

Towards the
2025 SNA

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

2025 SNA Chapter 1: Introduction

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28 – 30 October 2024

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Introduction

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
2. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 2 : National accounts and measures of well-being and sustainability

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Well-being and sustainability

Substantive issue 2.2.1

Description of issue

- The distinction between well-being and welfare should be better explained and reflected in different sections of the chapter as appropriate. Particularly in section B.4 but also paragraphs 2.14 and 2.17.

Proposed response

- Generally, the text through the chapter is consistent in applying the terms well-being and welfare. The intended framing is that there is a broad concept of well-being within which the focus of the SNA discussion is on material well-being which is synonymous with the concept of economic welfare. A review of the current draft to more consistently apply these terms suggests that minor alterations would be appropriate in paragraphs 2.17, 2.39, 2.40-48 and Section C generally to ensure reference to material well-being.

Well-being and sustainability

Substantive issue 2.2.2

Description of issue

- When delineating economic capital, produced assets and natural capital, in a number of places the text does not well delineate the relationships between these three asset groupings particularly in relation to biological resources consistent with the revised treatment in the 2025 SNA.

Proposed response

- This is recognised as a wider issue. The proposed response is described in a separate Issues note on natural capital related topics .

Well-being and
sustainability

Substantive
issue 2.2.3

Description of issue

- Many comments highlighted concerns and made proposals about the presentation in Figure 2.1.

Proposed response

- Figure 2.1 will be reconsidered on the basis of the feedback.

Well-being and sustainability

Substantive issue 2.2.4

Description of issue

- The SEEA is referred to in a number of places through the chapter. Comments from experts in the SEEA community highlighted five places where the description/explanation needed improvement. The places were:
 - Paragraph 2.24 concerning the general description of the SEEA;
 - Paragraph 2.71 concerning the treatment of renewable energy resources in the SEEA;
 - Paragraph 2.83 concerning the link to economic data;
 - Paragraph 2.85 concerning the asset boundary of the SEEA;
 - Paragraph 2.87 concerning the use of the term natural capital.

Proposed response

- Small refinements in text are proposed for all paragraphs to improve the explanation of the SEEA.

Well-being and sustainability

Substantive issue 2.2.5

Description of issue

- In relation to ecosystem services and the production boundary applied in the integrated framework of the SNA, accounting for ecosystem services following the treatments in the SEEA Ecosystem Accounting is referred to a number of times through the chapter and in other places in the 2025 SNA. The description of the link between ecosystem services and the production boundary applied in the integrated framework is presented in different ways and it is clear from the comments that there are different interpretations present and emerging.

Proposed response

- This is recognised as a wider issue. The proposed response is described in a separate Issues note on natural capital related topics.

Well-being and sustainability

Substantive issue 2.2.6

Description of issue

- It was noted that in paragraph 2.35, while a reference is made to thematic and extended, the discussion only covers thematic accounts.

Proposed response

- The paragraph will be redrafted to align with the discussion on these accounts in chapters 3, 21 and 38.

Well-being and sustainability

Substantive issue 2.3.1

Description of issue

- It was highlighted that the description of degradation could be interpreted in different ways in different SNA chapters. Degradation is referred to chapters 3, 7, 13, 27 and 35, in addition to chapter 2 (paragraph 2.30 in particular). In some cases, it is alongside depletion, in some it is an other volume change and in the SEEA degradation encompasses depletion.

Proposed response

- The description of degradation will be aligned with the SEEA such that it is a measure which will encompass measures of depletion to the extent that the benefits from a natural resource (e.g., timber) are also included in the scope of the services provided by an ecosystem asset. The depletion of mineral and energy resources will be outside of the measurement of degradation since mineral and energy resources are not ecosystem assets.

Well-being and sustainability

Substantive issue 2.4.1

Description of issue

- It was highlighted that early in the chapter – paragraph 2.15 – it would be appropriate to recognise the importance of non-monetary measurement in assessment of sustainability.

Proposed response

- This is a good observation and consistent with the wider intent expressed in various places through the chapter. It is proposed to amend the third sentence of paragraph 2.15 to read as follows (changes highlighted by underlining):
 - “Overall, from an accounting perspective, the link between well-being and sustainability can be reflected by recording monetary and non-monetary data about (i) a range of capitals namely economic, natural, human and social capital; and (ii) the associated changes in benefits (including losses of benefits) across the economic, environmental and social dimensions using a common set of accounting rules and assumptions about how these benefits might change in the future”.

Well-being and sustainability

Questions for AEG Discussion

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2025 SNA Chapter 3: Overview of the integrated framework

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Overview of the integrated framework

Substantive issue 3.1.1

Description of issue

- The **references to integrated framework, sequence of economic accounts and SNA** are not yet consistently applied

Proposed response

- The following distinction will be applied consistently throughout the 2025 SNA:
 - **SNA**: the whole set of standards, including extended/thematic accounts and supplementary items
 - **Integrated framework of national accounts**: institutional sector accounts, supply and use tables, labour market tables and table on capital services
 - **Sequence of economic accounts**: institutional sector accounts
- In view of this change, paragraph 3.77 and possibly other paragraphs in the draft 2025 SNA will need to be adjusted, by **deleting the references to from-whom-to-whom tables as being part of the integrated framework**

Overview of the integrated framework

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Towards the 2025 SNA

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2025 SNA Chapter 4 / BPM7 Chapter 3: Flows, stocks and accounting rules

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Flows, stocks and accounting rules

Substantive issue 4(3).1.1

Description of issue

- Consistent use of the terms “exchange value”, “exchange price” and “market price”

Proposed response

- The terminology in relation to prices used in the measurement of transactions could indeed be improved. Here, it is proposed to consistently use the following terms:
 - **Exchange price**: observed price per unit
 - **Exchange value**: observed value of a transaction, i.e., quantity * price per unit
 - **Market price**: more general reference to prices observed in the market

Flows, stocks and accounting rules

Substantive issue 4(3).3.1

Description of issue

- **Definition of an institutional unit**, whether or not to include the word “typically” when it comes to incurring liabilities (issue was raised by one respondent)

Proposed response

- **The word “typically” was introduced** when it comes to incurring liabilities, **because sometimes** one can observe **government units which are acting as autonomous institutional units** even though they **are not allowed to incur liabilities**
- Although it was noted that this may weaken the conditions for defining institutional units, it is proposed **to keep the word “typically”**
- It is proposed to **add a footnote or explanatory sentence to clarify the reason for using “typically”**
- Moreover, the incurrence of liabilities may also be quite problematic in the case of e.g., quasi-corporations.

Flows, stocks and accounting rules

Substantive issue 4(3).3.2

Description of issue

- Paragraph 4.49: "**Any amount retained by the collecting government as a collection charge should be treated as a payment for a service.** Any other amount retained by the collecting government, such as under a tax-sharing arrangement, should be treated as a current grant. If the collecting government was delegated the authority to set and vary the rate, then the amount collected should be treated as tax revenue of this government"
- In the opinion of one respondent, this should be reviewed, as **the amounts retained do not meet the definition of a sale and instead have the nature of other current transfer.** There is no "market" among tax collecting government agencies and rather an agreement that amounts will be retained. Also at odds with GN WS.14 on not treating this kind of administrative "fees" as output

Flows, stocks and accounting rules

Substantive
issue 4(3).3.2
(cont.)

Proposed response

- It is proposed to simplify the guidance by **not referring anymore to the possibility of recording the difference as a payment for a service**, thus deleting the first sentence, and start the following sentence with “Any amount ...” (instead of “Any other amount”). In addition, it is proposed to change “current grant” to “current transfer”, in view of consistency

Flows, stocks and accounting rules

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2025 SNA Chapter 5 / BPM7 Chapter 4: Institutional units and sectors, economic territory and residence

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Institutional units
and sectors,
economic
territory and
residence

Substantive
issue 5(4).3.1

Description of issue

- Figure 5.1 as well as the **definition of SPEs** in paragraph 5.86 seem to **ignore the possible existence of SPEs created by government**

Proposed response

- It is proposed to resolve the issue by making it clear in **figure 5.1 as well as in paragraphs discussing SPEs** that this does **not refer to SPEs created by government**

Institutional units
and sectors,
economic
territory and
residence

Substantive
issue 5(4).3.2

Description of issue

- It was noted that the **terminology concerning households** needs to be tightened

Proposed response

- In line with the suggestions made, it is proposed to use the following terms consistently throughout the 2025 SNA and BPM7:
 - **Households**: The whole population of households
 - **Institutional households**: Persons staying in hospitals, retirement homes, convents, prisons, etc. for long periods of time
 - **Private households**: All households other than institutional households

Institutional units
and sectors,
economic
territory and
residence

Substantive
issue 5(4).3.3

Description of issue

- It has been noted, also in the past, that the **estimation of the generation of freely available R&D** by government using the sum of costs method may lead to undesirable results, if one assumes that R&D generated in the past is used in the production of current year's R&D
- Assuming constant labour input, R&D would continue to increase as a result of the depreciation (and return to capital) of the past R&D used in production of new R&D

Proposed response

- It is proposed to **add a paragraph which states that this effect should be avoided** when applying the sum of costs method
- The most suitable allocation of such a paragraph would be the annex to chapter 4 and/or chapter 11 on the capital account.

Institutional units
and sectors,
economic
territory and
residence

Substantive
issue 5(4).4.1

Description of issue

- Questions have arisen in relation to the recording of **fishing (under quota) in EEZ by non-resident operators**

Proposed response

- Already covered by note on crosscutting issues related to natural capital

Institutional units
and sectors,
economic
territory and
residence

Questions for
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2025 SNA Chapter 6: Enterprises, establishments and industries

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Enterprises,
establishments
and industries

**No substantive issues were raised in relation to
chapter 6**

Enterprises, establishments and industries

Questions for AEG Discussion

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2025 SNA Chapter 7: Production account

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28 – 30 October 2024

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Production
account

Substantive
issue 7.1.1

Description of issue

- The treatment of **loyalty programmes** is still under investigation, and presumably it won't be possible to arrive at a solution in time for the finalization of the 2025 SNA, and that the issue is put on the 2025 SNA Research Agenda
- However, one respondent suggested to revise the current guidance, by **broadening the issue of loyalty programmes, instead of the current association which restricts these programmes to goods only**

Proposed response

- It is proposed to **add a more generic paragraph** on the current treatment of loyalty programmes in chapter 7, for example in the context of providing guidance on the measurement of market output
- This opportunity could also be used to alert readers of this issue being put on the 2025 SNA Research Agenda

Production
account

Substantive
issue 7.1.2

Description of issue

- In GNs DZ.7, DZ.8 and DZ.9, it was suggested to **add guidance on artificial intelligence** (in subsection B1 and at the end of section F), **cloud computing** (at the end of section F) **and digital intermediation platforms** (in subsection F6)
- These recommendations have been overlooked, probably assuming that this is adequately covered by chapter 22

Proposed response

- It could indeed be considered to add relevant guidance
- However, in view of time, it would be useful to have support from members of the Task Team in arriving at concrete and concise text for adding such guidance

Production
account

Substantive
issue 7.1.3

Description of issue

- The recording of **firewood** pops up regularly, not only in the context of biological resources, but also in the context of the production of heat (similar to, for example, heat pumps)
- Question is what to do at this stage of the process

Proposed response

- Already covered by note on crosscutting issues related to natural capital

Production account

Substantive issue 7.2.1

Description of issue

- In paragraph 7.27, it is stated that the own-account production of goods includes “the **production of electricity through the use of solar panels and wind power plants and the production of heat for heating water or heating a dwelling through geothermal heat or heat pumps**”
- One of the respondents noted that it may be important to **acknowledge that heat pumps are also used for cooling in summer, while solar energy is also used for heat, also adding that heat pumps use either geothermal energy or surrounding air**

Proposed response

- The important feature here is **what is being produced, not what it is being used for**
- As such, it may be useful to make **more explicit reference to the relevant products, i.e., electricity and heat**

Production
account

Substantive
issue 7.2.2

Description of issue

- Paragraphs 7.176 to 7.178 describe the **accounting of implicit (and explicit) charges in the investment fund industry**
- However, one respondent noted that the **current guidance does not explain how to account for implicit financial services on loans and deposits of the investment funds** vis-a-vis deposit-taking corporations
- In this respect, the respondent requested to take into consideration that in the case of these implicit services the **attribution of the charges directly from the banks to the shareholders may be difficult in practice**
- One may want to consider **to make an exception, by recording intermediate consumption and output of the fund for the amount of these implicit services** (resulting in zero value added for the funds)

Production account

Substantive issue 7.2.2 (cont.)

Proposed response

- This issue has been discussed quite extensively with the representative from the central bank of a European country
- After substantive discussion within the editorial teams of the 2025 SNA and BPM7, **it was agreed to stick to the conceptually preferred method**, i.e., to treat the relevant implicit financial services on loans and deposits similarly to explicit charges and other implicit charges
- However, it is **proposed to add a sentence**, along the following lines: “Implicit financial services on loans and deposits charged to investment funds should also be recorded as being paid by the shareholders of the funds to the deposit-taking corporations, similar to the treatment of explicit services charges paid to them”

Production account

Substantive issue 7.2.3

Description of issue

- Paragraphs 7.227 to 7.230 discuss the **production of validation services in the case of crypto assets without a corresponding liability** designed to act as a medium of exchange (CAWLM), with the output measured as the sum of both the validation fees and implicit fees in the form of new crypto assets coins
- There seems to be **some confusion in the sense that this would be different from the creation of crypto assets with a corresponding liability**, while another respondent also noted that it would be **useful to generalize the section to crypto assets with a corresponding liability**

Production account

Substantive issue 7.2.3 (cont.)

Proposed response

- It is proposed to slightly **generalize the section, by also including, at the start of the section, a paragraph on the recording of the creation of fiat money, including crypto currency issued by governments and central banks**, by explaining that output and value added are also affected, in this case by the costs of producing these (financial) assets
- **At the end of the section, it could be usefully added that more generally validation services may be relevant for crypto assets with a corresponding liability** (and essentially for all transactions that take place on the Blockchain)

Production account

Substantive issue 7.2.4

Description of issue

- It was noted that in relation to depletion, **nothing is said about the recording of the decrease in value of non-produced non-financial assets other than non-produced natural resources**, similarly to having explanations on the exclusion of valuables in the case of depreciation

Production account

Substantive issue 7.2.4 (cont.)

Proposed response

- It is proposed to **add a concise paragraph on the exclusion of depletion of non-produced non-financial assets other than non-produced natural resources**
- Proposals for the main rationale for this exclusion are welcomed
- **This leaves open the question on how to account for the run-down of these non-produced non-financial assets**, with the current guidance being in line with the 2008 SNA (treating the run-down as other changes in the volume of assets)
- However, it is also clear that **this run-down has close parallels to the depletion of natural resources, and could thus be looked upon as costs of production**
- Having said that, there is no category for this run-down, unless one considers it as either depreciation or depletion. Given time constraints, **it is proposed to put this issue on the 2025 SNA Research Agenda**

Production account

Substantive issue 7.3.1

Description of issue

- It is proposed to delete paragraph 7.286 and 7.287, with the exception of the first sentence in paragraph 7.286, as the **relevant text suggests that the way to measure depletion is through biophysical models, but this is generally not how countries measure this in practice**
- For example, **in the case of timber, the net annual increment (i.e., the natural growth) based on forest inventories is measured**, the use of biophysical models is rather seen as an advanced method

Production account

Substantive issue 7.3.1 (cont.)

Proposed response

- The current text is copied, almost one-to-one, from **paragraphs 5.81 to 5.83 of SEEA Central Framework**
- **Two possible options:** (i) leave the text as is, but provide further qualifications on the use of these advanced methods; or (ii) simply remove text in line with the proposal
- As this text is derived from SEEA, and not something completely new or “invented”, **it is proposed to apply the first option**

Production account

Substantive issue 7.4.1

Description of issue

- One respondent noted that the **description of goods**, in paragraph 7.15, is relatively short, certainly when compared to the discussion of services in paragraphs 7.16 to 7.21
- The respondent proposes to **add another paragraph on certain borderline cases of goods, such as electricity and heat**

Proposed response

- In view of the new guidance on the own-account production of electricity through, for example, solar panels, **it is proposed to add a paragraph**

Production account

Questions for AEG Discussion

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2025 SNA Chapter 8: Earned income accounts

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Earned income
accounts

Substantive
issue 8.1.1

Description of issue

- The current text contains quite **detailed referencing to GFSM and Revenue Statistics for the various types of taxes and subsidies**, in chapter 8 as well as chapter 9, in line with the 2008 SNA
- However, one may wonder about the usefulness of these references in the 2025 SNA

Proposed response

- Already covered by note on generic crosscutting issues

Earned income accounts

Substantive issue 8.3.1

Description of issue

- Paragraph 8.171 states the following: “**Any payments made by the user/extractor of a non-produced natural resource to the owner of the natural resource, which are linked to the use/extraction of that resource, in particular to the quantity and/or value of that resource, should be recorded as rent.** These would include, for example, royalties, sur-taxes, and permits. However, payments that are paid by the user/extractor on the same basis as other corporations who are not users/extractors of natural resources (e.g., standard rate corporation taxes, dividends, payments for services) should not be recorded as rent”
- One respondent noted that the first part of the paragraph seems to be **at odds with the recommendations in the SEEA CF**, which states that any taxes linked to the use/extraction of a resource should be treated as “specific taxes on products and/or production (and/or income)”

Proposed response

- In line with GN WS.14, **it is proposed to retain the current guidance, also because of its consistency with the guidance in Government Finance Statistics; see paragraph 32 of the relevant GN**

Earned income accounts

Substantive issue 8.4.1

Description of issue

- Questions were raised regarding the **allocation of the text on defining rent in paragraphs 8.115 and 8.116**, and it is proposed to **move this text to section 5**, where rent is being discussed
- In addition, it is proposed **to introduce and define “resource rent” in section 5**, thereby referring to the annex of chapter 4 (paragraph 4.316) and/or chapter 11)

Proposed response

- It is proposed to **add a paragraph on “resource rent”**, to make clear that this term differs from “rent”
- It is proposed **not to change the ordering of the current text**, as it would be a change to the 2008 SNA which cannot be motivated by any of the recommendations; moreover, rearranging the relevant text would require additional redrafting of section 5

Earned income accounts

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2025 SNA Chapter 9: Transfer income accounts

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Transfer income accounts

No substantive issues were raised in relation to chapter 9

However, some more detailed editorial suggestions were made, and also included in the proposals

Transfer income accounts

Questions for AEG Discussion

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2025 SNA Chapter 10: Use of income accounts

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Use of income accounts

Substantive issue 10.4.1

Description of issue

- In the chapter, it is argued that **social transfers in kind to non-residents are relatively small, and therefore can be ignored**, similar to what has been stated in the 2008 SNA
- However, one of the comments states that **in Europe these transfers are not necessarily small, due to cross-border workers, possibilities to seek health treatment in other countries, tourism, refugees when not treated as resident, etc.**

Use of income accounts

Substantive issue 10.4.1 (cont.)

Proposed response

- This issue was already raised in recent discussions of the AEG, and the conclusion was that there is **no appetite to change the guidance**
- One does not want to engage in new research at this stage in the process; furthermore, although from a conceptual point of view, it is a relatively simple issue for the domestic sectors, it has a **quite significant impact on the rest of the world, and therefore BPM, by introducing two concepts of exports and imports**
- It is therefore recommended to stay away from changing the current guidance at this stage of the process, and **to put it on the 2025 SNA Research Agenda**

Use of income accounts

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2025 SNA Chapter 11: Capital account

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Capital account

Substantive issue 11.1.1

Description of issue

- In the current guidance, **reference is often made to “natural capital”, consisting of both natural resources and ecosystem assets**
- Some respondents argued that **it is preferable to refer to “natural resources” or to “natural capital (excluding ecosystem assets)”**

Proposed response

- Already covered by note on crosscutting issues related to natural capital

Capital account

Substantive issue 11.1.2

Description of issue

- It has been suggested to **add guidance to the effect that “valuables” which are primarily used in production**, for example by renting them out, **should be classified as fixed assets**
- In this respect, it should be noted that **the current guidance clearly states that, for example, museum exhibits should be classified as valuables**

Proposed response

- It is not clear whether, in addition to museum exhibits, many “valuables” are indeed primarily used in production
- **It is proposed to refrain from adding new guidance**
 - for reasons of immateriality
 - the issue was not considered in the update process, and there is thus no mandate for changing the guidance
- Instead, it is proposed **to add this issue to the 2025 SNA Research Agenda**

Capital account

Substantive issue 11.2.1

Description of issue

- The question was raised **where to classify costs of ownership transfer on non-produced assets**
- **Currently, they are classified as part of produced non-financial assets (excluding natural capital)**
- Instead of applying the current guidance, one could reallocate this category to “natural capital”. An alternative is **to split the category into the costs related to natural resources, and the costs related to other non-produced assets**

Proposed response

- Already covered by note on crosscutting issues related to natural capital

Capital account

Substantive issue 11.2.2

Description of issue

- The current guidance in paragraphs 10.140 to 10.145, which concerns produced non-financial assets (excluding natural capital), still refers to **work-in-progress in, for example, agricultural crops**
- Similarly, other categories of inventories, such as materials and supplies, finished goods and goods for resale, will include agricultural products (and, for example, timber as well)
- **It is not clear how these types of inventories should be classified, either or not as part of natural capital/resources**

Proposed response

- Already covered by note on crosscutting issues related to natural capital

Capital account

Substantive issue 11.3.1

Description of issue

- In defining **natural capital** (see, for example, paragraph 11.11), some have argued that not all natural capital “**occur naturally**”, and that the latter term should be avoided

Proposed response

- Already covered by note on crosscutting issues related to natural capital

Capital account

Questions for AEG Discussion

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2025 SNA Chapter 12: Financial account

Peter van de Ven

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28 – 30 October 2024

Washington DC

Financial
account

Substantive
issue 12.1.1

Description of issue

- Questions were raised about the recording of crypto lending

Proposed response

- See separate note with proposal for recording crypto lending

Financial
account

Substantive
issue 12.3.1

Description of issue

- In paragraph 12.65, it is stated **that unallocated gold accounts should be classified as deposits on the liability side**, while paragraph 12.45 says that they should be classified as **monetary gold if held by the central bank (and also classified as reserve assets)**
- **According to one of the respondents, this is an obvious inconsistency**; moreover, the respondent states that, also as a result of this, the **instrument classification of unallocated gold accounts as an asset depends on its functional classification**, which should never be the case; the instrument and functional classification should be totally orthogonal
- **It is suggested to classify unallocated gold accounts always as deposits**
- **They should also be classified as reserve assets if held by the central bank**, but without affecting their instrument classification as deposits

Financial account

Substantive issue 12.3.1 (cont.)

Proposed response (in cooperation with the BPM ET)

- An argument for treating unallocated gold accounts held by central banks as monetary gold is that they give title to claim **delivery of gold** and therefore would be similar to gold bullion in practice
- Conversely, as mentioned in para 6.79 of BPM7, **accounts held by the central bank that are only linked to the price of gold are classified as deposits**
- While the point about linking instrument and functional classification is noted, it is **also worth mentioning that gold bullion is only treated as a financial asset when held by central banks**; as such, there is also a **link between a valuable and the functional classification**, and it is not clear why it would be worse to link the instrument and the functional classification when it comes to unallocated gold accounts held by central banks
- Concerns about changing the guidance without a deeper discussion
- It is preferred not to change anything at this stage, but instead consider **putting the topic on the 2025 SNA Research Agenda**, if AEG and BOPCOM feel strongly about this

Financial account

Substantive issue 12.4.1

Description of issue

- The current **breakdown of debt securities** contains a distinction between short-term debt securities, long-term debt securities, and crypto assets that qualify as debt securities
- However, the **latter category may contain both short-term and long-term instruments**

Proposed response

- **It is proposed to include a breakdown into four categories, by adding a distinction between short-term and long-term instruments for the crypto assets** that qualify as debt securities

Financial account

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 13: Other changes in assets and liabilities accounts

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28 – 30 October 2024

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Other changes in assets and liabilities accounts

Substantive issue 13.1.1

Description of issue

- In paragraph 13.20 and other relevant paragraphs, the **criterion of control, responsibility and management has been reintroduced for the treatment of biological resources, rather than the distinction between migrating versus non-migrating biological resources yielding once-only products**, based on the feedback received during various consultation rounds
- **One respondent argued that this is inconsistent with the consolidated list of recommendations**

Proposed response

- When presenting the draft 2025 SNA to the UN Statistical Commission, **one could add this issue to the accompanying cover-note**
- It is not clear, however, whether this is necessary; in view of being fully transparent, **one could also mention this explicitly, together with the decisions on other issues related to the treatment of natural capital**

Other changes in assets and liabilities accounts

Substantive issue 13.3.1

Description of issue

- Paragraphs 13.26, 13.27 and 13.63 seem to be inconsistent with each other, when it comes to the **recording of stranded assets**
- **Paragraph 13.27 (on stranded assets):** “**Such downward appraisals** of the value of energy resources should be recorded as **revaluations**, not as other changes in the volume of assets. This also holds for related downward changes in the future extraction path”
- **Paragraph 13.26** states that **downward appraisals** should generally be recorded as **other changes in the volume of assets**
- Therefore, the paragraphs seem to draw inconsistent conclusions, as stranded assets also refer to the exploitability of resources being reassessed and leading to a downward reappraisals

Other changes in assets and liabilities accounts

Substantive
issue 13.3.1
(cont.)

Proposed response

- It is proposed to **align the treatment of stranded assets to the more general guidance on the recording of reappraisals**
- This would imply a deviation of the guidance provided in paragraph 74 of GN WS.9

Other changes in assets and liabilities accounts

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 14: Balance sheet

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28 – 30 October 2024

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Balance sheet

Substantive issue 14.3.1

Description of issue

- The **recording of repayable margins in cash related to financial derivatives** keeps raising questions, partly related to some divergences in the guidance provided in the 2008 SNA and the guidance provided in ESA 2010 (the latter also providing the possibility of a recording as loans)

Balance sheet

Substantive issue 14.3.1 (cont.)

Proposed response

- After discussion in the BPM and SNA editorial teams, it was agreed (i) to **focus on the current treatments in the 2008 SNA and BPM6** rather than the ESA 2010; and (ii) **to use objective criteria for the classification**, instead of leaving it to the discretion of compilers
- Considering these factors, it is proposed **to include the following guidance in both the 2025 SNA and BPM7**:
“Repayable margin payments in cash related to financial derivatives contracts are included in other deposits, if the debtor’s liabilities are included in broad money. Otherwise, they are included in other accounts receivable/payable”
- In addition to paragraph 14.67, this guidance will also affect several other paragraphs

Balance sheet

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 15 : Supply and use tables

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28 – 30 October 2024

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Supply and use tables

Substantive issue 15.4.1

Description of issue

- It was noted that the formula in para 15.140 uses the gross trading profits of corporations but since this includes depreciation (as recorded by the corporations) then the later step of adding depreciation appears to lead to a double counting. It was proposed that net trading profits should be used.

Proposed response

- It is agreed that net trading profits should be used in the formula but also with additional clarification on the need for depreciation to be deducted. Thus, the revised sentence is proposed to read as follows (changes highlighted by underlining): “net ~~gross~~ trading profits of corporations (including quasi-corporations) before deductions for tax and extraordinary items but after deduction for depreciation”.

Supply and use tables

Substantive issue 15.4.2

Description of issue

- It was suggested that in para 15.109 and associated tables (Table 15.7 and 15.12) more specificity should be applied in describing the treatment of final consumption in the context of the updated treatment of the output of the Central Bank.

Proposed response

- It is proposed to include an additional column for the central bank in Tables 15.7 and 15.12 but no additional text will be included since paragraph 15.109 already provides a reference to the relevant guidance in Chapter 10.

Supply and use tables

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 16: Labour

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28 – 30 October 2024

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Labour

**No substantive issues were raised in relation to
chapter 16**

Labour

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 17: Capital services

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28 – 30 October 2024
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Capital services

Substantive issue 17.2.1

Description of issue

- Paragraph 17.1 does not mention that the table on capital services is a component of the integrated system of national accounts.

Proposed response

- This paragraph (which was lifted from the 2008 SNA) will be re-written to ensure that this is clear.

Capital services

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed response to the substantive issue?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 18: Measuring prices, volumes and productivity

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28 – 30 October 2024
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Measuring
prices,
volumes and
productivity

Substantive
issue 18.1.1

Description of issue

- It was noted that GN DZ 1 recommended that SNA 2008 para 15.123 (para 18.131 in the draft 2025 SNA) be rewritten as follows (but the change was not made):
 - *It is recommended these volume indicators are tested with the aid of experts in the domain prior to their incorporation into the national accounts, and the impacts fully assessed, in line with other revisions.*

Proposed response

- Paragraph 18.131 will be amended accordingly

Measuring prices, volumes and productivity

Substantive issue 18.2.1

Description of issue

- One respondent suggested some significant additional text for the section on real income in Section D.

Proposed response

- The suggested changes have not been discussed in the update process and would therefore represent change that has not been agreed on. At this stage of the process it is not appropriate to raise new issues. More generally, the issue of calculating real incomes has in the past proven to be contentious, hence the fact that the SNA provides no recommendations in this regard. However, recognizing the interest in this issue it could be added to the research agenda.

Measuring
prices,
volumes and
productivity

Substantive
issue 18.2.2

Description of issue

- Why is there no reference to monthly estimates in Section C.10 (paragraph 18.190)?

Proposed response

- It is proposed to add “(and other sub-annual)” after “quarterly” in the first sentence of paragraph 18.190. It is felt that it is not needed to specifically discuss monthly estimates. The resource guidance mentioned specifically relates to the compilation of quarterly estimates, and that the compilation of monthly GDP estimates is novel and currently restricted to very few countries.

Measuring
prices,
volumes and
productivity

Substantive
issue 18.3.1

Description of issue

- Paragraph 1.183 needs to be revised to take account of the outcomes of the AEG consultation on Natural Capital Issues

Proposed response

- This paragraph will be re-written as follows (changes highlighted by underlining):
 - For non-cultivated biological resources yielding once-only products, similar methodologies can be applied, albeit that the resource can also regenerate, thus giving rise to negative depletion. In the case of cultivated ~~natural~~ biological resources yielding once-only products, the decrease in regenerative potential is recorded as ~~depreciation~~ depletion, while an increase is recorded as negative depletion ~~fixed-capital formation~~. For cultivated biological resources yielding repeat products, monetary values and volume estimates are typically compiled using the PIM methods as explained in the previous subsection, where the aggregation of volume estimates for individual asset types uses chain indices. Note: this and other paragraphs will be reviewed in view of the outcome of the consultation on the Issue Note on Natural Capital.

Measuring
prices,
volumes and
productivity

Questions for
AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 19: Summarizing, integrating and balancing the accounts

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28 – 30 October 2024

Washington DC

Summarizing,
integrating and
balancing the
accounts

No substantive issues were raised in relation to chapter 19 (also no minor issues were raised, which would require a change of the current guidance)

Summarizing,
integrating and
balancing the
accounts

Questions for
AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 20: Elaborating the accounts

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28 – 30 October 2024
Washington DC

Elaborating the accounts

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
2. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the 2025 SNA

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

2025 SNA Chapter 21 / BPM7 Chapter 20: Communicating and disseminating macroeconomic statistics

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28 – 30 October 2024

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Communicating
and
disseminating
macroeconomic
statistics

**No substantive issues were raised in relation to
chapter 21 (20)**

**Note: Issue regarding the allocation of the
tables with changes in terminology covered in
the issues note on generic crosscutting issues**

Communicating
and
disseminating
macroeconomic
statistics

Questions for
AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 22 / BPM7 Chapter 16: Digitalization

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Digitalization

Substantive issue 22(16).2.1

Description of issue

- The section on AI does not mention or explain AI services.

Proposed response

- The words “including artificial intelligence computing services” will be added to the end of the next-to-last sentence of the first paragraph of the cloud computing section (paragraph 22.12). (AI is an intensive user of cloud computing resources.) The sentence would then say: “Cloud computing services are used in the production or delivery of many of the digital services delivered over the internet, including artificial intelligence computing services.”
- A few words on generative AI will be added to the next-to-last sentence of paragraph 22.33. It would then say (changes highlighted by underlining): “Furthermore, deep learning (a type of machine learning) enables some AI programs to improve from experience while being used in production, whereas generative AI creates new content.”
- Paragraph 22.34 will be expanded, so that the second sentence would say (changes highlighted by underlining): “Among these are text mining, computer vision/image recognition, speech recognition, natural language processing, personalized recommendations, and generating content generation such as summaries of documents, images and software codes using with the help of generative AI.”

Digitalization

Substantive issue 22(16).2.2

Description of issue

- In paragraph 22.44, reference is made to the fact that platforms differ from other producers operating digitally. However, the latter are not defined anywhere in the text, so this may lead to some confusion. A solution could be to add a definition or to refer to the Handbook on Digital SUTs where people can find more information.

Proposed response

- The last sentence of paragraph 22.7 already discusses "other producers operating only digitally" as part of the digital SUTs, and paragraph 22.3 mentions the Handbook on Digital SUTs. Some clarifying words in parentheses will be inserted in that sentence of paragraph 22.7, so that it says: "In addition, the analysis of digital industries discussed as part of the digital SUTs includes a row for producers dependent on DIPs and a row for other producers operating only digitally (i.e., whose products are all digitally ordered and digitally delivered)."
- As for paragraph 22.44, the word "other" will be avoided by changing the sentence that mentions other producers operating digitally to say (changes highlighted by underlining): "They also differ from ~~other producers operating digitally~~ that sell their own products directly to the ultimate customer via digital ordering and/or digital delivery, because they intermediate, rather than produce, the goods and services sold on the platform."

Digitalization

Substantive issue 22(16).2.3

Description of issue

- Paragraph 22.81 notes that, while funds advanced to project owners on reward-based platforms do not qualify as loans, as the project owner's obligation to supply the reward is contingent on the successful completion of the project, one wonders whether it should be recorded as a different type of asset (e.g., option or a form of equity)? Or is it fully a contingent liability? And what happens if the project is successful? Does this lead to the creation of an other accounts payable/receivable? Some more text may be useful here.

Proposed response

- In the BPM and SNA, trade credits and advances – a component of other accounts receivable/payable – refer to prepayments by customers for goods and services not yet provided. It is considered therefore that funds advanced to project owners on reward-based platforms should be treated as other accounts receivable/payable. If the project fails, the payable/receivable is written off as an OCV rather than consumed by the funder. Paragraph 22.81 will be clarified along these lines.

Digitalization

Substantive issue 22(16).2.4

Description of issue

- Paragraph 22.85 discusses “security crypto assets” that are described as “tokens certifying ownership of a financial instrument”. They always have a corresponding liability and should be recorded as debt securities, equity securities, or financial derivatives depending on the nature of the claim on the issuer”. Clarity is sought on the recording of tokens.

Proposed response

- The last two sentences of paragraph 22.85 will be amended as follows (changes highlighted by underlining): “Security crypto assets represent a debt or equity claim on the issuer ~~are tokens certifying ownership of a financial instrument~~. They are similar to traditional securities but exchanged peer-to-peer using cryptography. They are also referred to as security, asset or investment tokens. They always have a corresponding liability and should be recorded as debt securities, equity securities, or financial derivatives depending on the nature of the claim on the issuer. New security tokens issued for raising additional capital using blockchain technology that represent ownership in the company are also included under security crypto assets and should be recorded as equity securities.”

Digitalization

Substantive issue 22(16).2.5

Description of issue

- For section “Measuring quality change in ICT goods and goods with ICT components”, there seems to be a lot of overlap with the previous section’s paragraphs 22.91, 22.92 and 22.93. Perhaps these paragraphs could be merged by incorporating the key points of 22.95 and 22.96 into 22.91-22.93.

Proposed response

- This suggestion is accepted and appropriate changes will be made.

Digitalization

Substantive issue 22(16).3.1

Description of issue

- Paragraphs 22.23 – 22.25 seems to include an inconsistency. Paragraph 22.23 mentions that the DBMS is not included in databases (under software) and that databases do not include the underlying data. In paragraph 22.24, however, mentions examples of the valuation of data being embedded in other fixed asset (IPPs) which would suggest that that should be treatment for database assets. Paragraph 22.25 somewhat bridges the two and tries to clarify the treatment but it seems that rewording the text would make it clearer from the start.

Proposed response

- It is not considered that there is an inconsistency. However, the text will be reviewed to ensure clarity.

Digitalization

Substantive issue 22(16).3.2

Description of issue

- Paragraph 22.87 states the following: “All types of crypto assets are within the SNA asset boundary.” One respondent wonders whether this is true, as some types of NFTs are not regarded as an asset. Maybe reference should be made to all fungible crypto assets that are within the asset boundary?

Proposed response

- This will be clarified as suggested.

Digitalization

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 23 / BPM7 Chapter 15: Globalization

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28 – 30 October 2024
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Globalization

Substantive issue 23(15).2.1

Description of issue

- In paragraph 23.66, replace “exchange values” by “actual market prices”, similar to what was done in 23.58.

Proposed response

- The terminology in relation to prices used in the measurement of transactions will be reviewed throughout the 2025 SNA and BPM7 to ensure consistency in the use of terms.

Globalization

Substantive issue 23(15).2.2

Description of issue

- Box 23.1 -- The examples of Global Manufacturing and Distribution Arrangements seems to be inconsistent: This is because, at the bottom of the Box we are informed that: "* Items marked with an asterisk are recommended to be shown separately as supplementary items for recording global production arrangements of Economy A. (see paragraphs [23.14, 23.22, and 23.29])." Asterisks are included in example 3, 4 and 5 relating to processing and factoryless goods production. However, they are missing in Example 1 dealing with re-exports. According to 23.10 and 23.11 re-exports and re-imports are also recommended to be shown separately as supplementary item. The reference to 23.14 is misleading because the 23.14 does not say anything about supplementary items.

Proposed response

- The box will be checked thoroughly and inconsistencies will be corrected.

Globalization

Substantive issue 23(15).3.1

Description of issue

- For a factoryless goods production (FGP) arrangement, do the input materials have to be fully owned by the contractor, or is sufficient for most of the material inputs to be owned by the contractor. The advice in figure 23.1 seems to be contrary to that in figure 23.3 and paragraph 23.28.

Proposed response

- It will be clarified that in FGP arrangements, all or most of the material inputs must be owned by the contractor.

Globalization

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 24: Insurance and pensions

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28 – 30 October 2024

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Insurance and pensions

Substantive issue 24.3.1

Description of issue

- In the 2025 SNA, as in the 2008 SNA, the term "**pension manager**" is used to refer to the pension sponsor
- This is rather confusing, because the unit taking responsibility for the day-to-day business of, for example, an investment fund or a similar fund is typically also referred to as "manager" or "management"

Proposed response

- It is proposed to **consistently use the term "pension sponsor"** (or as a possible alternative "pension guarantor") **for the sponsoring role, and the term "pension administrator" for the administrative role**, thus arriving at a use of terms which is more aligned to the day-to-day use of these terms and also more aligned with the use of terms in other parts of the SNA

Insurance and pensions

Substantive issue 24.4.1

Description of issue

- Current guidance says that **the policyholder of a life insurance policy is always an individual**
- This is **questioned, arguing that pension funds can also buy life policies (other than group life schemes) for its members;** they buy annuities from life insurance companies on behalf of the fund
- As such, they can also have claims on the technical reserves of life insurers, including related investment income

Insurance and pensions

Substantive issue 24.4.1 (cont.)

Proposed response

- It is not clear whether the pension fund is simply behaving on behalf of its policyholders, or the pension fund's role is more than intermediation
- The investigation and resolution of this issue may require **some time**; it may also have a considerable impact on the current guidance
- Therefore, it is proposed **to put this issue on the 2025 SNA Research Agenda**, subject to getting more clarity about the exact problems

Insurance and pensions

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 25: Selected issues in financial instruments

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28 – 30 October 2024
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Selected issues in financial instruments

Substantive issue 25.1.1

Description of issue

- There appears to be no discussion of climate offset permits, despite significant use and issuance by government and private sectors in SNA Chapter 25 (or chapters 11 or 12). Even if issued by governments, recording these instruments as non-produced non-financial assets seems most appropriate.

Proposed response

- This chapter discusses selected issues, not all issues. That said, the issue of climate offset permits has not arisen in the update process to date. It would require further investigation and will be added to the 2025 SNA Research Agenda. Chapter 27 provides general guidance on the treatment of permits.

Selected issues in financial instruments

Substantive issue 25.3.1

Description of issue

- Slightly different definitions of currency are provided: SNA paragraph 25.142 (this paragraph added “normally”) from SNA paragraph 12.54 and BPM paragraph 5.36.

Proposed response

- The definitions will be harmonized. More generally, chapter 25 will be reviewed to ensure that it is consistent with chapter 12.

Selected issues in financial instruments

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 26 / BPM7 Chapter 17: Islamic finance

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28 – 30 October 2024
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Islamic finance

Substantive issue 26(17).2.1

Description of issue

- Paragraph 26.10: One commentator suggested that Shari'ah-compliant pension funds exist and the text does not delve into such funds.

Proposed response

- A pension fund is Shariah-compliant if it only invests in instruments that comply with Islamic finance principles. While this would appear to be covered by the sentence “The central bank (S121) and pension funds (S129) are not explicitly discussed below, as these are not specific to Islamic finance except perhaps for some of their investments.”, it is proposed to add, in paragraph 26.10, the following: “If a pension fund only invests in financial instruments that comply with Islamic finance principles, it could be considered Shariah compliant”.

Islamic finance

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 27 : Contracts, leases, licenses and permits

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28 – 30 October 2024

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Contracts, leases, licenses and permits

Substantive issue 27.2.1

Description of issue

- Paragraphs 27.29 and 27.31 include text on the treatment of renewable energy resources. Further refinement of the text is requested to clarify the expected treatments of these new assets especially concerning the application of the split asset approach and the link to the value of land. Issues were raised by 5 respondents.

Proposed response

- No changes are proposed in paragraph 27.29 since the reference to renewable energy resources concerns a presentational issue rather than an issue of accounting treatment. In paragraph 27.31, it is proposed that the text is amended and extended (as shown below) to clarify the distinction between payments to land holders and governments and the potential for a split asset approach to apply for renewable energy resources.

Contracts, leases, licenses and permits

Substantive issue 27.2.1 (cont)

Proposed response (cont.)

27.31 The generation of income from renewable energy resources does not require the extraction of minerals or energy resource but rather the construction and operation of produced assets which capture the energy from the renewable source. In this context, the relevant rights and permissions to construct and operate the produced assets are directly associated with the location of the produced assets and the economic owner of the renewable energy resources must secure the permissions before construction and operation. ~~The treatment of any payments associated with the permissions will be the same as for payments for the use of land.~~ Payments for permission may be made in relation to (i) access to land from land holders or (ii) government permissions. In the first case, the treatments for payments related to land (see paragraphs 27.25 to 27.27) apply, most commonly as payments of rent. In the second case, the permissions will be treated as either payments of rent or involve the application of the split-asset approach depending on the nature of the arrangements.

Contracts, leases, licenses and permits

Substantive issue 27.2.2

Description of issue

- Paragraphs 27.16 to 27.19 describe three options for the treatment of transactions related to natural resources. There is a lack of clarity on the connection between the three options described in 27.16, the related treatments in 27.17 to 27.19 and the text describing the treatments in the following sections. Issue was raised by 2 respondents.

Proposed response

- It is the case that the connection among the paragraphs, especially to later sections is not as clear as it might be in part given the need to retain as much text as possible from the 2008 SNA. To support understanding it is proposed to more explicitly note in paragraphs 27.16 to 27.19 that the first option concerns a change of economic ownership, that the second option involves no change in economic ownership and the third option involves splitting the economic ownership. Thus, the three options are exhaustive.

Contracts, leases, licenses and permits

Substantive issue 27.3.1

Description of issue

- Paragraph 27.27 suggests that in certain circumstances the leasing of land may lead to entries of gross fixed capital formation but this is not considered appropriate.

Proposed response

- This possible treatment of land as GFCF was present in the 2008 SNA and has been raised as an issue earlier in the revision process during the drafting of Chapter 27. In line with responses from AEG members, it is proposed to treat payments for the extension of long-term leases of land as transactions in land. To give effect to this treatment, it is proposed to amend the final sentence of paragraph 27.27 to “If, at the end of the land lease, a further payment is liable for extension of the lease for another long-term period, this should be recorded as acquisitions of land. In the accounts of the unit receiving the payment, the disposals of land are recorded with concomitant other changes in the volume for the land coming into existence.” ~~capital formation and an acquisition of an asset in a manner similar to costs of ownership transfer on purchase and sale of an asset.~~

Contracts,
leases, licenses
and permits

Substantive
issue 27.3.2

Description of issue

- Concerning the treatment of timber resources and fish resources, the current text is not well aligned with the treatments described in Chapter 13 where there is a clear distinction between the value of the resources themselves and the value of the underlying asset (e.g. forest land). Issue was raised by 3 respondents.

Proposed response

- The text in paragraphs 27.32 to 27.35 (timber resources) and 27.36 to 27.45 (fish) will be updated to align with the treatment described in Chapter 13.

Contracts, leases, licenses and permits

Substantive issue 27.3.3

Description of issue

- The text through the chapter is mixed in its application of the terms natural resource rent, resource rent and rent. Alignment is needed with the definitions and application of terms in the rest of the SNA and the Glossary. Issue was raised by 3 respondents.

Proposed response

- It is agreed that consistency in the application of the terms is required. It is proposed that the text will be aligned such that the term “resource rent” (rather than “natural resource rent”) is used to refer to the total surplus value obtained by the economic owners after deducting all costs of extraction from sales of harvested resources, and the term “rent” is used to refer to payments made to legal owners of the underlying asset. This will affect text in paragraphs 27.29, 27.30, 27.37, 27.59, 27.60 and the example in Table 27.1. As well, text in paragraph 27.19 will be updated to differentiate clearly between resource rent and payments of rent to the legal owner.

Contracts,
leases, licenses
and permits

Substantive
issue 27.4.1

Description of issue

- In paragraphs 27.35 and 27.44, illegal harvesting (of timber and fish) is treated as part of uncompensated seizure (and hence as part of other changes in volume of assets) whereas a treatment as depletion would be more appropriate.

Proposed response

- The concept of depletion relates to the cost of using up natural resources (economic assets) that are being used in production by their economic owner. While illegal harvesting of timber and fish reduces the stock of the natural resource, and reduces the value of the economic asset held by the economic owner, since the reduction is not due to the activities of the economic owner it is not appropriate to treat this as a cost against their production. It is therefore proposed to retain the current treatment of these changes as being uncompensated seizures.

Contracts, leases, licenses and permits

Substantive issue 27.4.2

Description of issue

- In paragraph 27.50 to 27.52 on the treatment of radio spectra the text appears to contradict the revised framing presented earlier in the chapter where no separate assets for the rights for use of natural resources are recognised. This same issue arises also in para 27.55. Issue raised by 2 respondents.

Proposed response

- We agree that there is an apparent inconsistency between the treatment of the radio spectrum as outlined in paragraphs 27.49 to 27.52 and the general principles for rights to use a natural resource outlined in paragraphs 27.16 to 27.19, noting that the treatment of the radio spectrum was not an issue for consideration in the update of the 2008 SNA and accordingly remains unchanged from the 2008 SNA. It is not possible to fully address this issue in the remaining time for the finalization of the SNA. Options would need to be properly considered. These may require to changes to either the general principles, the treatment of the spectrum or both, and clearly any such changes would require extensive consultation. It is proposed that this issue be added to the Research Agenda. In the meantime, paragraphs 27.16 to 27.19 provide general guidance, but the subsequent discussion in Section C provides specific guidance for particular cases, which should be followed in these cases.

Contracts, leases, licenses and permits

Substantive issue 27.4.3

Description of issue

- A question was raised as to whether a split-asset approach can apply in the context of land, i.e. is it appropriate to calculate the resource rent for land and then compare it with rent payments.

Proposed response

- The split-asset approach has been incorporated in the 2025 SNA in the context of sharing the resource rent derived from a natural resource. For land it is envisaged that all resource rent will accrue to the legal owner and hence the split asset approach does not apply, also noting in particular that there will be separate resource rents earned from the use of land which may be split and also noting that returns to the ownership of land may be reflected in holding gains and losses rather than resource rent. Generally, it is accepted that the valuation of land and the appropriate recording of entries in the balance sheets and flow accounts is a challenging area of national accounting and the topic has been placed on the 2025 SNA Research Agenda. In this context, it is proposed not to add any additional text concerning the potential to apply the split-asset approach for land in section C.1 (paragraph 27.25-27).

Contracts, leases, licenses and permits

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 28 : Non-financial corporations

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Non-financial corporations

Substantive issue 28.2.1

Description of issue

- In paragraph 28.63 concerning operating leases for lessees and operating leases with a term of more than 12 months there are statements in relation to the treatment under IFRS. The respondent considers that these statements are incorrect. They noted that according to IFRS 16, *Leases*, lessees no longer classify leases as either an operating lease or as a finance lease and the 12 months reference is related to recognition exemptions for lessees, not to operating leases for lessees.

Proposed response

- Although the text does not seem wrong it does appear incomplete. Following the suggestion of the respondent it is proposed to insert some additional explanation to clarify the IFRS treatment and hence the difference from SNA (changes highlighted by underlining).

Non-financial corporations

Substantive issue 28.2.1 (cont)

Proposed response (cont.)

28.63 Three particular areas where the IFRS adopts approaches somewhat different from the SNA are in the area of the recognition of holding gains and losses as income, in the recording of provisions and contingent liabilities, and in recording operating leases for lessees and lessors (where the IFRS has a treatment that is inconsistent between lessors and lessees). As discussed in paragraph 14.114, certain types of provisions should be recorded as supplementary items in SNA balance sheets. For operating leases with a term of more than 12 months, the IFRS requires the lessee to recognize an asset and associated liabilities, even though those assets and liabilities are also recognized by the lessor. Under IFRS, lessees adopt a right-of-use model where they recognize a right-of-use asset and a lease liability, except for short-term leases (leases for 12 months or less) and leases of low value assets, while lessors adopt the risks and rewards incidental to ownership model where they classify each of their leases as either an operating lease or a finance lease. The SNA treatment of operating leases is based on the concept of economic ownership and treats operating leases, regardless of duration, as not involving a change of economic ownership (see section B of chapter 27). This treatment is applied consistently for both lessees and lessors, and both classify each lease as either an operating lease or a finance lease."

Non-financial corporations

Substantive issue 28.4.1

Description of issue

- Paragraph 28.59 notes that "There is a close relationship between the SNA and IFRS" but the respondent questioned whether that was an appropriate description of the relationship. They proposed the wording from SNA2008 was perhaps better: "The principles underlying the IFRS are in most cases entirely consistent with the principles of the SNA."

Proposed response

- Propose no change as the new text better reflects the nature of the relationship between the SNA and IFRS and reflects ongoing discussions with the accounting community through the update process.

Non-financial corporations

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 29: Financial corporations

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Financial corporations

Substantive issue 29.2.1

Description of issue

- It is considered that there is vagueness in paragraphs 29.30 and 29.32 on what is required by the 2025 SNA and what is supplementary.

Proposed response

- The status of the items mentioned in these paragraphs will be clarified – those mentioned in paragraph 29.30 are standard components and those mentioned in 29.32 are supplementary items.

Financial corporations

Substantive issue 29.3.1

Description of issue

- There is a difference in the definition of a central bank (SNA 2025 paragraph 29.39 and SNA 2025 paragraph 5.155) as 29.39 includes a fifth bullet.

Proposed response

- The additional bullet in 29.39 “- Supervisory authorities that are not separate institutional units and are part of the central bank. If they constitute separate institutional units, then these units and their accounts are part of Financial auxiliaries” – will be removed from the list and added as a separate sentence at the end of the para as a clarifying comment.

Financial corporations

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 30: General government and the public sector

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General government and the public sector

Substantive issue 30.1.1

Description of issue

- The introduction of new guidance on the rerouting of transactions through government, which was mentioned in the consolidated list of recommendations on the update of the 2008 SNA that was provided to the 2024 UNSC, meeting was unable to be located.

Proposed response

- We will work with IMF GFS on how this can be addressed.

General government and the public sector

Substantive issue 30.4.1

Description of issue

- It is suggested that paragraphs 30.177–30.182 -be deleted as these paragraphs basically repeat the table “Comparison of SNA and IPSAS”. Consequently, it is suggested to add the following sentence at the end of paragraph 30.176: "Table 30.1 summarizes the differences between SNA and IPSAS."

Proposed response

- This change will be made, with Table 30.1 reviewed to make sure no information is lost by deleting paragraphs 30.177-30.182.

General government and the public sector

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 31 : Non-profit institutions

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Non-profit institutions

Questions for AEG Discussion

1. Do AEG members have any comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 32 : Households

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Households

Substantive issue 32.4.1

Description of issue

- It was proposed to refer also to household wealth surveys in addition to surveys of household income and expenditure in paragraph 32.8c and 32.24.

Proposed response

- While this addition is possible, given the matter has only been raised by one respondent and does not add significant value, no change is proposed. Further, surveys of household wealth are specifically mentioned in 32.86.

Households

Substantive issue 32.4.2

Description of issue

- Concerns were raised on the messages in the text concerning the treatment of institutional households. These concerns were (a) the need to be more explicit that considering institutional households as a single individual will always result in errors (para 32.93 – current text suggests it may); and (b) the observation that by excluding institutional households then inequality is likely to be underestimated.

Proposed response

- In response to the first concern the following change is proposed: Para 32.93: replace the words “may” with “will” thus: “Furthermore, treating them as a single household comprising many individuals will ~~may~~ lead to heterogeneous results and will ~~may~~ distort distributional analyses. In response to the second concern, while this may be the case analytically, the stated focus of the section is on private households and hence no change to the text is proposed.

Households

Substantive issue 32.4.3

Description of issue

- It was suggested that a more refined message concerning the treatment of the use of equivalence scales for wealth should be applied.

Proposed response

- In paragraph 32.95 it is proposed to:
 - Add the following words to the end of the first sentence: “While approaches for estimating and applying equivalence scales for income and consumption are well developed, for wealth there is less consensus on the appropriate equivalence scale whether to use equivalence scales and what the appropriate scale would be (see also para 32.112)”.
 - Add the following words to the end of the last sentence: “...including the option to present distributional results by household size and composition without rescaling.”

Households

Substantive issue 32.4.4

Description of issue

- It was suggested that in the section D on Households as producers, that household electricity production should be mentioned as well as user-generated content on digital platforms produced by households fulfilling the criteria of assets (IPPs).

Proposed response

- It is agreed that the scope of this section could be expanded to cover these examples of own-account production within the production boundary. It is proposed to include a new sub-section “Other household production included within the production boundary of the integrated framework”. This new sub-section would be included just prior to the current fifth sub-section (D.5) that notes household production of unpaid household service work. The new sub-section would be 1-2 sentences long and make relevant references to guidance in Chapter 7.

Households

Substantive issue 32.4.5

Description of issue

- It was noted that in paragraph 32.81 it is stated that “By treating pension schemes as social insurance schemes, pension benefits are shown as current transfers, and thus income, rather than as a run-down of saving.” but this doesn’t really reflect the role of the adjustment for change in pension entitlements. A reference to the role of this adjustment was suggested.

Proposed response

- It is agreed that the SNA should describe the alternative ways of recording pensions in terms of income/expenditure and as accumulating wealth. This text will be reviewed to incorporate a reflection of these alternative presentations.

Households

Substantive issue 32.4.6

Description of issue

- It was suggested that in section G.3 on pension considerations it may be useful to draw attention to the supplementary pension table and reference could also be made to a possible table on household retirement resources.

Proposed response

- It is agreed that a reference to these tables would be appropriate and hence it is proposed to include a sentence at the end of paragraph 32.84 building on the current text in that paragraph that describes an asset account for pension entitlements.

Households

Substantive issue 32.4.7

Description of issue

- Paragraph 32.103 describes the broad compilation steps for distributional accounts. It was suggested that the final phrase in step #2 could be deleted, thus becoming “Select relevant micro data for the purposes of disaggregating macro accounting entries ~~for each household subsector/group.~~”

Proposed response

- It is agreed that the wording of step #2 can be improved and better aligned with the original discussion in the Guidance Note. It is proposed to revise the text to “Select relevant variables from micro data sources that link to national accounts variables”.

Households

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 33: Transactions between residents and non- residents

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Transactions between residents and non-residents

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
2. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 34 : Measuring well-being

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Measuring well-being

Substantive issue 34.2.1

Description of issue

- Ensuring a clear and well described connection between well-being and welfare and the link to the role of the SNA and measures such as GDP. Issue was raised by two respondents.

Proposed response

- Consistent with proposed refinements in chapter 2 on this issue, relevant changes will be incorporated to ensure consistent application of the terms well-being (to refer to the general concept), material well-being (as the focus of measurement in the integrated framework of the SNA and extended accounts) and economic welfare (as a synonym for material well-being). Also, the following new second last sentence is proposed for inclusion in paragraph 34.10 to summarise the key message from chapter 2, B.4: “The primary issue is that the set of goods and services included within the scope of GDP does not cover all goods and services which may be considered relevant for measuring material well-being.”

Measuring well-being

Substantive issue 34.4.1 & 2

Description of issues

- 34.4.1: Treatment of household ownership of common resources
- 34.4.2: Explanation of the link between ecosystem services and the production boundary applied in the integrated framework of the SNA

Proposed response

- These are recognised as wider issues. The proposed responses are described in a separate Issues note on natural capital related topics.

Measuring well-being

Substantive issue 34.4.3

Description of issue

- Clarify the treatment of non-use values. Issue was raised by two respondents.

Proposed response

- This issue is best considered a distraction since there are a range of interpretations of non-use values and the intent of the paragraph (34.75) was simply to note values beyond those recognised in the SNA and the SEEA. To limit confusion it is proposed to refine the text and remove explicit reference to non-use values.

Measuring well-being

Substantive issue 34.4.4

Description of issue

- Clarify the use of exchange values in paragraph 34.93.

Proposed response

- It is agreed that the last sentence should be re-worked to clarify the valuation approaches that are relevant. It is proposed the following new sentences (additions highlighted by underlining): “To support comparisons, the valuation of unpaid household service work should apply the same valuation approaches ~~exchange value concept~~ as applied for valuing non-market output production within the production boundary applied in the integrated framework of the SNA (see chapter 7) including market-equivalent prices and sum of costs methods. When applying a sum of costs approach, the costs incurred ~~as inputs to production~~ should be the same as those recorded as household final consumption expenditure (e.g., purchases of food, electricity, gasoline).

Measuring well-being

Substantive issue 34.4.5

Description of issue

- A range of comments were received on Figure 34.1: (i) it conflates aspects (components) of well-being and measures of these aspects; (ii) examples of aspects outside the boundary of the integrated framework of the SNA and outside material well-being should be reconsidered; (iii) distributional aspects should be reflected; (iv) consider identifying environmental-economic accounting connections distinct from social and population connections; and (v) clarify the connections to ecosystem services.

Proposed response

- It is agreed that improvements can be made and changes will be considered in conjunction with redevelopment of figure 2.1 in chapter 2. Note also that text associated with figure 34.1 (paragraphs 34.3 – 34.7) will also need to be updated to align with any changes.

Measuring well-being

Substantive issue 34.4.6

Description of issue

- In paragraph 34.104 consider improving the explanation and presentation of the link between unpaid household service work and industries, including the incorporation of ISIC codes. The current text was misinterpreted as implying the need to collect data on unpaid household service work data from industries.

Proposed response

- Propose that improvements are made in the presentation of this content with a focus on showing the link from unpaid household service activities to ISIC classes rather than the other way around as at present. In this respect, please also note the issue regarding the referencing of detailed classification codes from other standards, manuals and handbooks, as explained in the issues note on more generic crosscutting issues.

Measuring well-being

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 35 : Measuring the sustainability of well-being

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Measuring the sustainability of well-being

Substantive issue 35.1.1

Description of issue

- The use of a four capitals approach was not sufficiently discussed during the revision process and hence the recommendations in the chapter have not been sufficiently widely endorsed. Issue was raised by one respondent.

Proposed response

- After the first round of global consultation on this chapter in late 2023, there was a specific AEG discussion on the question of applying the four capitals approach. The AEG at that time explicitly endorsed the use of the four capitals framing for the discussion but at the same time did not support incorporation of a more integrated, wealth accounting type of approach. Since recommendations for the use of the four capitals approach has a long history of development and support within the economic and statistical communities for over 10 years – it is considered that there has been sufficient time for the national accounts community to reach a position on this topic. No change is proposed.

Measuring the sustainability of well-being

Substantive issue 35.2.1

Description of issue

- Need to ensure clear description of the concepts of well-being, welfare and sustainability and to ensure clarity on the role of the SNA. Issue was raised by two respondents.

Proposed response

- Consistent with proposed refinements in chapter 2 on this issue, relevant changes will be incorporated to ensure consistent application of the terms well-being (to refer to the general concept), material well-being (as the focus of measurement in the integrated framework of the SNA and extended accounts) and economic welfare (as a synonym for material well-being).

Measuring the sustainability of well-being

Substantive issue 35.2.2

Description of issue

- Lack of clarity on the components within economic capital and the associated issue of the boundary between produced assets and cultivated biological resources. A number of concerns were raised about the treated of cultivated biological resources as natural capital. Issue was raised by five respondents.

Proposed response

- This is recognised as a wider issue. The proposed response is described in a separate issues note on natural capital related topics.

Measuring the sustainability of well-being

Substantive issue 35.2.3

Description of issue

- Need to clarify the link between natural resources and ecosystem assets in particular with regard to the relationship between ecosystem services and the production boundary applied in the integrated framework of the SNA. Issue was raised by five respondents.

Proposed response

- This is recognised as a wider issue. The proposed response is described in a separate issues note on natural capital related topics.

Measuring the sustainability of well-being

Substantive issue 35.4.1

Description of issue

- Concern over the use of the term economic capital since natural and human capital can also be considered to be economic. Issue was raised by three respondents.

Proposed response

- The term economic capital has been applied as an umbrella term to refer to the group of assets including all economic assets recognised within the integrated framework of the SNA, with exception of those within natural resources. While some have expressed concern, in the absence of a widely endorsed alternative it is proposed to retain the term recognising that the text in the chapter defines its usage in this particular context.

Measuring the sustainability of well-being

Substantive issue 35.4.2

Description of issue

- In Section C on the measurement of natural capital using the SEEA the structure of the discussion was suggested to be changed. One suggestion was to just split land and ecosystems; another suggestion was to change natural resources to environmental assets. Issue was raised by two respondents.

Proposed response

- A split of land and ecosystems could be applied. Changing natural resources to environmental assets would be problematic since following the SEEA environmental assets encompass natural resources, land, cultivated biological resources and ecosystems. While some have expressed concern, there are a number of valid alternatives and on balance it is proposed to retain the current structure. At the end of the day, the SNA should not be seen as the source document for information on the SEEA and this section is intended only to introduce the SEEA.

Measuring the sustainability of well-being

Substantive issue 35.4.3

Description of issue

- Request for the chapter to better explain the link to sustainability and to consider wider conceptions of sustainability – i.e., in relation to better recognising the role of physical and non-monetary measures. Issue was raised by two respondents.

Proposed response

- The current text introduces the importance of non-monetary measurement in paragraph 35.2 and an additional reference to monetary and non-monetary measures is proposed for inclusion in paragraph 35.4 towards the end of the first sentence. Measurement in physical terms is reinforced in paragraph 35.5. It is not considered that additional material is required on this issue in the introduction to the chapter in terms of framing the discussion. To further highlight the relevance of non-monetary measures, in paragraph 35.54 (first sentence), it is proposed to explicitly note that the discussion in the paragraph refers to non-monetary data.

Measuring the sustainability of well-being

Substantive issue 35.4.4

Description of issue

- Request for the chapter to better explain the limitations and challenges in the monetary valuation of ecosystem services and assets. Issue was raised by one respondent.

Proposed response

- At present the chapter has one section (F.2) that discusses these issues. It is not proposed to amend this section. The relevant text is considered sufficient given the balanced focus that the introduction to the chapter provides for monetary and non-monetary measurement. The issue of the status of the SEEA Ecosystem Accounting is sufficiently explained in section F.2 but a reference to section F.2 is proposed for inclusion at the end of paragraph 35.59 which gives the only short mention of ecosystem accounting in monetary terms in Section C.

Measuring the sustainability of well-being

Substantive issue 35.4.5

Description of issue

- Request that paragraph 35.50 which describes the asset account, to recognise the differences between the asset accounts in the SNA and the SEEA. Issue was raised by one respondent.

Proposed response

- This is a good observation since, while in principle these accounts are aligned, the entries are slightly different with SEEA focusing on additions and reductions and SNA focusing on specific transactions and related entries. It is proposed to amend the text in paragraph 35.50.

Measuring the sustainability of well-being

Substantive issue 35.4.6

Description of issue

- Request that since the SNA asset classification will newly include some *of which* items in relation to environmental issues (e.g., renewable energy installations, fossil fuel installations, electric powered transport equipment, carbon capturing equipment, nuclear fusion equipment), these functional breakdowns of produced assets should be highlighted in paragraphs 35.19 – 35.23.

Proposed response

- This is a good suggestion and it is proposed to implement this as an extension to paragraph 35.21.

Measuring the sustainability of well-being

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 36 : Input-output tables

Carl Obst

Prepared GC Outcome Report

Sanjiv Mahajan

Chapter Editor

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

28 – 30 October 2024

Washington DC

Measuring the sustainability of well-being

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
2. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 37: From whom-to-whom tables and related financial analysis

Pete Harper
Prepared GC Outcome Report

Patrick O'Hagan
Chapter Editor

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

From whom-to-whom tables and related financial analysis

Substantive issue 37.4.1

Description of issue

- Several respondents were concerned the chapter advocated the so-called transactor approach rather than the alternative debtor/creditor approach. (Note: The version of the chapter that went for global consultation contained a note stating that this issue needed to be addressed.)

Proposed response

- The chapter will be updated to reflect the decision taken by the SNA/BPM Editorial Teams (and endorsed by the ISWGNA) on how this issue will be dealt with, as follows:
 - The transactor approach and the debtor-creditor approach will both be described SNA 2025 chapter 37.
 - It will be noted that the transactor approach is consistent with the underlying principles of the SNA. However, it will be recognised that in certain circumstances it may be useful to compile fwtw tables (which are analytical tables and not part of the SNA sequence of economic accounts) using the debtor-creditor approach, and compilers should do this if they wish.
 - It will be made clear that this alternative analytical approach is only relevant for fwtw tables and does not have any impact on the SNA sequence of economic accounts or on the BOP/IIP.
 - The issue will be included on the post SNA2025/BPM7 research agenda.

From whom-to-whom tables and related financial analysis

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 38 : Thematic and extended accounts

Carl Obst

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Marshall Reinsdorf

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

28 – 30 October 2024

Washington DC

Thematic and extended accounts

Substantive issue 38.2.1

Description of issue

- More clarity was requested on the distinction between thematic and extended accounts in particular why experimental methodologies seemed to only relate to extended accounts (para 38.10)

Proposed response

- It is agreed that experimental methods may be applied in the case of both thematic and extended accounts, accepting that this may be less often the situation in thematic accounts where the accounts are limited to reorganizing data within the scope of the integrated framework of the SNA. It is proposed to move the text on experimental methodologies from 38.10 to paragraph 38.6.

Thematic and extended accounts

Substantive issue 38.2.2

Description of issue

- Explanation is needed of the link between the SEEA accounts and thematic and extended accounts as described in section B. Since the SEEA constitutes a separate, complementary accounting system it is not clear that they should be considered as extended accounts as presented in para 38.13. This is also inconsistent the presentation of SEEA accounts in Chapters 2 and 35. Issue was raised by 3 respondents.

Proposed response

- Paragraph 38.13 recognises that the SEEA describes a complementary system of accounts. However, since this paragraph is placed within the sub-section titled “extended accounts” this description of the SEEA may be missed. Thus it is proposed to add a new second sentence as follows “The SEEA describes a complementary system of accounts that includes both thematic and extended accounts as defined in this chapter.”

Thematic and extended accounts

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

Towards the
2025 SNA

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

2025 SNA Chapter 39 / BPM7 Chapter 18 : Informal activities

Carl Obst

Prepared GC Outcome Report

Brent Moulton

Chapter Editor

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

28 – 30 October 2024

Washington DC

Informal
activities

Substantive
issue 39(18).2.1

Description of issue

- Request for upfront presentation, in paragraph 39.2, of relevant conceptual definitions – informal economy, non-observed economy, etc. Issue was raised by one respondent.

Proposed response

- The approach taken in the chapter is to work through the many relationships between these overlapping concepts and hence an upfront delineation would be inappropriate. No addition proposed since this is precisely what the chapter achieves .

Informal
activities

Substantive
issue 39(18).4.1

Description of issue

- Provision of compilation guidance and associated material. This issue was raised by three respondents .

Proposed response

- A reasonable introduction to relevant data sources and references to compilation guidance have been provided in the chapter. While practical guidance will be provided in the BPM7 Compilation Guide, additional text would be beyond the role of the SNA.

Informal
activities

Substantive
issue 39(18).4.2

Description of issue

- Extension of discussion on the non-observed economy (NOE). This issue was raised by one respondent.

Proposed response

- The latter sections of chapter 39 clearly explain that NOE is a compilation issue with a focus on ensuring exhaustiveness in the measurement of GDP in particular. There is a listing of relevant compilation guidance which is considered sufficient from the perspective of the content of the SNA. No change proposed.

Informal
activities

Substantive
issue 39(18).4.3

Description of issue

- Extension of discussion on dependent contractors with examples. This issue was raised by one respondent .

Proposed response

- Although this may be a new category of employment, the chapter clearly articulates where dependent contractors fit in the overall set of informal and formal employment and points to discussion in chapter 16 on labour inputs and also the International Classification of Status in Employment as places for further elaboration. No changes proposed.

Informal
activities

Substantive
issue 39(18).4.4

Description of issue

- Proposal to build a wider accounting description between informal economy and the household sector. This issue was raised by one respondent .

Proposed response

- While an interesting possibility, this would represent a considerable extension to the chapter that has a focus on the informal economy. No change proposed.

Informal activities

Questions for AEG Discussion

1. Do AEG members have any significant concerns with the proposed responses to the substantive issues?
2. Do AEG members have any significant concerns with the proposed ways of addressing the 'minor' issues mentioned in the Report on the Outcome of the Global Consultation for this chapter?
3. Do AEG members have any other substantive comments about the chapter they wish to make?

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