues

1. Introduction of classification codes

- Some respondents to the global consultation mentioned the possibility of **adding classification codes to the institutional sectors, transactions, other flows, stocks/positions and balancing items in the 2025 SNA**, similar to what has been done in the European System of Accounts (ESA) 2010
- The **updated classification hierarchies are currently in the process of being finalized**:
 - The finalization is still pending final agreement with the BPM Editorial Team and the final endorsement of some classifications, in particular those relating to natural capital/resources
 - Once finalized, they will serve as **input to Annex 2** (The classification hierarchies of the SNA and associated codes) **of the 2025 SNA**
 - The classification codes will make a **clear distinction between**
 - 1) items which are considered as part of the integrated framework of national accounts
 - 2) items which are included as supplementary items, and
 - 3) items which go beyond the conceptual boundaries of the integrated framework

Generic cross-cutting issues

1. Introduction of classification codes

- **The 2008 SNA does not contain any codes**, apart from the listing of codes in Annex 1 and the presentation of the sequence of (economic) accounts in Annex 2
- It does **not** seem **feasible to add classification codes** each time a certain (sub)sector or category is mentioned in the main text
- Unlike ESA 2010, the guidance of the SNA is more descriptive, and does not always follow the logic and order of the classification hierarchies
- On the other hand, it is **considered feasible to add codes to the standard tables** for the sequence of economic accounts as well as to **some of the other tables and figures**
- In addition, **classification codes could be added to the definitions in the main text** (i.e., those which are highlighted in bold and Italic).
- It is also planned **to add codes to the relevant definitions in the glossary**
- In view of consistency, the proposed approach may also result in the removal of some codes from the current draft version of the 2025 SNA (e.g., the ones included in chapter 29)

Generic cross-cutting issues

2. Referencing other standards, manuals and handbooks

- The 2025 SNA will contain **numerous references to other manuals and handbooks**
- In the 2008 SNA, references typically **restricted to internationally agreed guidance**, and not to individual articles, papers, etc.
- **This approach will also be followed for the 2025 SNA**, despite requests for adding references to particular national publications
- **Three issues** which require further consideration (1):
 - How? => It is proposed to consistently **use the acronym** (if available and used), such as BPM, GFSM, MFSMCG and SEEA
 - A reference to **a specific version only included if needed**, for example in the cases where reference is made to a particular paragraph or (sub)section, or to a particular piece of guidance
 - The acronym will be explained in the **list of abbreviations and acronyms** (see pages Iv and Ivi of the 2008 SNA), while **details about the references are included in the list of references** (see pages 611 to 615 of the 2008 SNA)

Generic cross-cutting issues

2. Referencing other standards, manuals and handbooks

- **Three issues** which require further consideration (2):
 - **What to do with handbooks that are imminent**, particularly the compilation guidance that is currently being prepared?
 - **The SNA typically does not include references to prospective guidance**, but in these cases the handbooks are likely to be finalised before the SNA is formally published (i.e., after formal editing, etc.)
 - As they will be particularly useful for compilers, **it is proposed to include them as well, if needed with the preliminary title, and adding “forthcoming”**
 - **Referencing guidance that is little further off** (e.g., further guidance on Islamic finance or the informal economy) is more tricky
 - However, finding a way to give compilers some assurance that such guidance is likely forthcoming would be beneficial
 - Here, **it is proposed to only include references, if there are clear and undisputed plans to develop such guidance**

Generic cross-cutting issues

2. Referencing other standards, manuals and handbooks

- **Three issues** which require further consideration (3):
 - **What to do with detailed referencing to classification codes used in other manuals and handbooks?**
 - The **most prominent examples**:
 - **Taxes and subsidies**, which contain specific references to the classification codes of the Government Finance Statistics Manual (GFSM) and the OECD Revenue Statistics (see chapter 7)
 - **Non-financial assets**, which contain specific references to CPC-codes (see chapter 10)
 - It is **proposed to remove these and other more detailed references**
 - Instead, it is proposed to develop and maintain a number of **bridge tables** for such links with classifications from other international standards, manuals and handbooks, and **disseminate them as an addendum to the electronic publication of the 2025 SNA**

Generic cross-cutting issues

3. Referencing chapters and paragraphs in SNA and BPM

- A number of respondents noted that **not all references to paragraphs in the draft 2025 SNA or BPM7 are correct**
- In this respect, it can be noted that the **paragraph numbering in several chapters is still subject to change**
 - This most certainly holds for joint SNA/BPM chapters regarding which certain paragraphs/subsections will be excluded from either the 2025 SNA or BPM7
 - In addition, the outcome of the global consultation may lead to the addition or removal of paragraphs.
- **Once the structure of the chapters is finalized, all references will be checked**
- Regarding the referencing to chapters, **it is proposed to consistently refer not only to the number but also to the title of the chapter**, as follows: “chapter 7 on the production account”

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4. Consistency in terminology

- The summary reports of the chapters already contain some proposals for arriving at a **more consistent terminology**
 - **Issue 3.1.1** contains a proposal for the consistent use of the terms “SNA”, “integrated framework of the SNA/national accounts”, and “sequence of economic accounts”
 - **Issue 4.1.1** contains a proposal for the consistent use of the terms “exchange value”, “exchange price” and “market price”
- In addition, **the table at the end of the issues note presents, in alphabetical order, some other proposals for terms that will be applied consistently** to the extent possible
- It is also proposed to use **“introduction”** (instead of “overview”) **as the title of the first section of each chapter**, mainly because the term “overview” often does not cover the actual content of the first section
- It is proposed to **add table 21.8** (changes to the names of the accounts in the sequence of economic accounts) **and table 21.9** (changes to specific terms) **to Annex 4 (Changes from the 2008 System of National Accounts)**

Generic cross-cutting issues

5. Glossary of terms and definitions

- **The glossary of terms and definitions is still work-in-progress**
- For example, **aligning the text of the definitions in the 2025 SNA to the glossary** shows the need of occasionally (slightly) adjusting the language
- Furthermore, **some terms and definitions are still pending**, such as those relating to natural capital/resources
- In addition, the editorial team for the update of the **Benchmark Definition (BD)** provided some feedback which may lead to minor adjustments of some definitions
- **The editorial teams of the update of the 2008 SNA and BPM6 had another round of discussion on the terms and definitions in August 2024**
- This will be followed by yet **another iteration in the course of November/December**
- It is then planned to **finalize the glossary in the beginning of 2025**

Generic cross-cutting issues

Questions for AEG Discussion

The AEG is requested to express its opinion on the following issues:

- The introduction of **classification codes** in the tables, figures and definitions included in the main text
- The way of **referencing other international standards, manuals and handbooks, including the referencing of imminent guidance**
- The **removal of detailed references to classification codes in other international standards, manuals and handbooks, and the introduction of on-line bridge tables**
- **The proposed terms and definitions in the table at the end of this issues note**
- **The allocation of table 21.8** (changes to the names of the accounts in the sequence of economic accounts) **and table 21.9** (changes to specific terms) **to 2025 SNA Annex 4** (describing the changes from the 2008 System of National Accounts)
- Any other suggestions and/or remarks

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