

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

Chapter 2 : National Accounts and measures of well-being and sustainability

46 comments were received from 19 respondents.

Question 1 – Have the agreed recommendations been reflected appropriately?

No substantive issues were raised.

No additional issues requiring changes of the current text were raised.

Question 2 – Is the material in the chapter clear?

Six substantive issues were raised.

Issue 2.2.1: 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 the following minor alterations would be appropriate:

- Paragraph 2.17: It is proposed to make the connection between material well-being and economic welfare when the concept of material well-being is first introduced.
- Paragraphs 2.39 and 2.40: It is proposed to ensure that the text explains the connection between the terms material well-being and economic welfare. Note the term economic welfare is not used again in the chapter.
- Paragraphs 2.40 – 2.48: It is proposed to ensure reference to material well-being rather than just well-being as appropriate. This is done correctly in some places (e.g. paragraphs 2.42 – 2.47) but not in all paragraphs.
- Section C onwards: It is proposed to ensure reference to material well-being rather than just well-being as appropriate

Issue 2.2.2: 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.

Issue 2.2.3: 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.

Issue 2.2.4: 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 (i) paragraph 2.24 concerning the general description of the SEEA; (ii) paragraph 2.71 concerning the treatment of renewable energy resources in the SEEA; (iii) paragraph 2.83 concerning the link to economic data; (iv) paragraph 2.85 concerning the asset boundary of the SEEA; and (v) paragraph 2.87 concerning the use of the term natural capital.

Proposed response: Small refinements in text are proposed for in all paragraphs to improve the explanation of the SEEA. Specific proposals are as follows:

- Paragraph 2.24 – 2nd and 3rd sentences: It is proposed to replace the 2nd sentence and opening to the 3rd sentence to read as follows: “To complement the SNA’s measures of natural capital, the SEEA provides a comprehensive set of monetary and non-monetary accounts covering natural resources and ecosystem assets. It includes measurement of (i) stocks and changes in stocks of natural resources and ecosystem assets; (ii) ecosystem services supplied by ecosystems (e.g. ...”
- Paragraph 2.71: It is proposed to replace the opening sentence to read “There are a number of refinements to the SNA sequence of economic accounts concerning environmental issues many of which build on advances in accounting described in the SEEA”.
- Paragraph 2.83: It is proposed to replace “environmental data” with “relevant environmental and economic data”.
- Paragraph 2.85: It is proposed to replace the opening of the 2nd sentence to read as follows: “In the SEEA Central Framework all environmental assets are included whether or not they have and exchange value ...”.
- Paragraph 2.87: It is proposed to replace, in the 2nd sentence, “natural capital” with “the environment”.

Please note that some of the terminology is still pending the outcome of a separate Issues note on natural capital related topics.

Issue 2.2.5: 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.

Issue 2.2.6: 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.

Fifteen minor additional issues were raised which are considered relevant for inclusion:

- Paragraph 2.9: It is proposed to change “multiple value perspectives” to “different value concepts”.
- Paragraph 2.14: It is proposed to delete “non-market” (4th sentence).
- Paragraph 2.22: It is proposed to add text in the 2nd sentence, as follows (changes highlighted by underlining): “From the perspective of economic theory, the measurement of sustainability focuses on the changes in stocks of capital over time and the extent to which there is the maintenance and generation of resources to support the material well-being of households in the future.”
- Paragraph 2.24: It is proposed to delete “non-market” (3rd sentence).
- Paragraph 2.31: It is proposed to delete “pragmatic” (2nd sentence).
- Paragraph 2.32: It is proposed to replace “While measurement boundaries may change ..” with “While alternative measurement boundaries may be used, ...”.
- Paragraph 2.36: It is proposed to add, in the 2nd but last sentence, “society” after “economy”.
- Paragraph 2.40: It is proposed to delete “relative” and refer only to marginal prices.
- Paragraph 2.44 (last sentence) and paragraph 2.85: It is proposed to replace “ecosystems” with “ecosystem assets”.
- Paragraph 2.48: It is proposed to refine the 1st sentence, by saying “..on the potential to use GDP as a measure of material well-being...”.
- Paragraphs 2.58 and 2.68: It is proposed to refer to “collective services” rather than “public goods”.
- Paragraph 2.62: It is proposed to replace “a component of the value of natural capital” with “natural resources”.
- Paragraph 2.66: It is proposed to replace, in the last sentence, “and determining capacity gaps” with “in terms of the capacity of the current capital stock to support the supply of relevant services”.
- Paragraph 2.87: It is proposed to replace, in the 4th sentence, “market” with “to the production of” and delete “non-market”.
- Paragraph 2.87: It is proposed to refer, in the 3rd sentence, to ecosystem accounting involving “measurement of the extent of different ecosystem types

and their condition”, instead of the “measurement of both the extent (size) and composition of ecosystem types and the condition (or health) of ecosystems” ...

Question 3 – Are there any errors in the chapter, or inconsistencies within this chapter or with other chapters?

One substantive issue was raised.

Issue 2.3.1: 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.

Two minor additional issues were raised which are considered relevant for inclusion:

- Paragraph 2.15: It is proposed to delete the words “and accounting”.
- Paragraph 2.59: It is proposed to change the reference to “The distribution and redistribution of income accounts for households” at the beginning of the first sentence to “The earned income account and the transfer income account for households”.

Question 4 – Are there any other concerns?

One substantive issue was raised.

Issue 2.4.1: 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”.

Five minor additional issues were raised which are considered relevant for inclusion:

- Paragraph 2.1: It is proposed to amend the first sentence to read as follows: “The measurement of well-being and sustainability is relevant for all countries”, and the second sentence to commence with “Countries...” rather than “We ...”.
- Paragraph 2.28: It is proposed to add a reference to chapter 18 on price and volume measures.
- Paragraph 2.36: it is proposed to delete the last sentence, as it adds no value and only raises confusion.
- Paragraph 2.58: It is proposed to include “environmental quality” following law and order.
- Paragraph 2.71: It is proposed to delete text in brackets concerning the link between renewable energy resources and biological resources – too much detail for this paragraph.

Disagreement with agreed recommendations for the update of the 2008 SNA – provided for information only

There were no recommendations regarding which five or more respondents disagreed.

Substantive concerns with 2008 SNA text unaffected by agreed recommendations – provided for information only

There were no substantial concerns regarding the 2008 SNA text unaffected by agreed recommendations.